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**Strategic Cities Development Project**

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**External Monitoring Report of Social  
Safeguards Management**

April –June 2019



**IDC** Integrated Development Consultants (Pvt) Ltd

## **Abbreviation**

AP	Affected Person/s
APD	Assistant Project Director
DPD	Deputy Project Director
DS	Divisional Secretary
DLB	Dharmashoka-Levellla-Boowelikada Road
EAC	Entitlement Assessment Committee
EM	Entitlement Matrix
EVC	Eligibility Verification Committee
FGD	Focus Group Discussion
GN	Grama Niladhari
GOSL	Government of Sri Lanka
GRC	Grievance Redress Committee
GRM	Grievance Redress Mechanism
GSBS	Good Shed Bus Stand
Ha.	Hectare
HH	Household/s
IEM/EM	Independent External Monitoring
IOL	Inventory of Losses
IGP	Independent Grievance Panel
KII	Key Informant Interview
KMD	Katugastota- Madawala -Digana Road
KMTT	Kandy Multi-Modal Transport Terminal
LA	Local Authority
LAA	Land Acquisition Act
LAR	Land Acquisition Regulation
LAR	Land Acquisition Regulations
LGRC	Local Grievance Redress Committee
LRP	Livelihood Restoration Plan
LRP-NGO	Livelihood Restoration Plan implementing Non-Governmental Organization
MCs	Municipal Councils (Jaffna -JMC, Kandy -KMC and Gall -GMC)
MM&WD	Ministry of Megapolis and Western Development
MOL	Ministry of Lands
NIRP	National Involuntary Resettlement Policy
O&M	Operation and Maintenance
PD	Project Director
PIA	Project Implementing Agency
PIU	Project Implementation Unit
Pkg	Package
PMU	Project Management Unit
PPA	Project Partner Agency
PS	Pradeshiya Sabha
A/RAP	Abbreviated Resettlement Action Plan /Resettlement Action Plan
RPF	Resettlement Policy Framework
Rs.	Srilankan Rupees
SCDP	Strategic Cities Development Programme
SDO	Social Development Officer
SLLRDC	Sri Lanka Land Reclamation & Development Corporation
SLTB	Sri Lanka Transport Board
DoH	Department of Health
S/LARC	Super Land Acquisition & Resettlement Committee /Land Acquisition & Resettlement Committee
SLR	Sri Lanka Railways
SLTB	Sri Lanka Transport Board
UDA	Urban Development Authority
USD	United State Dollar
WB	World Bank

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## 1. Introduction

### 1.1 Background

This document is the quarterly report of independent external monitoring (IEM) for the Strategic Cities Development Project (SCDP) which is co-financed by the Government of Sri Lanka (GOSL) and the World Bank (WB), covering an implementation period from April to June 2019. Based on a review of a sample of sub projects this IEM report assesses the status and performance in social safeguards management, its compliance with social safeguard policies of the GOSL and WB in the implementation process and discusses issues emerging from safeguards implementation. The report also presents a set of recommendations for the improvement of social safeguard implementation and supervision of sub projects.

The IEM report has been prepared by the Integrated Development Consultants (IDC) as per the contract entered with the SCDP in May 2018.

### 1.2 Project Description

The Ministry of Megapolis and Western Development of the GOSL is implementing the SCDP to transform selected cities of Sri Lanka leveraging on the city/city regions' cultural and economic assets and future potential. The project interventions are developed for Kandy, Galle and Jaffna city regions.

The project outputs are expected to result from three broad categories of strategic investments which are organized according to four specific components of interventions. These interventions comprise 46 sub projects (including 3 for institutional capacity development) identified for implementation and completion which amount to a total investment of USD 192.08 (table 1):

*Table 1: Summary of Project Interventions by Components*

Categories of Strategic Intervention	Component 1 (Kandy City Region)	Component 2 (Galle City Region)	Component 4 (Jaffna City Region)	Total No. of Sub Projects
(i) Integrated urban services improvement to enhance functional aspects of the cities	14	11	06	31
(ii) Public urban space enhancement to improve the attractiveness and livability of the cities.	05	05	02	12
(iii) Institutional capacity building	01	01	01	03
<b>Total</b>	<b>20</b>	<b>17</b>	<b>09</b>	<b>46</b>

*Source: Project Management Unit, SCDP*

The overall priority of SCDP is on the improvement of functionality of the cities. Thus, as seen from Table 1 above, out of a total 46 sub projects 31 are strategic investments for improvements in functional aspects of the cities whereas 12 are investments in liveability improvement. Similar prioritization is reflected in the individual components as well.

As at June 2019 the project status is indicated in the table 2.

**Table 2: Status of Sub projects implementation**

Categories of Strategic Intervention	City	No. of projects	Planning	Construction /Ongoing	Temporary Terminated	Completed
(i) Integrated urban services improvement to enhance functional aspects of the cities	Kandy	14	4	1	2	7
	Galle	11	3	8		
	Jaffna	06	2	3		1
(ii) Public urban space enhancement to improve the attractiveness and livability of the cities.	Kandy	05		3		2
	Galle	05		5		
	Jaffna	02	2			
iii) Institutional capacity building	Kandy	01		1		
	Galle	01		1		
	Jaffna	01		1		
<b>Total</b>		<b>46</b>	<b>11</b>	<b>23</b>	<b>2</b>	<b>10</b>

Source: Project Management Unit, SCDP

Construction work is on-going in all sub projects except for two subprojects where the contractors were terminated, and a replacement was under consideration. There have been delays in construction work in a few projects with implications for social safeguards management.

### 1.3 Project Components

#### 1.3.1 Component 1: Kandy City Region

This component supports priority improvements to relieve traffic congestion and upgrade municipal services and urban spaces to enhance liveability and to sustain the world heritage city and its agglomeration areas. This includes: (i) traffic improvements, such as the rehabilitation of selected by-pass roads, and establishment and improvements of selected public transport facilities and traffic management measures; (ii) augmentation and rehabilitation of Kandy municipal water supply system; (iii) rehabilitation of major drains; (iv) urban upgrading, including the enhancement of selected streetscapes and public spaces, restoration and adaptive reuse of historic and landmark buildings etc. Out of all sub projects of SCDP, the Kandy Multimodal Transport Terminal is the prime intervention which involves the establishment of a modern centralized transport service system integrated with the railway transport services and public and private bus transport services to be managed by a professional multi-stakeholder management agency. The Goods Shed Bus Stand, Clock Tower Bus Stand, Torrington Bus Stand and Bogambara Bus Stand which is used as a bus parking place will be relocated at the Goods Shed as The Terminus. Upon completion, there will be several satellite bus stands at the outskirts (Tennekumbura, Katugastota, Peradeniya) from where the buses will come to the terminus to pick up the commuters and go. The sub project will be implemented over seven years during 2014 to 2021 and construction period will be from 2018 to 2021. During the construction period the current bus operations at Goods Shed stand will be re-routed for continued service.

### 1.3.2 Component 2: Galle City Region

Galle City Region Interventions support priority improvements to reduce flooding and upgrade urban services and public urban spaces to improve and sustain the City Region. These include: (i) flood reduction measures, including the rehabilitation of selected canals and surface drainage infrastructure; (ii) coastal erosion reduction measures for selected areas; (iii) urban upgrading, including the enhancement of selected streetscapes and public spaces, restoration and adaptive reuse of historic and landmark buildings etc.

### 1.3.3 Component 4: Jaffna City Region

Jaffna Component focuses on relieving traffic congestion and upgrading municipal services to enhance liveability and to sustain world heritage city and its agglomeration areas. Two broad categories of strategic investments are envisaged: (1) Integrated urban services improvement thereby enhancing functional aspects of the city, and (2) Public urban spaces enhancement thus enhancing the attractiveness and liveability of the city. The interventions cover 3 activity areas: (a) Roads and Traffic Transport improvements, (b) Drainage Improvement, and (c) Urban Revitalization and Cultural Heritage.

## 1.4 Social Safeguards Categorization of Sub Projects

Social safeguards are integrated to the project activities undertaken under SCDP. Although many of the interventions carry minor impacts, there are 16 sub projects with inherent adverse impacts of moderate to substantially significant, some involving resettlement of people often accompanied by complex involuntary resettlement issues (Table 3).

**Table 3: Distribution of Sub Projects according to the Severity of Social Impacts**

Severity of Impacts	No. of Sub Projects by Component			
	Kandy	Galle	Jaffna	Total
Substantially significant	3	1	2	6
Moderate	2	5	3	10
Low	14	10	3	27
<b>Total</b>	<b>19</b>	<b>16</b>	<b>8</b>	<b>43</b>

*Note: Three interventions for institutional capacity development are excluded in this table.*

Acquisition of land is a requisite for most of the Category ‘B’ and Category ‘A’ sub projects involving construction and rehabilitation. During the early stage in the project cycle an initial social screening is carried out to ascertain involuntary resettlement impacts and assign a category and decide on appropriate safeguard instruments to manage the impacts. For the sub projects in Category ‘B’ or Category ‘A’ further social assessments are conducted and provisions made for addressing potential involuntary resettlement impacts. The project specific Resettlement Policy Framework (RPF) gives clear guidelines to ensure that there are no adverse effects on the lives of the people, particularly the vulnerable groups and individuals.

## **1.5 Resettlement Implementation Monitoring**

### **1.5.1 Objectives of Independent External Monitoring**

As per the Terms of Reference (TOR), the summary of specific objectives of this IEM are to:

- Assess the planning and implementation of RAPs to verify ongoing and completed activities including quality and timeliness; and if and how these activities are implemented, and if interventions are sustainable particularly for the poor and vulnerable
- Assess the level of compliance in planning and implementing resettlement in sub projects as defined in the RPF and in the Bank and country safeguard policies; and recommend corrective actions to improve implementation and management
- Assess if the living standards and wellbeing of all APs has improved or at the minimum restored to pre-project levels and provide recommendation to improve implementation
- Evaluate the performance of PPAs and other stakeholders involved in implementation and post intervention implementation of social safeguards, and assess the need for capacity building

The inception report including the social safeguard monitoring framework was submitted to the SCDP and the Bank in June 2018.

## **1.6 Approach and Methodology of the Independent External Monitoring**

The first monitoring exercise was undertaken by a team of qualified resettlement / social development consultants. The methodology adopted for this exercise included:

- Desktop review of relevant documentation including but not limited to abbreviated and full Resettlement Action Plans (RAP), livelihood restoration/ improvement plans, social screening reports, internal monitoring and progress reports including grievance redress records and capacity building programmes
- Meetings and key informant interviews with land acquisition and social teams
- Fieldwork including focus group discussions (FGD) and individual interviews with project affected persons (APs) including relocated persons and community volunteers selected according to the stage of resettlement implementation of the three components, i.e. completed, on-going, and planned sub projects.
- Meetings with the community / social officers and other relevant officers of the construction firms and contractors

For the first quarterly monitoring and evaluation, the focus was to concentrate on some issues to study. According to this approach, it was decided to focus on the Kandy Component where most of the sub projects are located and select 5 subprojects that represent the main phases of involuntary resettlement management process of the SCDP.

For this quarter (April –June 2019) three subprojects have been selected for the assessment of implementation of social safeguard aspects and a summary of three sub projects thus selected



is presented in Table 4. The subprojects one each from Kandy, Jaffna and Galle components were included in addition to those already in focus in Kandy Component. In addition, present status of the subprojects of Dharmasoka-Lewella-Bowelikada(DLB) Road Rehabilitation and Katugastota-Madawala-Digana (KMD) Road Rehabilitation also reviewed. These 2 sub projects were reviewed in the first QPR.

**Table 4: Sample of Sub Projects Selected for External Independent Monitoring**

No.	Name of Sub project	Impact Category	Implementation Stage	Safeguards Management
1	Kandy Multimodal Transport Terminal Construction	A	Implementation/ planning	Major impacts managed through RAP
2	Rehabilitation of Moragoda Ela-Main Canal & Temple By-pass	A	Implementation	Major impacts managed through RAP
3	Improvement of Puloly Kodikamam Road Section (AB31)	A	Implementation	Major impacts managed through RAP
4	Dharmasoka – Lewella-Bowelikada (DLB) Road Rehabilitation	A	Implementation suspended	Major impacts managed through RAP
5	Katugastota-Madawala-Digana (KMD) Road Rehabilitation	A	Implementation suspended	Major impacts managed through RAP

### 1.6.1 Focus Areas for the IEM

The main topics that the IEM team focused for the first quarterly monitoring included:

- i. Implementation of RAP
- ii. Land acquisition and payment of compensation
- iii. Livelihood restoration and improvement
- iv. Gender integration
- v. Assistance for vulnerable groups
- vi. Stakeholder engagement
- vii. Grievance redress

### 1.7 Activities Undertaken

During the reference period, 12 KIIs with Project Officers and 4 KII with PPAs, and 19 persons to person meetings were conducted with the PAPs of the sampled subprojects. Summary of the consultations is presented in Table 5 below while the details are annexed (Annex 2).

**Table 5: Activities Conducted for Independent External Monitoring**

Type of Consultation	Location	No. of Consultations	No. of Participants by Gender	
			Male	Female
Individual Interviews with PAPs	Kandy	20	16	4
	Galle	8	1	7
	Jaffna	7	5	2
KII with Project Officers	Kandy	8	6	2
	Galle	3	2	1

	Jaffna	3	2	1
KII with PPA	Kandy	2	1	1
	Galle	1	0	1
	Jaffna	2	2	0
KII with PMU		3	3	0
<b>Total</b>		<b>57</b>	<b>38</b>	<b>19</b>

## **1.8 Report Layout**

The main findings are discussed in the chapters organized as follows.

- Section 1** Introduction, project description, objectives of resettlement monitoring, methodology
- Section 2** Status of resettlement implementation
- Section 3** Compliance against involuntary resettlement policy as well as the commitments and recommendations

## 2. Status of Resettlement Implementation

SCDP has been implementing resettlement and rehabilitation activities since 2015. These activities have been carried out within the draft Social Management Resettlement Policy Framework (SMF) prepared by the GOSL which was adopted by the World Bank during the project appraisal process when the specific sub projects for each component were not known in detail. In fact, it included three components – Kandy and Galle and Institutional Capacity Development. The document was formally disclosed in the project website in October 2014 and was revised, updated, finalized and disclosed as resettlement policy framework RPF in Dec. 2016 following the GOSL request to incorporate Jaffna city region made in 2015. This section highlights the progress in land acquisition and payment of compensation, resettlement and rehabilitation in respect of the sample sub projects in the Kandy Component of SCDP. Key findings of the IEM are discussed in the next chapter.

### 2.1 Progress in Land Acquisition

#### 2.1.1 Project Land Requirement

A total extent of 14.2728ha has been identified for acquisition for the sampled sub projects. The number of land parcels affected consists of 2,087 contributed to by 1,783 private lands, 51 temple lands and 253 public lands that is made up of 139 small parcels, 3 relatively large parcels and wayside space belonging to the SLR and KMC.

**Table 6: Affected Land and Households by Sampled Sub-projects**

Name of Sub Project	Private Land		Temple land		Public land		Total	
	No. of Parcels / Extent (ha.)	No. of HHs	No. of Parcels / Extent (ha.)	No. of Temples	No. of Parcels / Extent (ha.)	No. of Institutions / HHs	No. of Parcels / Extent (ha.)	No. of HHs & Institutions
Kandy Multimodal Transport Terminal Construction	2 (0.0189)	2	0	0	3 (3.6552)	818	5 (3.6741)	820
Rehabilitation of Moragoda Ela-Main Canal & Temple Bypass	322 (2.6449)	322	5 (0.1551)	2	108 (1.5888)	1	435 (4.3888)	325
Improvement of Puloly Kodikamam Road Section (AB31)	341 (2.175)	352	0	0	3 (0.012)	3	344 (2.187)	355
Dharmashoka – Lewella-Boowelikada Road Rehabilitation	211 (0.981)	129	34 (0.014)	34	67 (0.252)	7	312 (1.247)	170
Katugastota-Madawala-Digana Road Rehabilitation	907 (2.5839)	835	12 (0.14)	8	72 (0.052)	25	991 (2.7759)	868
<b>Total</b>	<b>1,783 (8.4037)</b>	<b>1,640</b>	<b>51 (0.3091)</b>	<b>44</b>	<b>253 (5.56)</b>	<b>854</b>	<b>2,087 (14.2728)</b>	<b>2,538</b>

Note: Within parentheses are the affected extents of land.

As of June 2019, 99% of private land parcels have been acquired and compensation paid. 95% of Land Acquisition process completed for 2 Private land lots. Due to disputes among the co-owners of small plots of private lands (0.0037ha) at KMTT the due amount of compensation

will be deposited at the District Courts until a settlement is reached. However, most of the affected land comprises of State land which are owned or managed by State agencies such as the KMC, SLTB and the SLR who are PPAs and will continue to play a role in the management of the KMTT upon completion of construction.

As such, there is no further land acquisition / repossession is involved.

### **2.1.2 Current Status**

Almost all land required for the sub projects has been acquired for the project. No additional land was required during implementation. In the main, the three road rehabilitation projects in Kandy and Jaffna Regions and the KMTT project required private land taking. However, most of the land affected by KMTT belongs to public institutions such as KMC, SLR, SLTB that are partners implementing this project.

Moragoda Ela subproject requires acquisition of 435 land lots (246 PAPs) with an extent of 4.3888ha. Of them, 421 lots belonged to the 238 titleholders whereas the rest 19 was occupied by 8 non-titleholders. Land acquisition process is already completed in 2018. Land acquisitions affected 246 households of whom 41 households lost >20% of their land and residential structures. Physical displacements were caused to 41 households and 17 of them have been resettled. The land losses to rest 232 was <20% of their total land assets.

Cash compensation to the value of SLRs 395.43mil had been paid for 435 land lots and of that amount of Rs 58.136mil (including the development value of Rs. 37.18 mil of 14 APs) with regards to 53 land lots were deposited at District Courts. The extent of these 53 lands is 0.3869.

In Puloly Kodikamam Road (AB31 road) 344 lands plots were acquired with an extent of 2.187ha belong to 352 land owners, Land acquisitions will affect 234 households whose property losses are estimated to be <20%. According to the available records rupees 47.01 million were paid to 355 APs comprising of private and public. Of that ownership of 94 plots (1.33928 ha) were not determined and Rs. 5.4 mil of compensations for lands were deposited at District Courts until ownership disputes are settled.

The land acquisition and payment of compensation in SCDP was efficient and carried out within the safeguard principles and procedures. All compensations for land acquisition were paid prior to the commencement of physical work in KMTT, Moragoda Canal and AB31 road.

IEM were informed by the APs of AB31 road that they never expected substantial payment of this level for the small plot of lands acquired for widening the road and said it was higher than anticipated. Since the construction of the road is provided with easy and effacement access to APs to a greater extent, they never expected any compensation as such.

Provision of lands by the KMC for the resettlement of households due to loss of residence at Dharmashoka Mawatha has been discussed in the last QPR.

## 2.2 Impacted Households and Businesses

According to the impact assessment studies and the RAPs for KMTT, Moragoda Ela and AB31 Road, Dharmashoka Mawatha project and the Katugastota-Madawala-Digana road project, a total of 1,347 affected households have been identified. Out of these, 5 residential households, including 2 business-cum-residential households were permanently impacted, and were relocated to make way for the planned projects.

*Table 7: Affected Households by Type and Sampled Sub-projects*

Subproject	No. of Affected Residential Households	No. of Households with Commercial Enterprises	Total
KMTT	2	571	573
AB31 Road	246	2	248
Moragoda Ela	189	14	203
DLB Road	20	7	27
KMD Road	271	25	296
<b>Total</b>	<b>728</b>	<b>619</b>	<b>1347</b>

In terms of businesses affected, 571 businesses have been identified as being permanently affected while 48 businesses face short term impacts. The latter group consisted of 2 retail shops at AB31 road, 25 vendors at KMD road project and 7 at DLB road project, 14 businesses at Moragoda Ela rehabilitation project. The permanently affected group of 571 businesses is located at the KMTT that comprises of 34 owner-business operators, 127 tenant business operators, 192 renters of business premises, 150 mobile vendors, 65 three-wheel operators, and 3 operators of public utilities.

Civil works of the canal affected 2 large private commercial enterprises comprised of one hotel cum reception hall and a saw mill. Cash compensation amounting to Rs. 5,029,247.32 has been paid to the hotelier for the building damaged and to offset the lost income over 6 months. However, these APs demand more compensation for their losses.

### 2.2.1 Current Status

The number of affected households as reported in the assessment reports and resettlement action plans was found to be an underestimate in some cases. However, these have been updated by the PMU. There were no additional land requirements necessitated by design changes in respect of the sub projects. The changes were due to the certain errors that had occurred in the census takings. For example, the number of affected vendors had not been fully accounted for in the original assessments. However, the PMU updated the census takings. The IEM exercise did not find evidence of any impacted households who have been left out from entitlements.

## **2.3 Resettlement: Permanent Relocation**

Of the 47 residential households identified for resettlement and 571 business identified for permanent relocation:

- 5 households were moved from Dharmashoka Mawatha
- 571 businesses from KMTT are being moved out of the present location (Goods Shed Bus Stand)
- 43 households were identified to move out of the construction area in Moragoda Ela project and 33 households already left.

### **2.3.1 Current Status**

Relocation of KMTT businesses commenced in May 2019 and 68 business places/units have been demolished during the reference period and handed over to the project by the owners after receiving compensation. It will take a month or two to achieve 100% target as APs are being paid compensation at present.

Resettlement of 43 houses in Moragoda Ela has not been completed yet. Of that 10 APs were partially affected and relocate within the same land. They are planning to relocate soon after the completion of the construction of the relevant section of canal. There are 31 self-relocate APs moved into different places elsewhere in the city and of that 2 have resettled on balance portion of same land and the resettlement of balance 10 is incomplete.

KMTT design will include shopping space, and the businesses permanently affected by the sub project will be able to bid for shops. For permanent and full loss of commercial property, the RPF includes provision to give priority to avail of shops on long term lease at any commercial site (if available or planned) and any other public shopping scheme on payment of premium. The RAP of the KMTT mentions about the need for granting priority for these displaced businesses in shopping complexes. However, business losses of all APs are being compensated and they are guided by the Social Team to start their livelihood activities in new locations.

All major resettlement activities of the other sample subprojects implemented (DLB, KMD) have been completed. For the 5 residential households of Dharmashoka Mawatha to be resettled who preferred to move in group, the PIU in consultation with the APs and the KMC arranged for a project sponsored new resettlement scheme located at Pallekele-about 5 km beyond the outer perimeter of the KMC area of authority. The PIU technical staff also provided assistance in the preparation of house plans. However, following the disclosure of the amount of compensation 3 out of the 5 households decided to obtain cash compensation and opted for self-relocation while 2 households among them preferred cash and land to build their houses on the alternative land identified for siting the resettlement scheme. Thus:

- 3 households moved themselves to relocation sites in Kandy in their own choice (2 households at Sirimalwatte on purchased property, 1 household at parental house)
- 2 households were relocated on KMC land plots of 5 perches each provided at no cost to the AP
- 3 households who self-relocated claim that they have the ownership rights to the KMC provided land parcels

## **2.4 Resettlement: Temporary Relocation**

Of the 35 temporarily impacted businesses and the 3 households:

- 3 households at Dharmashoka Mawatha were temporarily relocated for safety reasons
- 32 wayside vendors at KMD and DLB roads moved their business operations and will return to the sites after completion of the constructions.

### **2.4.1 Current Status**

All temporary relocation activities of the sub projects have been completed except for one household (Mr. Kuda Banda) at DLB road. In this case, the residential structure together with other assets including trees and outdoor toilet were damaged by earth slip occurred due to the road construction. He was paid a sum of Rs. 0.76Mn for the loss of income due to temporary relocation. Two (2) temporarily relocated households (Mrs. Premalatha and Mr. Premasiri) moved back to their original location after completion of the land and soil stabilization measures. However, Mr. Kuda Banda yet remains in temporary accommodation due to the incomplete embankment stabilization and repairs to the house. Soil nailing in this location and the access road to the house have been completed. Damages to the house and other assets belonging to Mr. Kuda Banda have been assessed, cost estimates prepared and construction work is in progress. In all the planning sessions including restoration of structures Mr. Kuda Banda was assisted by the social team and other staff of SCDP. The SCDP is currently spending a sum of Rs. 1mill and Rs.1.6 mill for the reconstruction of Kuda Banda's house and provision of access & safety fence respectively

## **2.5 Payment of Compensation and Resettlement Assistance**

### **2.5.1 Affected Land Owners and Users**

During the monitoring visits of the IEM the PMU officials reported that all private landowners affected have been paid full compensation due to them for their affected land plots and structures thereon along with other allowances without a delay. Principles / methods of calculation of compensation including the items assessed for compensation were explained to the APs and assistance to lodge claims provided. This was confirmed in the process of conducting consultations with the affected households for the IEM. The APs were informed that the whole plot of land is considered for compensation in the event of the remaining portion is rendered unviable due to land acquisition, and that the original owner will still be allowed to use it. Accordingly, a claim had been made for compensation for the whole plot located near the public playground at the beginning of DLB road. In this case, the SCDP investigated the merits of the case and, instead of paying compensation, decided to consolidate the embankment at a cost of Rs. 70mil enabling the APs to continue to utilise the remaining portion without any issue.

Squatters were paid compensation for land improvement undertaken in consultation with land owners although they are not eligible for compensation for the land. Compensation has been paid under the following categories:

- Land plots acquired permanently for the project

- Land plots rendered unviable due to acquisition of a portion of land
- Land plots rendered unstable due to project construction activities
- Land plots requisitioned for temporary utilization of the project
- Land improvement
- Socioeconomic impacts
- Special cases brought before the Grievance Redress Committee

### **2.5.2 Current Status**

Compensation has been paid to all PAPs in the first part of 2016 based on the Land Acquisition Regulations 2008 and the provisions made in the Entitlement Matrix of the relevant sub project to 1,301 of landowners (DLB 312 + KMD 989). Need for supplemental or additional land emerged from an unintended encroachment of a private property on KMD that occurred after the commencement of sub project implementation. This development led 2 landowners (Mr. KANW Nanayakkara and Mrs. DM Pushparekha) to claim for compensation during project implementation. The SCDP completed the acquisition process and paid compensation. Except for these two isolated cases, compensation has been paid before the construction work started. However, there has been prolonged delay in construction in the case of KMD road rehabilitation project.

## **2.6 Payment of Compensation for Businesses**

882 businesses located within the sub project areas have been impacted as the sub project implementation required their closure or removal or temporary relocations. These included 295 of shop owners along the KMD road and Dharmashoka Mawatha, 571 businesses at KMTT (34 business operators, 127 tenants business, 192 rentiers, 150 mobile vendors, 65 three wheel operators and 3 public service providers), 16 retails shops/groceries on AB31 Road and Moragoda canal rehabilitation. Full compensation has been paid within the targeted period to all the affected businesses at KMD, projects. DLB and AB31 roads and Moragoda Ela following negotiations with the APs. Compensation has been paid for:

- Loss of business income for a specific period based on reported income ascertained by census and certification by relevant government authorities
- Cost of removal and transportation of business stock and materials
- Overcome the vulnerability status
- Documentation, stamp duties, application fees, registration fees and relevant taxes

### **2.6.1 Current Status**

All businessmen and mobile vendors are continuing with their business activities in or at the original places. Of these, 20 vendors at the Arthur Seat earned additional income from business activities carried out at nearby hotels or elsewhere in the city during construction. After rehabilitation of the viewing desk, they reported relative improvement in their business income. The shop owners along the KMD road complained loss of income as the construction got stalled that affected public access to shops. However, no additional compensation has been paid to mitigate impacts for the extended period of loss of income incurred. Nevertheless, the PMU is acting to offer fresh contracts to firms to complete the balance work. The enterprises



relocated in the vicinity of KMC rooftop continued their business activities unaffected and reported improved income. In general, those relocated at Ehelepola Kumarihamy Mawata reported similar or higher income although a few reported declined incomes. As shown in Table 3, compensation to APs of KMTT has been completed for 201 business operators while 241 cheques are ready for collection by APs. About 545 APs accessed the EAC for claims.

**Table 8: Details of Compensation Payments to APs of KMTT**

No.	Category of APs	No. of APs	No. of APs present at EAC	No. of APs Compensated	Amount Paid Rs.	Cheques Prepared
1	Title holder Business Operator	34	8	6	17,680,890.00	2
2	KMC Leaseholder Business Operators					
3	SLR Leaseholder Business operators					
4	Idakada Business Operators					
5	Tenant of KMC Leaseholders	127	83	53	72,870,163.00	22
6	Tenant of Idakada Occupies					
7	Tenants of SLR Leaseholders					
8	KMC Rentiers	192	125	71	114,323,161.00	36
9	Idakada Rentiers					
10	SLR Rentiers					
11	Mobile Vendors	150	86	52	18,125,821.00	2
12	Shop Assistants	245	192	19	2,131,500.00	163
13	Three Wheeler Operators	65	51	0		16
14	Titleholder land owners	2	0	0		0
15	Operator Public Utilities	5	0	0		0
		<b>820</b>	<b>545</b>	<b>201</b>	<b>225,131,535.00</b>	<b>241</b>

## 2.7 Livelihood Restoration

### 2.7.1 Business Plans for the APs of KMTT

SCDP has taken an additional measure to assist livelihood development activities of the APs (business operators) of KMTT who are relocated permanently. In order to ensure meaningful investments and to avoid wasting away the compensation paid, every business operator was encouraged to submit their business plans to SCDP for professional inputs from the project prior to submitting the same to EAC. SCDP hired an organisation, Janathakshan, to assist relevant APs of the KMTT to prepare business plans. The service provider was expected to work closely with 493 APs and prepare business plans in order to improve their socioeconomic status following non-land economic displacement.

### 2.7.2 Current status

Janathkshan has completed 404 business plans, which is around 70% of the assignment. However, 17 business operators did not wish to continue business any further due to ill health and personal reasons.

**Table 9: Professional Assistance to Enterprises, KMTT**

Category of APs	Target of Business Plans	Achievement	No. of Business Persons Opted to Discontinue	Balance Business plans
Business Operator and Rentiers	343	266	15	62
Mobile Vendors	150	138	02	10
<b>Total</b>	<b>493</b>	<b>404</b>	<b>17</b>	<b>72</b>

Arrangements have been made with the Regional Development Bank (RDB) to open facilitation accounts for APs to deposit compensation payments. Withdrawal of money is allowed for the activities of the business plan and also with the clearance of the Social Team of SCDP. This procedure ensures the continuous monitoring of the livelihood restoration of APs by Social Team. Credit facilities to meet any shortfall of funds for the implementation of business plans are provided by the bank and bank visit the door step of APs daily and provide assistance and collect the loan instalments.

IEM Consultants visited several APs and assessed the level of assistance offered by the SCDP to ensure the continuity of their socioeconomic status. It is observed that in most cases their living standard has been improved to similar to previous conditions or better.

Ms. Neesha Shereed is 48 years old disabled female wristwatches repairer at GSBS for more around 15 years. She earns approximately Rs 80,000.00 per month and fulfil her obligation toward the family such as looking after her mother and to support her brother and elder sister who are in economic hardships. She was granted with Rs. 1.45 million at the EAC including an additional payment for overcoming vulnerability status . Social team and livelihood development consultants worked closely and assisted her with new business plan to suit the new custom base which comprising of upper middle-class residents, shop owners, Government servants and students etc. She started her business on Peradeniya Rd, near Kandy Police Station and said that the income she earns at present is around Rs. 70,000.

Neesha is thankful for the continuous assistance offered by SCDP especially social team to restore her livelihood to a greater extent. Continuous support, guidance and advocacy from social team throughout process, from the date of taking census and physical relocation, are somewhat unusual and supplementary to restore her life back to normal. She simply explained about the changes take place in her life after moving into new location. She feels that she is physically, mentally and economically strong than ever before after relocation to a new place and substantial financial assistance provided to her for restore her livelihood by the SCDP.

## **2.8 Focus on Gender and Vulnerability**

The project is committed to integrate gender considerations in planning and ensure equity in the resettlement process and sustainability in shelter and livelihood restoration. The project objectives, activities, inputs and expected outputs need to be consistent with the gender context for both men's and women's vulnerabilities. Accordingly, the social development and resettlement instruments need to include a strong statement on addressing gender and social inclusion. Suggested strategies include; (a) provision of title of the alternative house in the joint name of spouses, if both are willing, and in the name of the mother and the children in case of the death of husband; (b) special attention to women headed households in the relocation and the post resettlement process with targeted livelihood assistance; (c) special care for women who are disabled and vulnerable in the provision of financial assistance to cover

recovery period during entitlement assessment (d) gender sensitive provision of civic infrastructure including sanitation, transport furniture, and facilities for women in recreational places created as a part of the project; and (d) encouraging women participation in management of resettlement buildings.

### **2.8.1 Current Status**

Gender considerations have been incorporated in planning, designing and implementing resettlement. All affected women property owners, land users including entrepreneurs have been included in the discussions, awareness programme and provided with entitlements.

Number of Women volunteers in Coordinating Committees of DLB and KMD road projects is 3 (30%) and 5 (19%) respectively. As the PMU noted, women's participation in economic activities in Goods Shed Bus Stand premises is limited to certain niche markets such as cooking and dishwashing in hotels, tailoring and selling betel which are less remunerative. Gender considerations are being included in the resettlement planning process targeted at the KMTT affected community considering the important differences among the categories of displaced persons.

## **2.9 Safeguard Management Process Commitments**

### **2.9.1 Stakeholder Engagement: Consultation and Disclosure**

The commitment to consultation and information disclosure is demonstrated in the meetings and discussions held with different stakeholders and APs including the resettled families and individuals as well as the publication of RAP in the project website in English and national languages. The initial screening reports and the assessment reports are available as internal documents. Records of grievances are maintained.

The methods of information disclosure include formal meetings, individual interactions both face to face meetings and telephone conversations, distribution of leaflets, display public notices, community consultation sessions, installation of large hoardings etc. In addition, specific messages were conveyed to individual PAP through letters and notices.

Consultations have been conducted at public offices, the community halls and the household levels. The interviews conducted for the IEM confirmed that the APs have been provided with information and that the project team kept them connected.

### **2.9.2 Consultations with the Land Users and Resettled Families**

The social teams of Kandy and Galle region have been conducting consultations with the families impacted by the loss of land they own or use, including the resettled families on a regular basis. During the planning stages household visits were made several times a week. Once resettled, the consultations continued weekly or monthly as part of monitoring process. By September 2019, several post-resettlement socioeconomic monitoring have been completed with respect to the families displaced by the DLB road and Moragoda Ela rehabilitation projects. 48 physically displaced households – 3 from DLB and 43 from Moragoda Ela – opted to self-relocate while 2 households decided to move to the sites allocated by the KMC for home owner driven house building.

Two families that were resettled on KMC property needed assistance in terms of house plans, approvals, water supply connection, electricity supply connection, relationship building with community, and above all, releasing funds in instalments for house building. Sometimes, the contractor needed money in advance, and the resettled family being poor could not meet such demands. The social team arranged to handover ownership papers, release of funds, encouraged the contractor, and kept in communication with the resettled family and the contractor. Prior to being resettled, access to the site was made motorable in addition to the installation of NWSDB drinking water supply that benefited the host community as well.

Delay in civil construction work remains one of the most challenging engagement issues for the social team. The issues discussed at the consultations began to move from short term inconveniences to issues related to contractor management, road access, quality of community life and social wellbeing.

Location specific issues have been managed through the social team (in coordination with the land and the environmental management teams).

### **2.9.3 Consultations with the Business Operators and Organizations**

The PIU in Kandy has been consulting the business operators that consist of various groups who are organized, connected yet informal, and have capability to articulate their interests. In general, they are individual entrepreneurs and include those who are directly impacted or potentially impacted. Consultations were conducted through their organizations. The revenue officers of the KMC played a critical role in consultations with the business operators.

Consultation with support organisation is vital in livelihood restorations and continuation of livelihood activities of the resettle APs.

Up to the reference period following consultations have been conducted covering the sample projects. These included the following:

- Consultations with the Regional Development Bank
- Consultations with the Chamber of Commerce
- Consultations with the entrepreneurs

### **2.9.4 Consultations with the Administrative, Political and Religious Authorities**

The PIU has been closely interacting with the administrative, political and religious authorities at local and national levels. The Divisional Secretariat, the KMC and other local authorities, the Maha Vihara of the Buddhist Sects have been consulted. The KMC as the owner of several sub project sites is a partner in sub project implementation. The Divisional Secretary played a key role in LARC and grievance handling. Therefore, out of all stakeholders who were engaged by the PIU, the interactions with the Commissioner of KMC and the DS have been the most frequent and thorough. There are citizens' groups such as heritage committees registered with the KMC. Through the KMC the PIU has been informing these groups about the progress and the issues that concern them. The PIU is invited by the KMC and the District Coordinating Committee for their monthly progress review meetings in which the Kandy SCDP is one of the topics discussed.

Consultations with KMC revealed their high expectations at the beginning and relatively low satisfaction with the project due to implementation lag, the relatively small interventions which are not worth for being subject to social safeguard procedures and the difficulty for the same PPA to adopt different standards for different projects with regard to application of safeguard procedures. KMC explained that they are carrying out development activities using their own funds or government funds where adequate safeguard measures are taken without any heavy pressure or influence. A major project such as the Kandy City Wastewater Management Project involving easement cases are managed by KMC without compensation but with participation. The KMC expressed the opinion that the safeguard policy implementation including the availability of grievances handling mechanism at SCDP is commendable as the KMC has not received any serious grievances from the APs in respect of land acquisition, compensation payments and resettlements etc.

## **2.10 Grievance Redress**

SCDP has established a grievance redress process for handling land, technical, construction related, environmental and social issues of specific sub projects following the procedures with clear guidelines provided in the RPF. Accordingly, the Grievance Redress Mechanism (GRM) consists of five levels: Community Development Officer of the Project Partner Agency (PPA) / Social Development Officer of the PIU, (2) Local Resettlement Committee, (3) Grievance Redress Committee (GRC) at the PIU, (4) Project Director of PMU, (5) Independent Grievance Panel (IGP). The maximum time period for grievance redress is six weeks – one week each for the levels 1 to 4 and two weeks for the level 5.

The grievance redress procedure has been disclosed to the APs through consultations, awareness raising meetings and the project website. The leaflet distributed to the public at meetings included a section of GRC including the contact numbers and addresses.

According to the records, 66% of the grievances have been resolved within the stipulated time period and within the internal GR process.

It was not possible to resolve all cases because of the nature of the specific issues (dissatisfaction over amount of compensation). Thus, the Majority of grievances were on social issues such as compensation, land acquisition etc. and they were addressed by the Grievance Redress Committee (GRC) at all levels. The APs are not aware that the GRM does not examine issues involving rates or compensation. Systematic recording of grievance was not priority at the beginning. The officers reasoned it out pointing to the heavy workload. However, the documentation process was improved overtime and it is relatively systematic at present. Grievances received were resolved within a short time and reported at the project progress review meetings. The records provide information on the name and address of the complainant, mode of complain, type and details of complaint, status of complaint in terms of action taken and who involved.

Some overdue issues have been brought to the notice of the public and the authorities through media coverage of protests. These were due to the public inconvenience suffered on account of uncleared worksites resulting from the prolonged delay in completion civil construction works and the non-compliance by the contractors. In such events the PIU social team intervened to explain the situation and the actions taken by the project to manage the issues. Some APs informed the World Bank directly about the inconveniences.

The PIU obtains feedback from the complainants if they are satisfied with the solution. With this feedback of satisfaction, the grievance is considered solved and case closed. On the other hand, if no further action can be taken by the GRM to resolve an issue to the satisfaction of the complainant he or she is issued a letter stating the position taken by the project. Such cases are also considered closed. In this eventuality the complainant has access to the judicial system. Full records of the grievance handling are maintained by the PIU.

### 2.10.1 Current Status

The IEM team reviewed the records of the grievances received and the process adopted. It also visited several complainants. During the reference period a total number of 57 grievances have been received with respect to the sample sub projects and 40 resolved (Table 10).

**Table 10: Details of Grievance Resolution of Sampled Sub-projects**

Subproject	Env.	Social	Land	Construction	Technical	Total	Solved	Pending	Resolving%
KMTT		2				2	2	0	100%
AB31 Road			9			9	9	0	100%
Moragoda ela		18	2	3		23	18	5	78%
DLB Road	11	3		5	2	21	10	11	47%
KMD Road	0				2	2	1	1	50%
<b>Total</b>	<b>11</b>	<b>23</b>	<b>11</b>	<b>8</b>	<b>4</b>	<b>57</b>	<b>40</b>	<b>17</b>	<b>70%</b>

*Note: no evidence found to prove the claims of 29 persons at KMTT*

All the grievances of KMTT are mainly requests for inclusion in the scheme of compensation scheme to obtain benefits under resettlement and livelihood restoration and improvement. Majority of these complainants claim that they were unaware about the screening conducted although they were involved in mobile vending (26), or as business operator (1) shop assistants (2) and KMC leaseholders (2). Majority of these claims surfaced due to spread of the news of unexpectedly high compensation payments awarded for APs. Actions were taken by the social team to avoid exclusion of genuine claimants. Social team gathered field level facts to determine the accuracy and authenticity of the claims. Field evidence determined that claims of 1 shop assistant and a business operator were genuine. These were submitted to the GRC and EAC. Other claimants were conveyed about the inadequacy of field evidence in favour of their claims but still decided to submit them to the GRC for a final decision.

Moragoda Ela rehabilitation subproject recorded 112 grievances comprising of 79 related to adverse social impacts, 4 related to environment and 29 technical issues. The project resolved 107 grievances. The 3 remaining grievances were from the following APs: Mr. K.A.H. Chandrasiri, claiming for damage to timber mill by civil works, Ms. Dayani Mallika, claiming for damage to existing commercial structure by civil works and Ms. Jayamini Jayampathi, claiming for damage to the residential building by civil works, Samanthi Kriyawasm- damage to house due to heavy machinery used for canal excavations and transport of excavated soil. The rectifications of these damages are being attended by the Contractor and yet to be completed. However, 2 grievances recorded were not agreed by the contractor claiming that the damaged did not occur due to constructions.

During the preparation of Inception, the contractor has informed that the insurance company to assess the damages for three premises of PAPs and pay compensations to recover them and

actions were in progress. Supervision consultant and SCDP will facilitate and regularly monitor the resolving of these grievances.

Grievances on land acquisition in AB31 road were raised by 9 households and they were resolved.

The APs expressed satisfaction over the GR process involving communication and the interventions by the social staff. Common response was that things could have been worse had it not been for the project GR system.

The SDO disclosed to the IEM team that he depended on the LRC and the community volunteers for information on grievances and the CDO of PPA. However, this system was not effective. This was because of the slow progress in the construction programme that impacted on voluntarism. The volunteers indicated that their performance and social assessment is directly related to the progress in project implementation including addressing the issues that they forward on behalf of the community. Neither contractors nor the KMC as PPA recruited social officers to handle grievances although RDA had social officers whose visits to the affected households were rather infrequent. Therefore, the social team has resolved to assume responsibility for grievance handling and managing the database. It continued communication with the APs.

The contractors were not enthusiastic about community relations. The officers selected to assure the implementation for social safeguard principles by the contractor either unskilled or have no knowledge on social safeguard issues. High turnover of the Social Officers of contractors also had an adverse impact on the social safeguard activities in all sub projects. Eg. During the last two years 4 persons recruited to look after social safeguard aspects during construction in DLB road project.

One case that the IEM investigated concerned soil nailing of a property at Dharmashoka Mawatha. The road widening rendered the property vulnerable to erosion by rain and landslide that could impact on the road and the road users and expose the household to safety risks. National Building Research Organization (NBRO) advised to do soil nailing to prevent erosion. The SDO investigated the matter and the PIU treats it as a case pending. The social team therefore keeps communication open with the AP concerned than the contractor's staff and came to an agreement with the owner to carryout soil nailing in the landslide prone section of the land.

## **2.11 Monitoring**

SCDP commits itself to internal and external monitoring. Internal monitoring focuses on timely execution of safeguards activities. The DPD (social) plays a key role in internal monitoring at the PMU level while the social officers play an active role at the sub project level. The RPF defines the areas to pay special attention in internal monitoring.

External monitoring and review is proposed to ensure independent review of the safeguards implementation to determine if the intended goals are met, and to identify corrective measures if gaps are found. Two specific objectives stated include: (a) to verify that the safeguards program is implemented in line with the approved framework, and, (b) to verify whether the affected persons, households and communities can address negative impacts and improve or at least restore livelihood and living standards. The external monitoring agency is expected to

collect the baseline surveys conducted prior to the implementation and the updated versions periodically undertaken during implementation, if any. The findings of the external monitoring will be submitted to the PMU and considered at the Project Steering Committee.

The external monitoring has been commissioned from 2017 July. It has been agreed to conduct quarterly monitoring and for the first quarterly monitoring to focus on the Kandy component.

### **2.11.1 Current Status**

Internal monitoring process has been conducted through the PIUs and with the involvement of the social officers interacting with the APs. Occasional monitoring visits by the PMU social team have been made at various intervals during which they interacted with APs. The DPD (social) has been in daily contact directly with the APD (social) at the PIU. The internal monitoring process appears to have been focused on identification of issues and grievances and their resolution. These matters are reported to the monthly progress review meetings at the PIU, which social staffs are invited. Monitoring reports by the PIU or PMU with comments on the effectiveness and efficiency of the resettlement programme or inputs for developing training packages are available with PIUs.

This second IEM report for the period from April to June 2019 focuses on five selected sub projects of Kandy Galle and Jaffna components.



### 3. Compliance Status

This section presents the findings of the IEM in terms of the status of compliance against the main indicators, and provides brief explanations, comments and recommendations.

Topic	IEM Findings	IEM Comments/ Recommendations
<b>Safeguards management</b>		
	<p>Safeguards management is undertaken in a coordinated manner with the land acquisition unit which is directly under the project director and the environmental safeguards unit that functions under a deputy director, the Department of Valuation and the Ministry of Home Affairs/ DS Divisions. For 12 months the social safeguard unit obtained the services of an individual consultant to update the RPF, improve safeguards instruments and documentation and provide guidance to the staff. Aspects such as cultural heritage, labour and community health are within the scope of work of the environmental management team whereas land acquisition management and compensation is handled by the land management team. During the IEM, the panel could not fully comprehend the internal communication and process management.</p> <p>The project employs a limited number of social staffs with extensive experience in social mobilization and community development, augmented by consultants with resettlement experience as required. Initial social screening is undertaken by the project staff, with the technical staff included in the activity as in the case of KMC Rooftop and the KMTT screenings, and the outputs are shared with the design teams.</p> <p>The preparation of RAP/ARAP for the sub projects with moderate to high social impacts is outsourced. The staff facilitates and offers constructive support to external consultants in carrying out their assignments.</p> <p>Due to the above approach, the project social staffs are in a relatively strong position to engage the external consultants and update records during implementation because it enables them to be armed with data gathered during initial screening. The IEM team commends this approach of PMU/PIU.</p> <p>The project has a comprehensive database of land owners, land parcels, photograph evidence, compensation, grievances etc.</p> <p>SCDP is a 'Specified Project' declared by Government Gazette which is empowered to have LARC and Super LARC in place that enables it to provide humanitarian assistance and special assistance especially to those who cannot be compensated under the LAA. All people affected are ensured benefits, and no one is left out from benefits / entitlements.</p>	<p>Good practice to undertake social Safeguards with other officers involved. IEM recommends further training.</p> <p>IEM team recommends that (a) additional staff be hired considering the serious social management issues in the implementation of RAP for KMTT, and (b) redeployment to KMTT of staff assigned to other sub projects where full compensation has been paid and resettlement process is complete.</p> <p>There is a need to assess the internal communication and process management given the division of labour in safeguards management and the need for joint inspections of individual cases. IEM should further study and evaluate the experience gained in depth.</p> <p>Individualized approach needed to ensure contractor commitment to safeguards.</p>

Topic	IEM Findings	IEM Comments/ Recommendations
	Safeguards management gets complicated when construction work delays, contractors are terminated halfway, new contractors are recruited through due process.	
<b>Private land acquisition</b>		
Valuation of land	Department of Valuation (DV) adopted methodology based on LAA and LAR 2009 which approximates international practice to offer compensation at replacement cost. Land acquisition cases not included in the original technical design but the needs that arose during implementation have been accommodated. Construction related unforeseen impacts such as earth slips have been assessed on an individual case basis to address the issues.	Good practice
Unviable land	Land owner can obtain compensation at replacement cost for balance land rendered unviable, if he/she is willing to surrender the land. Applications are considered according to defined criteria, field inspections and owner is consulted at LARC meetings, and compensation paid at replacement cost as above. Upon receipt of claims, the project conducts investigations to take reasonable decisions in the application of procedures.	Good practice. Each case should be separately investigated and in cooperation with the APs; that the APs should also have a responsibility and duty by the society to be reasonable should be conveyed during consultation and awareness sessions
Crops, trees, improvement of land	Users have been identified during the census and verified by land officers and confirmed by authorities. LAA considers titleholders and tenants covered under Rent Act. SCDP RPF with EM and RAP adopted accordingly provides for compensation to the non-titleholders. Land owners have been informed, consulted and consent obtained.	Good practice
	DV calculated crop compensation rates using Agriculture Department data for different crops and different areas and market values. Advance notice of 3 months to harvest crops. Apart from compensation for trees felled the owners/cultivators have been allowed to take them away	Good practice
Houses and other structures	DV calculated compensation for structures based on full replacement cost with no deduction for depreciation. If balance portion is not viable, full compensation for the entire structure has been paid. Compensation has been paid to the structure owner after verification of claims of ownership by authorities. Several structures including houses suffered major impacts due to land acquisition as well as earth slips due to road construction. The occupants were temporarily accommodated and the period extended considering time taken to restore the house and other assets. The APs were engaged in relocation planning. Most other damages have been on ancillary structures or partial damages to the main structures. Some structures on temple land have been constructed without permission from the owner. SCDP has taken steps to engage the owners and arrive at reasonable	Good practice. IEM recommends (i) engagement with the landowner as well as the tenant/ leaseholder/ encroacher or squatter; (ii) provide social staffs' knowledge of the field situation to the valuers.

Topic	IEM Findings	IEM Comments/ Recommendations
	solutions to ensure benefits to the APs.	
Transaction costs	DV calculated all transaction costs incurred by APs in connection with land acquisition and assets expropriation process as per LAR 2009 which meets international standards.	Good practice
Procedures and field issues	Compensation payments due to land acquisition are paid by cheque written in favour of the owner/ claimant and personally handed over by the DS. These are deposited in their bank accounts. Only in a few cases were there some delays in compensation but these are not due to the project but to the dissatisfaction over the valuation referred to the courts. In these cases, compensation amount is deposited in the courts pending settlement.	Good practice
<b>State land requisition</b>		
State land and common land	All sub projects are on existing public land already in use for the same purpose and belonging to the PPAs. Only in a few locations involving road rehabilitation, strips of private land including common property such as temple land have been affected and some ancillary structures damaged. The project restored/ rehabilitated the damaged structures.	Good practice
Users of public land	No squatters have been found in the sample sub project areas.	Sample sub projects involve rehabilitation of existing facilities.
Public infrastructure	On occasions the contractors caused damage to water supply lines, drains. Where water supply lines were damaged these were quickly restored by the project with the relevant stakeholders being mobilized. The people complained about the delays in road rehabilitation works.	Compliant, but additional measures necessary for completion of construction works and reinstate section by section.
<b>Resettlement</b>		
Land owned APs, and Tenants	<p>Resettlement of 43 houses in Moragoda Ela has not been completed yet. Of that 13 APs were partially affected and relocate within the same land. They are planning to relocate soon after the completion of the construction of the relevant section of canal. There are 31 self-relocate APs moved into different places elsewhere in the city and 2 have resettled in the balance portion of same land and the resettlement of balance 10 is incomplete.</p> <p>All the 5 families have been duly settled. 3 families opted for self-relocation; 2 families opted to obtain compensation and build houses on project sponsored land at Pallekele. Self-relocation was prompted by attractive compensation received that created a sense of independence; originally, the APs refused to move out and insisted relocation as a group, if they have to be relocated.</p>	IEM team suggests periodic socioeconomic monitoring of the resettled families at least during the project period to document the status of re-establishment of livelihood and community relations and to offer further help as required.

Topic	IEM Findings	IEM Recommendations Comments/
	<p>IEM team visited 4 resettled families. Dilrukshi said the 5 families negotiated with the project for relocation within or close to KMC area in a project sponsored settlement scheme and continue life as the same neighbourhood group. The project provided for all requirements and assistance, land, ownership rights, designed house plans as the people wanted, access, utilities etc. However, once the amount of compensation due became known every family felt a sense of freedom and wanted to be independent. Earlier, they could not even dream of finding money buy alternative land; therefore, they continued living on the temple land although it was subject to erosion. Now, they had a choice. They could purchase land and houses in locations close to the KMC area and has good bus service and facilities. Every resettled family is better off, own land which is larger, a house which is more spacious, and has integrated well with the host communities.</p> <p>The IEM team also visited the 2 families (Mrs. Hemalatha Perera, and Mr. LUP Perera) who were resettled at Pallekelle. They stated that they are happy with the enhanced social status as fully-fledged property owners now. They planned for a double-storey house to be built in stages. KMC and the SCDP gave them a lot of assistance and continue in their support. The compensation paid was a large sum but it was not big enough to purchase land and build a reasonably good house. The project provided them land of 5 perches each and aided in building the house which they accepted. Both these households have completed the ground floor section and moved in for occupation. The area was neither included in national water supply network nor had proper access. The project constructed road access at an investment of Rs. 1 million and facilitated the NWSDB to provide safe water supply line to the land lot at a cost of Rs. 1.2 million. Most houses in the village thereafter obtained individual drinking water supply connections to their houses. These resettled families received social recognition from the host community as a result. Some small construction work of the upper floor of their houses is yet pending.</p> <p>The third and fourth resettled families (Mrs. Dilrukshi and Mr. Pushpakumara) that the IEM team visited at Sirimalwate are in a middle-class neighbourhood, have built spacious houses and state that they are well established. As such no further assistance is required from the project.</p>	
Temporary Relocations	<p>Three residents were relocated due to landslides during the construction of DLB Road. Temporary relocation activities were carried out by the Social Team in an excellent manner. Except one AP (Mr. Kuda Banda) all others (Mrs. Premalatha and Mr. Premasiri) moved back to their original locations. Since October 2017 Kuda Banda has been living in rented house, the cost of rent is beared by SCDP which is around Rs 600,000.00.</p>	<p><b>Good Practice</b>  Intervention of SCDP especially the Social Team is excellent since the relocation of these APs due to landslide occurred during night.</p>

Topic	IEM Findings	IEM Recommendations Comments/
	Mr. Kuda Banda yet remains in temporary accommodation due to the incomplete embankment stabilization and repairs to the house. Mr. Kuda Banda was assisted by the social team and other staff of SCDP during the last two years. The SCDP is spending a sum of Rs. 1mill and Rs.1.6 mill for the reconstruction of Kuda Banda's house and provision of access & safety fence respectively. In addition he was paid compensation of Rs.0.76Mn for the loss income during temporary relocations.	
<b>Livelihood restoration</b>		
Livelihood restoration	<p>Being city centre and the city region, the main source of livelihood affected has been enterprises and related employment. SCDP assumed responsibility for livelihood restoration and improvement arising from non-land economic displacement. The vendors included those at the KMC Rooftop and the Arthur Seat Viewing Deck and the vendors affected by KMTT. In addition, 2 resettled households also suffered business loss. KMTT is poised to cause significant impacts on shop owners, restaurant owners, livelihoods of employees, vendors and service providers such as three-wheel service operators. Livelihood restoration and improvement will surely be a main topic to be addressed. At the time of IEM team visits to the sub project sites, the permanently relocated markets and the temporarily moved business places livelihood restoration has already been complete. All businesspersons continue with the business activities in the new locations or can remain until construction begins, and the social team has continued monitoring. Credit facilities are arranged from the welfare fund of their own Welfare Society for the relocated enterprises at Ehelepola Kumarihamy Mawatha and with the involvement of their society. For KMTT vendors, professional inputs for business plan development has been provided through a service provider (Janathakshan) and links with a Regional Development Bank established.</p> <p>Discussions held with the APs did not reveal need for further assistance, and generally they are satisfied that the project solved their problems early. Overall, possible adverse impacts on livelihood seem to have been adequately offset as evidenced by the reported increases in income levels of the affected families. In order to ensure meaningful investments and to avoid wasting away the of compensation paid, every business operator was encouraged to submit their business plans to SCDP for professional inputs from the project prior to submitting the same to EAC.</p>	IEM recommends surveys / longitudinal review of experiences of selected individuals to track changes in occupational patterns and income levels to identify families that encounter problems in restoring livelihoods. The social team should conduct in-depth interviews involving the same sample of persons. Furthermore, the social team should continue to inform the people that the project is committed to restoring livelihoods and ready to support, if required. Special attention should be paid on vulnerable persons.

Topic	IEM Findings	IEM Comments/ Recommendations
Business at Arthur Seat	Project offered compensation for the temporary loss of business to 20 vendors who are males. Based on reported income and as per the EM compensation has been paid to all mobile vendors. All the beneficiaries are satisfied with the compensation received. Some have used the compensation to improve their houses. Although businesses have not suffered decline the space for movement of tourist busses is somewhat limited. Vendors suggest further improvement.	SCDP will address the issue of tourist bus operation in the second phase of the project. IEM team suggests periodic monitoring of the income status of a few vendors. Additional work is necessary to enhance space for improved mobility of tourist busses.
Business at Ehelepola Kumarihamy Mawatha	The location is the original open-air market from where the vendors were displaced and relocated at KMC Car Park Rooftop. All vendors, both men and women, have been given a place for business at the present location now provided with more and better facilities (including foldable and removable roofs for each business place which were not available before), and the pola leaseholder continues his business as usual. The vendors reported satisfaction over returning to the original place and with more facilities and higher or similar income. The vendors located further away from the main road complain. However, the consumers walk up and about the open market. Overall, business has improved.	IEM team suggests periodic monitoring of the income status of a sample of vendors relocated.
Hela Bojun Food Court	40 food sellers and 7 assistants were temporarily relocated to a nearby location that is facing the main road and convenient. They reported increased income and hope to move back to the original location where the structure is being rebuilt. They have suggested a few minor changes, and these have been incorporated in the design. SCDP conducted a special training programme for the food sellers including for business development. KMC is ready with an action plan to shift the food sellers to the new complex.	The social team should monitor the progress in livelihood restoration and improvement, and identify the issues that they have to deal with in future when the new complex comes into being.
Shopkeepers along the DLB road and KMD road	The project pays compensation for the temporary loss of business. However, no additional compensation has been paid to mitigate impacts due to delay in construction. On the other hand, the shopkeepers have improved the business structures using the compensation received and report no decline in income due to delayed road construction/rehabilitation. However, they complained of decreased quality of life due to dust pollution and noise due to extended period of construction work, unattended work here and there and the uncertainty over termination of contractors in addition to the award of new contracts. This is an issue for the shopkeepers, residents and the public. They suggested reinstatement temporarily until the next contractor comes and also complete work section by section.	IEM team suggests exploring possibility for organizing a fund and procedures to pay additional compensation in developing RP/ ARAP – or, perhaps using contingency provision – to cover loss due to delayed construction when resettlement planning is undertaken in future.  Additional safeguards requirements should be assessed and incorporated into the conditions of the contracts.

Topic	IEM Findings	IEM Comments/ Recommendations
Resettled families	<p>IEM visited several resettled families in Moragoda canal and DLB road. Two of them were U.G. Nandawathi and her son-in-law with 4 children (Moragoda canal) and Dilrukshi (DLB road), stated that their living standard have been upgraded tremendously. Nandawathi's son-in-law is head of HH now and said that he never had any social contact with people even with the neighbours of his previous place. He said that he was scared and shy to talk to people and never looked at their faces. His life was confined to the nursery he was working. He appreciate the relocation compensation granted to his family and happy with everything (good house, social status, good school for his children) he achieved form the SCDP's assistance. Dilrukshi experienced a minor decline in her income due to a drop in the number of customers who seek her services for tailor-made dresses. However, she stated that with the compensation received she employs more workers now, has a larger shop with an area set apart for showcasing her products, began to supply to shops in addition to serving the individual customers and is confident of earning greater income and profit in addition to being able to provide employment to a several persons. She appreciates the help and assistance that the social team gave her to re-establish her life on a better footing.</p> <p>The person who resettled in KMC land (Mr. LUP Perera) continues his previous occupation.</p> <p>Mrs. Hemalatha, widow of 65 years, stated that she has been resettled for the past two years at Pallekele. Though she and her children are happy that she has money and owns land and house, she cannot continue her livelihood in the resettled location. She used to earn some income from selling parcels of home-cooked food and renting a room to 2 working girls. Now the project is assisting her to build an extra room with attached B/R and toilet which she can rent out and earn income. She has developed a home-garden to cultivate vegetables.</p>	<p>Intervention of SCDP in this area of work is commendable.</p> <p>IEM team suggests periodic joint monitoring, targeted social investment/development programmes, and continued help, if required.</p>
<b>Vulnerable people</b>		
	<p>SCDP defines the vulnerable category as the families supported by women and not having able bodied male members who can earn; families of physically or mentally challenged, very old and infirm persons, who are not able to earn sufficiently to support the family; and families that are very poor and recognized by the government as living below poverty line. The IEM did not find comprehensive assessment of vulnerability in the impact assessment reports. However, in the implementation, the project has identified vulnerable groups, included the landless and the persons needing special assistance and provided special assistance in the implementation.</p> <p>IEM visited the relocated business owned by Mrs. Nisha Shereed, 48, a businessperson who is physically challenged.</p>	<p>Compliant. Good Intervention by SCDP Social Team in addressing the issues of vulnerable persons. IEM suggests continued handholding support and monitoring of vulnerable people relocated.</p>

Topic	IEM Findings	IEM Recommendations Comments/
	<p>The EAC considered the case and offered her compensation of Rs. 1.45 million as opposed to her own assessment of Rs. 600,000 that included an additional business recovery allowance equivalent to 6 months' income considering her disability. Amidst uncomfortable situations in the Goods Shed Bus Stand she ran a watch repair shop which was permanently affected. With the compensation received and assistance from the project she relocated her business in a more secure location having paid 'key money' of Rs. 800,000 and on a monthly rental of Rs. 30,000, three times higher than what she paid previously. Based on the first two months since being relocated, her present monthly income is Rs. 70,000 which is Rs. 10,000 less than what she earned before. She also spends a little more to get there by three-wheeler. Although, at a glance an outsider may conclude 'deteriorated condition' after relocation, her own assessment of the life in the relocated place is positive. She explained that she is happier, free from gender-based violence, enjoys better work environment, her clients are decent and socially higher who demand quality products unlike in the previous place, and that her social standing has elevated; her family is also relieved. She believes that her income will soon increase up to Rs. 90,000.</p>	
<b>Gender Integration</b>		
	<p>It is generally believed that women are at a disadvantage and have limited access to information, independence to articulate needs, concerns and interests, which result in difficulties in obtaining entitlements. SCDP commits to recognize both genders in the provision of entitlements, treatment and other measures. The social team observed the affected women to be an unreserved, articulate group, and some were more educated than men.</p> <p>IEM found that the project has gender disaggregated data, and evidence that all affected women property owners, land users including entrepreneurs have been included in the discussions, awareness programme and provided with entitlements. In the relocated pola at Ehelepola Kumarihamy Mawatha, women vendors have been provided business places that ensures their personal safety, easy access, eliminates or minimizes physical or verbal harassment by men. For the women vendors at the relocated food court arrangements have been made for them to share the sanitation facilities with the KMC in addition to constructing a cloak room facility.</p>	<p>Compliant. IEM suggests documentation of experiences in gender integration by way of case studies and good practice.</p>
<b>Benefit Sharing</b>		



Topic	IEM Findings	IEM Comments/ Recommendations
Employment opportunities	SCDP has suggested employing local people for unskilled work by the contractors. IEM found that some contractors attempted this unsuccessfully while some work was not amenable for labour work. Most contractors had own workforce and used machinery because of the high cost of labour. Road project caused marginal impacts on individual landholdings and the livelihoods were not impacted. People appeared reluctant to work in the neighbourhood under contractors.	Non-compliant. However, in the specific context no further action seems required for the implemented sub projects. IEM suggests discussions with the contractors of KMTT during the selection process.
<b>Stakeholder Engagement</b>		
Information disclosure	Resettlement plans are available in the website in all three languages. Hard copies are available for reference at the divisional secretariats. Screening reports and assessment reports have not been uploaded in the web. Brochures containing basic information on project interventions for household level distribution have been prepared. Information / Help Desk has been established at the railway station premises to disseminate information with respect to KMTT. Some people were not yet aware of the grievance redress procedures.	Steps should be taken to address the need for information dissemination including for GRM. Summaries of screening reports, assessment reports, progress reports may be uploaded in the web.
Consultation and participation	People are generally well informed and reported that they had regular contacts with the social team. For each sub project a set of local volunteers have been selected to link the community with the project and work as a communication link. However, these committees tended to fade away as construction work prolonged and seemed out of control. Often, majority of the people did not attend community meetings. Women were fully engaged with the project. People complained about the status of reinstatement work of road projects.	IEM recommends taking further steps in terms of recording and documenting engagement efforts by the field staff.
Partner agency capacity enhancement	The partner agencies such as the KMC is already understaffed in key positions and constrained to change subjects, include additional subjects, leave alone opening dedicated units for social safeguards. The officers are happy to support the project staff to attend to these. They appreciated the functioning information desk/ GRC at the railway station and the PIU. However, institutionalizing the safeguards responsibilities could be problematic.	IEM recommends joint monitoring and work out solutions to the issue cooperatively.
<b>Grievance Redress Mechanism</b>		
Resolving Grievances	The project has a GRM consisting of five levels for each DS Division to address grievances of all sub projects. The mechanism includes an independent grievance redress committee as well consisting of non-project personnel. Records are maintained. The GRCs hears grievances concerning both social and environmental matters.	IEM suggests taking necessary steps to increase awareness of the GRM, document cases and data in an organized manner, good practices and keep monitoring of the GRM to ensure fairness, timeliness and quality of service.

#### **4. Conclusions and Recommendations**

The project deserves commendation for many of the steps it has taken as part of social safeguards management implemented in a heritage city and its surroundings. Safeguards management undertaken as a shared responsibility of the social, land and environmental management divisions of the PMU/PIU has broadly met the requirements. However, there are gaps, as shown in the above table, which are mainly due to the incomplete related work, and to weaknesses in the internal processes and work organization. There are several areas of work that need further steps to ensure tracking social progress, documenting good practices and lessons learned, stakeholder engagement, full impact mitigation, and benefit sharing in accordance with the World Bank standards.

The following areas needing attention to improve performance in social safeguard management are highlighted:

- Documentation of good practices and lessons learned in consultation, participation, stakeholder engagement, gender mainstreaming, benefit sharing
- Livelihood restoration and mitigation measures with focus on gender and vulnerability
- Engagement of stakeholders with focus on women and vulnerable groups
- Quality monitoring of grievance redress system: Categorize grievances and requests for information, time taken to resolve, declare in the web
- Internal communication, information dissemination and coordination
- Information dissemination
- Engagement of project partner agencies in safeguards management: Record the experiences gained highlighting the areas for improvement
- Review of allocation of social staff among different sub projects paying attention on the severity and nature of issues
- Review the relationship with the contractor staff with respect to addressing social safeguards issues.
- Continue engagement with the APs, change the focus in monitoring depending on the site-specific situations

The IEM will follow up these areas in the next visit.

### Annex 1: Sub Projects Implemented in all Four Components

	Name of the Sub Project	Project category	Type of Safeguard Instrument
	<b>Kandy City Region</b>		
1	Rehabilitation of Arthur's Seat Viewing Deck at Rajapihilla Mawatha, Kandy	C	SSR
2	Improvements of Municipal Car Park Roof Top in Kandy	B	A-RAP
3	Improvements to Tomlin Park in Kandy	B	A-RAP
4	Kandy Lakeside Walkability Improvements Project - Stage I ( 'Y' Junction to Queens Bath)	C	SSR
5	Rehabilitation of George E De Silva Park in Kandy	C	SSR
6	Kandy Lakeside Walkability Improvements Project - Stage II ( 'Y' Junction to Queens Bath )	C	SSR
7	Rehabilitation of Meda Ela in Kandy	C	SSR
8	Rehabilitation and Construction of Silt Traps (05 Nos.) in Kandy	C	SSR
9	Rehabilitation of Heelpankadura and Rajapihilla in Kandy	C	SSR
10	Rehabilitation of Underground Storm Water Drainage	C	SSR
11	Rehabilitation & Improvements of Katugastota-Madawala-Bambarella (B205) Road section from Katugastota to Madawala (from 0+000km to 6+250km) and Madawala - Digana (B256) Road (from 0+000km to 8+100km)	A	RAP
12	Rehabilitation & Improvements of Dharmasoka Mawatha (B550) from 0+000 km to 3+390 km(Including buewlikada Sharp End	A	RAP
13	Rehabilitation of Dunumadalawa Water Treatment Plant and WTP.	C	SSR
14	Construction of 03 Nos. of Ground Reservoirs - Dangolla, Heerassagala Lower and Heerassagala Middle for Kandy Water Supply.	C	SSR
15	Improvements of WTP, intake, Weir and Sludge Treatment Plant – Gatambe	C	SSR
16	Construction: Transmission bus terminal, Bogamabara, Kandy south, Torrington and Clock tower),	C	SSR
17	Construction of KMTT	A	RAP
18	Transmission Mains (WTP-HG): The proposed subproject is aimed to enhance the service deliver by KMC in the city limit	C	SSR
19	Bus Parking at Nuwarawela Land	C	SSR
20	Institutional Capacity Enhancement		
	<b>Galle City Region</b>		
21	Rehabilitation of Fort Ramparts Walkway(Earth works/Walkway)	C	SSR
22	Ocean Pathway Fast Track - Phase 01	C	SSR
23	Reconstruction of Beligaha, Samagiwatta Kanampitiya Bridges Across Moragoda Ela	C	SSR
24	Reconstruction of Kahaduawatta Bridge across Moragoda Ela on Galle-Beddegama Road	C	SSR
25	Rehabilitation of Moragoda Ela-Main Canal & Temple By-pass	A	RAP
26	Rehabilitation of Moda Ela, Kepu Ela & 07 nos. of Cross Drains in Galle	C	SSR
27	Rehabilitation of Moragoda Ela-Cross Drains Package A (Heen Ela, Heen Ela Cross Drain 1 and Heen Ela Cross Drain 2) in Galle	B	A-RAP
28	Rehabilitation of Moragoda Ela-Cross Drains Package B (Bombe castle and Hirimbura) in Galle	B	A-RAP
29	Rehabilitation of Moragoda Ela Cross Drains -Package C (Beligaha	B	A-RAP

	& Donald Janz) in Galle		
30	Reconstruction of Didiswatta Bridge	B	A-RAP
31	Reconstruction of Railway Bridge across Moda Ela	C	SSR
32	Rehabilitation of Dharmapala Park	C	SSR
33	Reconstruction of Milidduwa Bridge across Moragoda Ela	B	A-RAP
34	Walkability Improvement along Havelock Road	C	SSR
35	Construction of Warehouse for GMC	C	SSR
36	Reconstruction of Milidduwa Foot Bridge	C	A-RAP
37	Institutional Development & Goods & Equipment		
	<b>Jaffna City Region</b>		
38	Improvement of Puloly Kodikamam Road Section (AB31)	A	RAP
39	Rehabilitation of AB 21 from Navanthurei junction to Ponnalai Road:	A	RAP
40	Ponds Rehabilitation's priority investment under drainage master plan (Rehabilitation of two pilots ponds) Jaffna City Region	C	SSR
41	Construction and Rehabilitation of public conveniences in Jaffna city	C	SSR
42	Urban Streets and Mobility Enhancement	B	SSR/A-RAP
43	Adaptive reuse and Conservation of the old Kachcheri Building site Jaffna	C	SSR
44	Institutional Development & Goods & Equipment		
45	Reinstatement Rehabilitation of Drainage System along Kachcheri Forest Lane and Jammuna Road & Grusoult Road	C	SSR
46	Urban Upgrading: Public and Pocket Parks	C/B	A-RAP/SSR

## Annex 2: Activities Conducted for the First IEM, Kandy City Region

Date	Location	Activity
Aprl.-Jun.2019	PMU and PIU offices	Literature review
18. 05.2019	Dharmashoka Mawatha	Interviews with 2 temporarily relocated households Participants: Mrs. Indrani Premalatha, Mr. HM Premasiri
18.05.2019	No. V52, No. 73, Dharmashoka Mw	Interviews with 3 households (Residents) to assess their satisfaction on level of by road accesses to the main road Participants: Mr. VCD Amaraveera, Mr. NG Sumith, Mr. Asoka Bandara
28.04.2019	D. Seveviratna Rd, Dangedara Galle	Interview with Self- relocated APs Mrs. UG Nandawathi Mr. UK Nihal
27.04.2019	House at Work Site	Interviews with Aps of Moragoda Ela Mrs. MMK Samanthi Mrs. KPA Shirani Mrs. PHC Udeni Mrs. Priyadharshani Mrs. MHS Jesmin
21.11.2018	Work Site	Meeting with Green Tec Consultants Staff Mr. Sugath Guruge Mr. WMA Sri Lal
27.04.2019	Work Site	Interview with 3 APs of Moragoda Ela Mrs. Samanthi Kariyawasam Mrs. Jayamini Jayathilake
02.06.2019	No. 262, Nawayalatenne No. 196/1 Walala No. 52/2 Pitawala No. 48, Malpana	Digana Madawla Road to assess the present situation and their views on the road conditions Participants: Mr. S. Welgama Mr. RM Dingiri Banda Mr. S Senasinghe Mr. MA Gunathilake
25-26.06.2019	Good Shed Bus Stand, Kandy	Interviews with affected business owners Participants: Mr. Sarath Wickramasinghe, Owner, Garage Café Mrs. Neesha Seerder, Wristwatch Repairer Mr. T Dharmasekara, Hotel operator Mr. MAH Ajith Bandara, Rentier Mr. Pandula P Wijayasiri, Hair Dresser Mr. A. Chandana Kumara, Mobile vendor Mrs. BM Sndaya Kumai, Mobile vendor Mrs. Mallika Somasiri, Idakada Business Operator Mr. PMGTT Perera, Hotel owner Mr. Asnka Mahaesh Wellage, Hotel and Phone shop owner
19.06.2019	KMC	KII with public officials: Participants: Mrs. Dileepa Piyadasa, Deputy Commissioner Mr. Palitha Abeykoon, Municipal Engineer
03.06.2019	PIU, Kandy	KII with PIU officers Participants: Mr. Thilak Wickramasinghe (APD,(Social) Mr. Chula Gunaratha, Senior Engineer
From 15/08/2018 to 06.06.2019	PIU, Kandy	KII with project officers Participants: Mr. Keerthi Wijesinghe, Social Consultants, Resettlement, Ms. Chamila Ratnayake, Social Officer,

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		Mr. KB Wickramasinghe , Social Officer, Ms. OLD Sajeevani, Social Officer Ms. Thilanka Herath, Land Officer Ms. Maheshika, Social Officer
03.06.2019	PMU, Colombo	KII with PMU officers Participants: Mr. Pradeep Hettiarchchi -DPD(Social), Mr. Shantha Gunasekara, APD (Social) Mr. WK Gnanesh Jayantha , APD( Social)
06.06.2019	Kandy Railway Station Information Cabin	Observation & Interview Participants: Ms. Nimeshika Kumarihamy
07.04.2019	Pulloli Kodikamam Road	Interview with APs Mr. T Krishnarajah, Community Coocrdinator /AP Mr. Chinnavan Kumaravel Mr. Maasilamani Sivasanmugam Mr. Mr.K.Thiyagarasa Mr.S.Amirthalingam Ms.K.Sumathy Ms.Sivapakkiyam
08.06.2019	KMC, Jaffna PS Kodikamam	KII with PPA Mr. V.Kulanayagam,.Secretary, Pradhesiya Shaba, Mr. E Arnold, Mayor, Jaffna

### **Annex 3: Case Story - Post -Resettlement Life of Neesha- a Disabled Entrepreneur of KMTT Subproject**

Neesha Shereed is 48 years old disabled female wristwatches repairer at GSBS. Her disability is a defects at birth and she has undergone rehabilitation therapy at Ragama Government Hospital for 19 years from age of six months, initially for 3 years continuously and latter in an intermittent basis. During treatments she managed to walk and had an opportunity to follow a wristwatch repairing course for 2.5 years arranged by the Rehabilitation Centre of the hospital as a part of rehabilitation program.

She planned to start small workshop in Kandy city aiming to have a substantial income and managed to rent a tiny room at GSBS with a monthly rent of Rs. 11,000 plus Rs. 200 KMC tax. She paid key money of Rs 330,000.00 to occupy the room. Her customers were bus drivers, lower middle class passengers travel in public transport services and low income people involved in some sort of economic activities at GSBS or in close vicinity. Her family and relatives disagreed for her business location as this area was famous for covert activities and unsuitable place for women to work. Since there is no other alternative she has undertaken the challenge and worked there for the last 15 years. She earned Rs 80,000.00 per month and fulfill her obligation toward the family such as looking after her mother and to support her brother and elder sister who are in economic hardships.

She was confused once she heard about the implementation of KMTT project and associated relocations. However, with the close consultation and communication by the social team she confident that the SCDP will assist her in financially and provide moral support to start her livelihood activity in somewhere. She has never heard such arrangement by GOSL in any development project but prepared for the relocation and looked for new place. She was given a rough idea of her entitlement, which is substantial, which was more than she has anticipated. She honestly said that her expected compensation was somewhat closer to Rs. 600,000.00 and surprised to hear that she was granted with Rs. 1.45 million at the EAC. She appreciated for the additional 6 months recovery payment granted to her due to the physical conditions.

Social team and livelihood development consultants worked closely and assisted her with new business plan to suit the new custom base which comprising of upper middle class residents, shop owners, Government servants and students etc. She paid Rs. 800,000.00 key money for the new place and monthly rent is Rs 30,000.00, which is 3 times as much as previous rent. She is happy with the income she earns at present and her monthly income was around Rs. 70,000.00 or the last two months and plan to increase to Rs. 90,000.00. She is confident that with high profit margin of the services given to new customers her expected income is achievable.

Neesha is thankful for the continuous assistance offered by social team and the SCDP to restore her livelihood to a greater extent. Continuous support, guidance and advocacy from social team throughout process, from the date of taking census and physical relocation, are somewhat unusual and supplementary to restore her life back to normal. She simply explained about the changes take place in her life after moving into new location. Except small additional cost of travel involved to the new location, improvement of social status, security, work environment and opportunity to meet different type of customers who demand quality goods and work in healthy and attractive environment are some the plus point she mentioned about her new location. She feels that she is physically, mentally and economically strong than ever before after relocation to a new place and substantial financial assistance provided to her for restore her livelihood by the SCDP. She is a proactive member and the national coordinator of the “movement for securing the incapable person’s rights” and she feels that she can contribute more with this upliftment of her life.



**Livelihood of Nisha- Then and Now**