

Emergency Tsunami Reconstruction Project - Pondicherry

Environmental and Social Management Framework

I. Objectives and Scope

a. Purpose of ESMF

The Environment and Social Management Framework (ESMF) details agreed policies, guidelines, and procedures to be integrated into the implementation of the World Bank-supported Emergency Tsunami Recovery Reconstruction Project (hereafter the 'Project') in the Union Territory of Pondicherry. The Project will support the Government of India (GoI) with immediate post-tsunami recovery needs and reconstruction activities. The Project will be implemented in the UT of Pondicherry through the Government of India. [The project consists of 5 components and will support: (i) repair and reconstruction of rural and urban housing; (ii) restoration of livelihoods, including support to the severely affected fisheries sector and rehabilitation of affected agricultural lands; (iii) small public works rehabilitation and reconstruction; (iv) technical assistance and training, and; (v) project management.]¹

Good environmental and social management practice is a well-established element of project preparation and implementation. It is even more important in the context of a reconstruction scenario where additional criteria must be considered, such as enhancing hazard risk management and strengthening natural resilience to climatic and natural events. Development of the ESMF therefore attempts to respond to the needs of the reconstruction and the opportunities provided by it, and seeks to:

- Enhance positive and sustainable environmental and social outcomes associated with Project implementation;
- Support the integration of environmental and social aspects associated with the numerous subprojects into the decision making process;
- Support displaced persons in their efforts to restore their livelihoods and living standards and compensate any loss of livelihood or assets;
- Enhance positive environmental and social outcomes;
- Minimize environmental degradation as a result of either individual subprojects or their cumulative effects;
- Protect human health;
- Minimize impacts on cultural property.

Implementation of the ESMF will also support and assist with the achievement of compliance with applicable laws and regulations and with relevant Bank policies on environment and social development issues.

b. Project Scope

The World Bank has discussed the scope of the project with the GOI and Administration of Pondicherry. While the ESMF has been developed to address a limited number of sectors, it remains a flexible tool that can be updated and expanded to cover other sectors that are agreed with the Bank for financing through the Project. GoI's program of tsunami-related reconstruction and rehabilitation is multi-sectoral and includes livelihood support, micro-enterprises, housing, roads, ports, health, education, environment, coastal protection and risk mitigation. Reviving livelihoods and ensuring sustainable recovery of the local economies in the affected areas necessitates a multi-pronged

¹ Items in brackets may change in line with the further scoping and preparation of the project.

approach that rebuilds assets, enhances livelihoods and addresses the needs of the most vulnerable members of the community.

The International Development Association (IDA) proposed to support GOI with assistance to tsunami-affected regions like Pondicherry. The proposed Project's total cost is estimated to be about US\$600 million, of which the IDA would finance about US\$390.0 million. The notional allocations for the different components will be reviewed regularly with GoI, state and union governments and adapted to the changing environment, especially by taking into account the funding available from non-government sectors. The following is a brief description of the project components and sub-components:

Component 1: Housing Reconstruction. This component will have four sub-components: (i) upgradation of services in temporary shelter sites; (ii) financial assistance for repair and reconstruction of existing houses and construction of new houses, mainly by the owner with exceptions wherever necessary; (iii) services such as access road, internal roads, water connections, latrines, storm drains, electrification, rain water harvesting structure as necessary, and limited community infrastructure facilities such as community hall, anganwadi (nursery school), primary school, etc. depending upon a case by case analysis, in new resettlement areas; and (iv) resettlement of project affected families. The assistance is expected to be provided to repair / reconstruct / construct damaged houses in Pondicherry in accordance with universal standards.

Component 2: Restoration of Livelihood. The assistance to revitalize the livelihoods of the affected families will be provided through two sub-components: (i) assistance to fisheries which will include (a) restoration of damaged fisheries infrastructure, such as harbors, patrol boats, clearing of bar mouth and estuaries, and aquaculture infrastructure; and (b) reestablishment of safety-at-sea systems/services; and (ii) assistance to agriculture, horticulture and livestock, which will include: (a) restoration of damaged lands, farm ponds and dug wells; (b) repair/reconstruction of damaged infrastructure; and (c) promotion of sustainable management of coastal land and water resources.

Component 3: Public Buildings and Public Works. This component will provide finance small public works such as repair, reconstruction and upgrading of damaged public buildings including schools, community halls, cyclone shelters, restoration of damaged river and drain banks, and plantation/replantation of mangrove and shelter belts.

Component 4: Technical Assistance and Training. This component will finance: (a) capacity building that will include training of masons; (b), community participation aiming at ensuring the involvement of the affected communities, especially the most vulnerable groups, in planning, deciding and implementing the housing reconstruction program (c) technical services in connection with land management and resettlement layouts, (d) preparation of social and environmental management plans; (e) studies to develop fisheries policy; (f) identification of possible new forms of livelihoods in coastal villages; (g) updating CRZ management plans; (h) studies for assessment of the vulnerabilities and longer term issues and the needs associated with coastal zone protection and hazard risk management.

Component 5: Project Management. This component will finance the incremental operating costs associated with the implementation of the project including audits, quality assurance and technical audits, continuous environmental and social assessment; and basic office equipment, furniture and vehicles both at the center (Planning Commission) and in Tamil Nadu and Pondicherry.

II. Principles and Considerations

The damage assessment report prepared by the joint assessment team of ADB-UN-WB had proposed broad principles for the environmental aspects of the rehabilitation and reconstruction program. These principles propose a framework for considering issues, remedial options and opportunities to enhance environmental management and outcomes associated with man-made and natural systems. These principles, which go beyond the ESMF framework, are presented in Annex 3

as a reminder of the spirit in which the environmental aspects are to be integrated into the overall program.

From a narrower project-specific perspective, the ESMF was prepared in consideration of the emergency nature of the proposed rehabilitation and reconstruction operations, while incorporating the principles of due diligence in managing potential environmental and social risks. Key ESMF principles, in the context of responding to the external and internal requirements, have therefore considered:

- The proposed Project will support multiple subprojects, the detailed designs of which will not be known at appraisal, although the general thrust is understood by the nature of the sectors (housing, fisheries, etc...). To ensure effective implementation of environmental and social criteria, the ESMF provides guidance on the approach to be taken during implementation for the selection and design of subprojects and the planning of mitigation measures;
- Subprojects with the potential for significant environment and/or social impacts are expected to be very few in numbers and are not expected to be initiated during the first year of project implementation. If any are identified (through the subproject screening mechanism), subproject-specific environmental and/or social assessment will be prepared and will be the subject of review and approval by the World Bank;
- Draft Resettlement Plans (RP) for any sub-project involving land acquisition and associated impacts or involuntary relocation of people affected by the tsunami due to safety considerations is required prior to the approval of corresponding sub-project. This is to ensure that a proper planning has been made to deliver the resettlement benefits to the affected persons. The voluntary donation² or compensated contribution of land for sub-project activities will be guided by the “Guidelines for Land and Asset Acquisition, Entitlements and Compensation” presented in **Annex 7**;
- The overall aim of the proposed operations is to ensure the sustainable restoration of the habitats and livelihoods of populations displaced or affected by the tsunami. The overarching principles of the World Bank’s social safeguard policies are instructive on the use of systematic and cost effective mechanisms to achieve this objective. These include: (i) consultations with affected people in the preparation of relocation plans and ensuring that their views and concerns are made known to decision makers and taken into account; (ii) socio-economic surveys to identify and assess social impacts, including loss of assets, income source or livelihoods; (iii) disclosure of relocation plans to the affected population and dissemination of information on their rights and measures to improve or restore their livelihoods; and (iv) strategies to ensure that benefits are also provided to host communities.
- In the event that people are physically or economically affected by Project-supported subprojects, appropriate social studies, in accordance with GoI and state/UT policies and the Bank’s policies will be prepared;
- Consultation and disclosure requirements will be adapted to meet the special needs of the proposed project. The ESMF will be disclosed in the sector ministries and other public places in the Tamil Nadu and Pondicherry and in the World Bank InfoShop.

III. Laws, Regulations and Notifications

A brief synopsis of select environmental regulations is provided in Annex 1. The following paragraphs highlight the salient features of select laws which have a particularly important bearing on the design and implementation of the Project.

² The voluntary donation refers to situation when the title owner surrenders his asset without claiming any compensation by executing an undertaking with the implementing agency.

a. Environment

Coastal Regulation Zone (CRZ) Notification. A crucial element of the regulatory framework that holds significant implications for project implementation is the Coastal Regulation Zone (CRZ) Notification of 1991. The CRZ Notification is the principle legislation governing development activities and land use along India's coasts in the area falling within 500 meters of the high tide line and in the inter-tidal zone. Under the notification, all areas within this zone are to be classified as CRZ I (i), I (ii), II, III or IV based on geomorphology and various other criteria, including ecological significance, existing developments and other features. The nature and kinds of land uses permitted vary according to the specific zone within which an area falls, with greater restrictions on CRZ-I areas, fewer on CRZ-II areas and variable restrictions in CRZ-III areas, where there is considerable scope for varied interpretation as well. Generally, the Notification is complex (this is compounded by 17 amendments since 1991) and has been interpreted and applied in different ways by both Centre and states.

b. Land Acquisition

The Land Acquisition Act (LA) of 1894 amended in 1984. The private land acquisition will be guided by the provisions and procedures outlined in this act. As per the LA act, the District Collector will function as the Land Acquisition Officer on behalf of the Government. Usually, the land acquisition is time consuming and takes about 2-3 years to complete the process. A major cause of the delays in the land acquisition is regarding the amount of compensation for the land and assets lost leading to legal proceedings. There is also provision under section 17 of the act to acquire lands under emergency or urgency clause by paying 80% of the initial estimated amount and take the possession of the land and later complete the process to pay the balance amount in case of emergency development activities. There is also provision for consent award to reduce the time for processing if the land owners are willing to agree for price fixed by the District collector. The option of acquiring lands through private negotiations is also available.

c. Resettlement

National Policy on Resettlement and Rehabilitation. In the absence of any law or act on resettlement, only *ad hoc* measures have been taken so far on a project-by-project basis to address resettlement issues. The Government of India recently issued a "National Policy on Resettlement and Rehabilitation for Project Affected Families, 2003" through a Gazette notification on February 17, 2004. The policy applies to all projects where more than 500 families are displaced in plain areas and more than 250 families in hilly and scheduled areas. The policy mentions that proposed benefits and monetary grants are minimum and state governments and project proponents are free to adopt higher provisions than provided in the policy. However, the state Government and other agencies are yet to come out with their own policies in line with the national policy. Therefore, the principles and objectives laid down in this framework will be the basis for mitigating any resettlement impacts.

IV. Environment and Social Management Framework

a. Roles, Responsibilities and Management Framework

GOI has constituted a multi-sector core group headed by a Chief Coordinator for planning and implementation of post-tsunami recovery and rehabilitation program in the affected states and union territories. The core group has three sections: Financial Advisory, Program Management & Coordination, and Engineering & Design. It will work as an inter-departmental coordination mechanism to be convened on a regular basis for planning and monitoring the entire recovery and rehabilitation program. In order to ensure a strong decision support systems and coordinated implementation, a Project Management Consultant (PMC) will be appointed to provide necessary support to the multi-sector core group. The PMC will form essential links between the designated state level implementing agencies. This office will primarily look after the inter-ministerial

coordination and facilitate the MOEF and other statutory clearances at the central level wherever required.

In Pondicherry the program will be implemented directly by the Relief and Rehabilitation Commissioner's office located in the Revenue Department. Each implementing agency will be responsible for implementing the ESMF to its own sub-projects. The implementing agencies need additional support in the form of consultants to prepare the mitigation plans. The Commissioner may delegate the day-to-day oversight function to a Joint Commissioner (Relief and Rehabilitation) who will assign full time staff to oversee the screening process and the preparation of subproject-specific environmental management plans and/or resettlement action plans or any other subproject specific studies that are required.

Each implementing agency will designate an ESMF Coordinator with responsibility for overseeing the implementation and monitoring of the ESMF. The implementing agencies will also contract specialist services for environmental and social safeguard management at a level that is commensurate with the magnitude of issues to be managed. The Coordinator would report directly to the Commissioner's Office. The Coordinator will work closely with each department to determine the appropriate level of inputs on environment and social issues and support the development of standard guidelines, codes of practice, environmental and social review frameworks, as appropriate and in accordance with the preliminary analysis provided in the sector issues matrices presented in Annexes 4 and 5.

The overall management framework, including roles and responsibilities, for the implementation of the ESMF will be consistent and fully integrated with the agreed project implementation arrangements at the UT level. The PMU will, among other things, and in accordance with guidance provided in Annexes 4 and 5: i) develop the sector-level criteria for environmental and social management; ii) develop the cross-cutting guidelines on core environment and social issues (such as the guidelines for resettlement and rehabilitation, site selection criteria for rural and urban housing, debris/rubble collection and disposal guidelines, among many others); iii) establish reporting framework and formats; iv) others, as required.

During Project supervision, the World Bank will assess the implementation of the ESMF and recommend additional measures for strengthening the management framework and implementation performance. A comprehensive review of ESMF's application will be undertaken 12 months after Project effectiveness.

b. Sub-Project Cycle and Screening Criteria

Subproject selection, design, contracting, monitoring and evaluation will be consistent with agreed guidelines, requirements and documentation as required under the Screening and Review Process which will be fully integrated into the Project Implementation Plan and Project Implementation Manual. The subproject screening and mitigation process, which is illustrated in Figures 1 and 2, will include:

- Overall guidelines for environment and social aspects of the project as well as procedures for the protection of cultural property, including chance finds of archaeological artifacts (Annexes 4 and 5);
- Checklist for screening of social impacts of subprojects in Annex 6;
- Land acquisition assessment data sheet in Annex 6;
- Guidelines for land acquisition and resettlement plans Annex 7;
- A list of ineligible subprojects listed in Annex 8;
- Social Assessment to support consultation and participation of the stakeholders (Annex 9); and,
- Compensation Payment Monitoring Sheet, Annex 10. .

The PMU's first activity on the ESMF front should be the elaboration of a clear sub-project cycle and the identification of the key decision points for managing the ESMF screening process, including the subproject specific reviews/assessment and management plans, as discussed below.

c. Screening Process

The screening process is the first step in the ESMF process. One of the objective of the screening process is to rapidly identify those subprojects which have little or no environmental or social issues so that they can move to implementation in accordance with pre-approved standards or codes of practices or other pre-approved guidelines for environmental and social management. The screening process requires consideration of the guidelines provided in Annexes 4 and 5. Additional considerations are briefly discussed below.

Figure 1: Flowchart of the Screening and Review process for Environmental Impacts

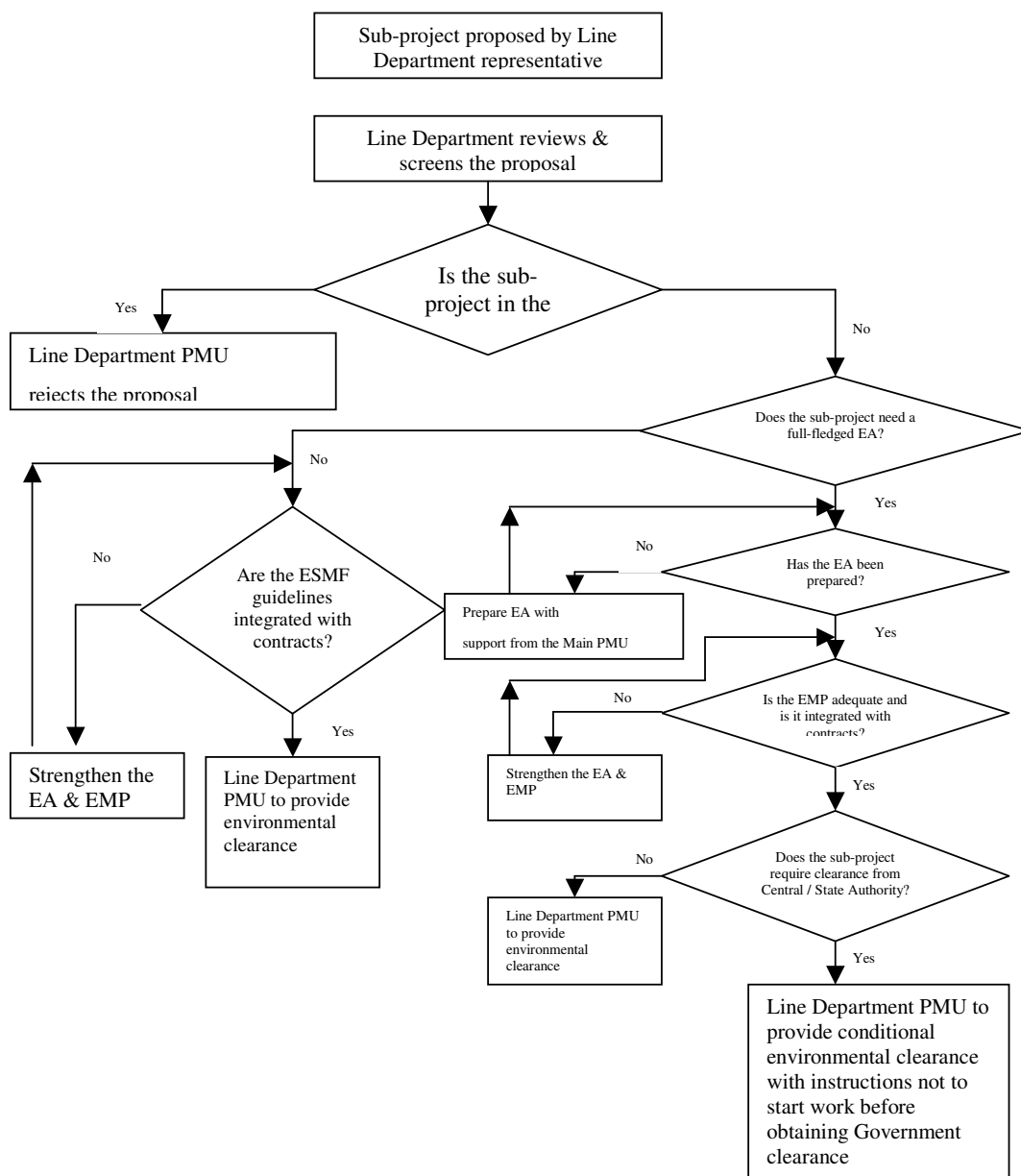
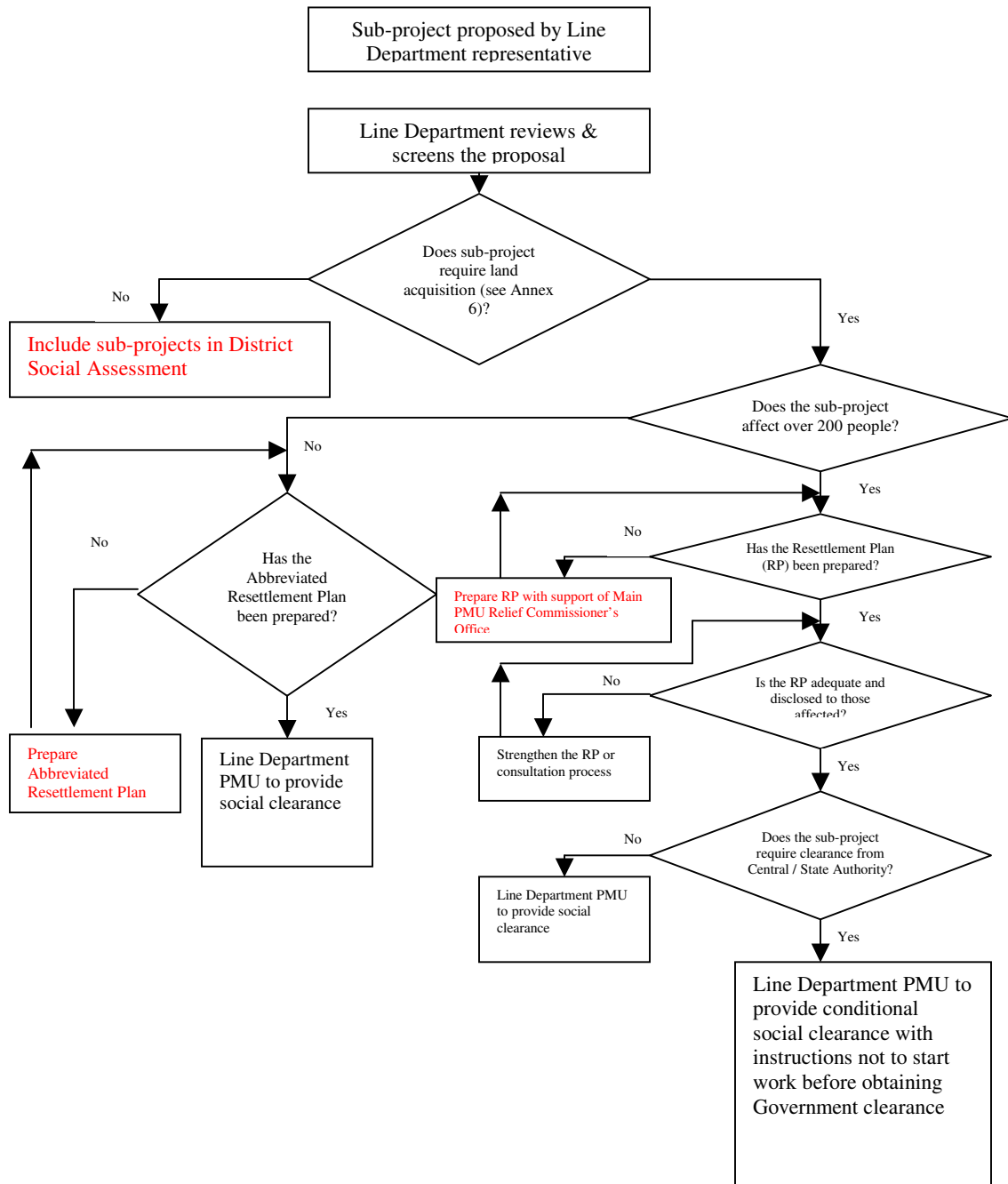


Figure 2: Flowchart of the Social Screening and Review process



Involuntary Resettlement The World Bank's policy on Involuntary Resettlement covers those displaced by the project's activities. Even for those not covered by the policy, and to ensure effective poverty reduction, it is good practice for the borrower to undertake a social assessment and implement measures to minimize and mitigate adverse social impacts, particularly on poor and vulnerable groups and promote consultations and participation of all stakeholders in the planning and implementation process. Well documented consultation mechanisms will be required to establish eligibility for compensation. The indicative TOR for the proposed social assessment is provided in Annex 9.

For any sub-project involving land acquisition and associated impacts, a draft resettlement plan (RP) is required, prior to the approval of sub-project and borrowers will implement the RP in advance of sub-project implementation. The approval of the resettlement plan is subject to approval by IDA. Several issues will increase the complexity of land acquisition, such as the loss or destruction of ownership documents during the tsunami, the disappearance of physical markers of land boundaries and the huge death toll resulting in numerous inheritance issues involving vulnerable persons like widows and orphans. The safeguards framework therefore includes procedures for identifying eligible project-affected people, calculating and delivering compensation, mechanisms for land dispute grievance redress, and for protection of inheritance right of vulnerable groups.

Indigenous Peoples. In the Indian context, the application of OD 4.20 is equated with the impacts to tribal population. It is unlikely that there are any tribal population in the disaster affected areas (2 enclaves of Pondicherry) living in the disaster affected villages. As part of the proposed social assessment,, a potential vulnerability assessment of all affected groups is planned to ensure effective consultations and culturally appropriate benefits for each affected group. As part of this analysis, subproject preparation will assess the vulnerability of different ethnic groups in particular project contexts (in terms of potential exclusion from project benefits, negative project impacts, and the need for specific culturally compatible mechanisms for participation), and will incorporate adequate measures to address such vulnerability in project design. The requirement of separate tribal plan to address the concerns and needs of the indigenous peoples will be determined through sub-project screening or social assessment process.

d. Standards and Codes of Practice

A number of Project activities are unlikely to entail any significant environment issues and as such the screening process should consist largely in the verification of inclusion of appropriate standards in the project design and contract documentation. Areas which are likely to be more effectively covered through the development of standards and codes include, but are not limited to, the following:

- Rubble/debris collections and disposal;
- Site selection criteria for new housing settlements, including alternative analysis framework;
- Community environmental management plans for new settlements, including waste management practices;
- Good environmental practice in housing construction;
- Good environmental practice in aquaculture and pisciculture
- Good practice in Integrated Pest Management
- Good environmental practice in small scale construction

e. Sub-Project-Level Environmental and Social Reviews

While most Project activities are expected to have generic environmental and social issues that are manageable through standards and codes of practice, there will be Project activities that carry a higher risk of environmental and social disruptions and/or impacts. These subprojects should be the subject of environment and/or social reviews as the key management tool for identifying opportunities for lower impact project opportunities (through an alternative analysis exercise whenever possible) and/or for the identification of necessary mitigation measures in accordance with the prevailing legal framework and the Bank's safeguard policies. The terms of reference for such reviews will be developed by the PMU in cooperation with the line department (with the assistance from the Environment Department where and when possible).

Examples of subprojects which are most likely to require subproject-specific plans include, but are not limited to, the following:

- Large housing colonies, particularly in urban areas;
- Infrastructure projects such as jetties, fish processing facilities, access roads, water management structure, among others;

f. Environmental and Social Management Plans

Outcomes of the above environmental and social reviews will in most cases be an environmental and/or social management plan that is sub-project specific.

V. Consultations and Disclosure

This ESMF is based on a strong participatory approach in undertaking all key activities in the emergency recovery program. The implementing agencies level will make all reasonable efforts to consult relevant stakeholders (including the affected communities and NGOs, especially for subprojects with potentially significant environmental or social impacts) in the implementation of the emergency recovery activities, incorporate local community needs and resolve conflicts. ESMF will be shared by the implementing agencies with the concerned nongovernmental organizations, civil society and development partners. The Government will ensure that affected people are consulted in a meaningful way and allowed to participate actively in the consultation process. The consultations will be carried out in a way which is appropriate for cultural, gender based and other differences among stakeholders. Where different groups or individual have different views or opinions, particularly emphasis will be put on the views and needs of the vulnerable groups. The Policy Framework will be made available in respective web sites by the Governments and disclosed in the Bank's Web site. The draft and final RPs along with policy frameworks will also be disclosed in Tamil, and English by the respective state governments in suitable local places such as the offices of village panchyat, village administration, block development, revenue Inspector and the local libraries, which are accessible to the affected communities and the local NGOs. Relevant subproject specific safeguard documents/mitigation plans prepared subsequently will also be disclosed to the public. All ESMF related documentation would be made available at the designated locations at the local level.

The proposed operations may support a number of feasibility and detailed design studies for future infrastructure investments for which World Bank safeguard policies relating to consultation and disclosure will apply. The planning and implementing agencies will consult project-affected groups and local nongovernmental organizations on the project's environmental

and social aspects, and will take their views into account. The implementing agency will initiate these consultations as early as possible, and for meaningful consultations, will provide relevant material in a timely manner prior to consultation, in a form and language(s) that are understandable and accessible to the groups being consulted.

The implementing agencies will consult these groups at least twice: (a) during the social screening and planning stage and later when the draft reports are available to share the contents and receive feedback for any changes. For the initial consultation, the implementing agency will provide a summary of the proposed project's objectives, description, and framework for mitigation of impacts and for later consultations, the contents of the draft plans will be shared and relevant feedback addressed in the final plans.

Annex 1

Synopsis of Select Environmental Laws and Regulations

This section is provided as a reminder that all activities under the proposed project must be consistent with all applicable laws, regulations, notifications that are judged to be relevant in the context of the rehabilitation and reconstruction effort. It is the responsibility of the Implementing Agency to ensure that project activities are consistent with the regulatory/legal framework, whether national, state or municipal/local. This section is not a legal opinion on the applicability of the law but serves as a guidance in the application of the law to the current project context.

National Environmental Regulations

Water and Air (Prevention & Control of Pollution) Acts

Background. Water (Prevention and Control of Pollution) Act, 1974 resulted in the establishment of the Central and State Pollution Control Boards (SPCBs) whose responsibilities include managing water quality and effluent standards, as well as monitoring water quality, prosecuting offenders and issuing licenses for construction and operation of certain facilities. The SPCB is empowered to set air quality standards and monitor and prosecute offenders under the Air (Prevention and Control of Pollution) Act, 1981.

Relevance to the project. For housing:

- All construction contractors need to obtain the consent-to-establish and consent-to-operate for the various plants – concrete batching, stone crushing and other plants – that they may erect for the purpose of housing construction. This should be obtained from the nearest regional offices of the SPCB. If existing plants are to be used, then these should have the required consents.

Environment (Protection) Act, 1986 and Environmental Impact Assessment Notification, 1994

Background. Environmental (Protection) Act, 1986 is the umbrella legislation providing for the protection of environment in the country. This Act provides for the Environment (Protection) Rules. Environmental Impact Assessment Notification, 1984 and the various amendments pertaining to this notification form a part of the regulations under this legislation.

Relevant to the project. For housing:

- Certain type of urban housing projects may need environmental clearance from the MoEF. These include those (i) that are worth Rs. 500 million or above, (ii) intended for 1,000 persons or more, and (iii) would discharge 50,000 litres or more of sewage. If there are single housing reconstruction projects that would exceed the above cost, then the environmental clearance should be obtained prior to implementation. Contractors should adhere to the conditions prescribed in the clearance.
- In all their plant operations, the contractors need to meet the requirements / standards prescribed in the various Environmental Protection Rules and other environmental regulations.

Fore small works:

- In all their plant operations, the contractors need to meet the requirements/standards prescribed in the various Environmental Protection Rules and other environmental regulations.

Forest (Conservation) Act, 1980

Background. Forest (Conservation) Act, 1980 pertains to the cases of diversion of forest area and felling of roadside plantation. Depending on the size of the tract to be cleared, clearances are applied for at the following levels of government:

- If the area of forests to be cleared or diverted exceeds 20ha (or, 10ha in hilly area) then prior permission of Central Government is required;
- If the area of forest to be cleared or diverted is between 5 to 20ha, the Regional Office of Chief Conservator of Forests is empowered to approve;
- If the area of forest to be cleared or diverted is below or equal to 5ha, the State Government can give permission; and,
- If the area to be clear-felled has a forest density of more than 40%, permission to undertake any work is needed from the Central Government, irrespective of the area to be cleared.

Restrictions and clearance procedure proposed in the Forest (Conservation) Act applies wholly to the natural forest areas, even in case the protected/designated forest area does not have any vegetation cover.

Relevance to the project. For all sectors:

- If the activities are going to necessitate the diversion of forest area, then the respective line departments have to take the necessary clearances from the Forest Department / MoEF.

Ancient Monuments and Archaeological Sites and Remains Act, 1958

Background. According to this Act, area within radii of 100m and 300m from the “protected property” are designated as “protected area” and “controlled area” respectively. No development activity (including building, mining, excavating, blasting) is permitted in the “protected area” and development activities likely to damage the protected property are not permitted in the “controlled area” without prior permission of the Archaeological Survey of India (ASI) if the site/remains/ monuments are protected by ASI or the State Department of Archaeology if these are protected by the State.

Relevance to the project. For all sectors:

- Activities in protected areas should not be undertaken.
- If activities are to be done in the controlled area of protected properties, then the respective line department should take the necessary permissions from the ASI.

Coastal Regulation Zone (CRZ) Regulations, 1991 (amended upto 2002)

Issued under the Environment (Protection) Act, 1986, coastal stretches have been defined as Coastal Regulation Zone and restrictions have been imposed on industries, operations and processes within the CRZ. For regulating development activities, the coastal stretches within 500 metres of High Tide Line on the landward side are classified into four categories, namely:

- CRZ-I: (i) Areas that are ecologically sensitive and important, such as national parks/marine parks, sanctuaries, reserve forests, wildlife habitats, mangroves,

corals/coral reefs, areas close to breeding and spawning grounds of fish and other marine life, areas of outstanding natural beauty/historically/heritage areas, areas rich in genetic diversity, areas likely to be inundated due to rise in sea level consequent upon global warming and such other areas, and (ii) Area between Low Tide Line and the high Tide Line.

- CRZ-II: The areas that have already been developed upto or close to the shoreline. For this purpose, “developed area” is referred to as that area within the municipal limits or in other legally designated urban areas which are already substantially built up and which have been provided with drainage and approach roads and other infrastructural facilities, such as water supply and sewerage mains.
- CRZ-III: Areas that are relatively undisturbed and those which do not belong to either CRZ-I or CRZ-II. These will include coastal zone in the rural areas (developed and undeveloped) and also areas within Municipal limits or in other legally designated urban areas which are not substantially built up.
- CRZ-IV: Coastal stretches in the Andaman & Nicobar, Lakshadweep and small islands, except those designated as CRZ-I, CRZ-II or CRZ-III.

The development or construction activities in different categories of CRZ area shall be regulated by the concerned authorities at the State/Union Territory level, in accordance with norms stipulated in the CRZ regulation and in the state / UT coastal zone management plan.

Relevance to the project. For housing:

- No new construction is permitted in CRZ-I areas that are ecologically sensitive.
- In CRZ-II areas, new buildings are permitted only on the landward side of the existing (or approved) road or authorized structures.
- In CRZ-III areas, no new construction shall permitted within 200m from the High Tide Line.
- In CRZ-III areas, construction or reconstruction of dwelling units between 200m and 500m is permitted only if it pertains to traditional / customary rights.

For fisheries:

- No new construction is permitted in CRZ-I areas that are ecologically sensitive.
- In CRZ-II areas, new buildings are permitted only on the landward side of the existing (or approved) road or authorized structures.
- In CRZ-III, the following activities require clearance from the State Coastal Zone Management Authority: (i) Construction of boat jetties and fishing harbours - requires an EIA, (ii) boat building and repair and (iii) boat re-fuelling facilities.

For small works:

- No new construction is permitted in CRZ-I areas that are ecologically sensitive.
- Construction of public rain shelters, community toilets, bridges, roads and jetties are permitted in CRZ-I areas that are not ecologically sensitive and fall between the high and low tide line. But clearance is required from the State / UT Coastal Zone Management Authority.
- In CRZ-II areas, new small works are permitted only on the landward side of the existing (or approved) road or authorized structures.
- In CRZ-III areas, construction of small public works such as public rain shelters, drainage, & roads and bridges is permitted with the permission of the State / UT Coastal Zone Management Authority.

State-level legislation – Pondicherry

The Pondicherry Groundwater(Control and regulation) Act, 2002 (Act No. 2 of 2003)

Background. This Act is to protect groundwater resources, to provide safeguards against hazards of its over-exploitation and to ensure its planned development and management in the Union territory of Pondicherry and for matters connected therewith or incidental thereto. The Act empowers government through the Pondicherry Groundwater Authority to develop, control, regulate and administer the groundwater in the region by ensuring its optimal and efficient utilisation. This also provides for conjunctive use of surface and groundwater. This Act provides for registration of new users of wells and also prohibition of sinking wells in notified areas without permit. It shall empower the authority to penalise the activities not in accordance with the act regarded as offences. Under this Act the Pondicherry Ground water Authority was constituted for the development of Ground water management for a period of five years with effect from 15-10-2004 with the Secretary to Chief Minister as Chairman and Hydrogeologist I (SGWU) as Member Secretary.

Relevance to the project. For housing:

- Pondicherry Groundwater Authority regulates the abstraction of groundwater. Line department / contractor should obtain clearances / permissions, if required, from this Authority prior to any abstraction of groundwater.

For fisheries:

- Pondicherry Groundwater Authority regulates the abstraction of groundwater. Line department / contractor should obtain clearances / permissions, if required, from this Authority prior to any abstraction of groundwater.

For small works:

- Pondicherry Groundwater Authority regulates the abstraction of groundwater. Line department / contractor should obtain clearances / permissions, if required, from this Authority prior to any abstraction of groundwater.

The Pondicherry Town and Country Planning Act, 1994

Background. It is an Act to provide for planning the development and use of Rural and Urban land in the Union territory of Pondicherry and for purposes connected therewith. As per the Act plans for the urban area and rural areas of the Union territory of Pondicherry are prepared to regulate the planned development of the territory.

Relevance to the project. For housing:

- All housing projects should be in compliance with the respective and existing development plans. Clearances / permissions should be taken from the Department Town and Country Planning prior to the construction of these housing projects.
- Town and Country Planning Regulations shall apply including the norms related to Floor Space Index (FSI) and Floor Area Ratio (FAR).
- Reconstruction of the authorized buildings to be permitted subject to the existing FSI/FAR norms and without change in the existing use.

For small works:

- All small works should be in compliance with the respective and existing development plans. Clearances / permissions, if required, should be taken from Department of Town and Country Planning prior to the construction of these housing projects.

The Pondicherry Municipalities Act, 1973

The Pondicherry Village and Commune Panchayat Act, 1973

Background: These Acts were enacted to consolidate and amend the law relating to municipalities and communes in the Union territory of Pondicherry with a view to reorganize the administration of local government in furtherance of democratic decentralization of powers in favor of the different local bodies.

Relevance to the project. For housing:

- All housing projects proposed in areas, which are under the jurisdiction of the town or village panchayats, should obtain their clearance / permission. The line department should ensure that this is obtained.
- All construction camps (including plant & equipment) in areas, which are under the jurisdiction of the town or village panchayats, should be established only after obtaining their clearance / permission.

Small public works:

- All small works proposed in areas, which are under the jurisdiction of the town or village panchayats, should obtain their clearance / permission.

Fisheries

- All workshops, e.g. boat repair yards, which are under the jurisdiction of the town or village panchayats, should be established only after obtaining their clearance / permission.

Applicability of regulations across sectors

The following table shows the applicability of the various regulations across the four different sectors:

No.	Title of the regulations	Housing	Fisheries	Agriculture	PWD Small Works
A. National legislations					
	Environment (Protection) Act, 1986 and Environmental Impact Assessment Notification, 1994	√			√
	Forest (Conservation) Act, 1980	√	√	√	√
	Ancient Monuments and Archaeological Sites and	√	√	√	√

	Remains Act, 1958				
	Coastal Regulation Zone (CRZ) Regulations, 1991 (amended upto 2002)	√	√		√
B. State-level legislations – Pondicherry					
	Pondicherry Groundwater (Control and Regulation) Act, 2002	√		√	√
	Pondicherry Town and Country Planning Act, 1971	√			√
	The Pondicherry Municipalities Act, 1973	√	√		√
	The Pondicherry Village and Commune Panchayat Act, 1973	√	√		√

Annex 2:

Synopsis of Select World Bank Safeguard Policies

This ESMF has been developed to support a due diligence process, to avoid causing harm or exacerbating social tensions, and to ensure consistent treatment of social and environmental issues across sectors of intervention. The ESMF should assist the Project Implementing Agencies in screening all the subprojects for social and environmental issues and/or impacts, in accordance with applicable laws regulations and the Bank's safeguard policies, as summarized below.

OP 4.01 Environmental Assessment. Most of the proposed subprojects are likely to focus on the repair, rehabilitation, reconstruction and upgrading (where necessary) of damaged houses, buildings, roads, railways, bridges and infrastructure of critical importance. This would include, but not be limited to, power generation and distribution, agricultural infrastructure, irrigation and drainage networks, water supply and distribution networks, sanitation facilities and rehabilitation of primary and secondary schools. Support will also be provided for mitigation measures related to reversing the adverse impacts of the tsunami on coastal eco systems and reef system.

Considering the nature and magnitude of potential environmental impacts from relatively limited scale and magnitude of reconstruction works, the proposed operations are likely to be classified as category 'B'. The requirement to carry out an Environmental Analysis as part of project preparation can be waived but, for subprojects with potential adverse impacts, a limited Environmental Analysis will be done during project implementation. At the same time, prior to appraisal the implementing agency will agree to apply the following minimum standards during implementation: inclusion of standard environmental codes of practice (ECOP) in the repair and reconstruction bid documents of all subprojects; review and oversight of any major reconstruction works by specialists; implementation of environmentally and socially sound options for disposal of debris; and provisions for adequate budget and satisfactory institutional arrangements for monitoring effective implementation.

OP 4.12 Involuntary Resettlement. The need for involuntary resettlement or land acquisition in specific subproject areas will only be known during project implementation, when site-specific plans are available. Therefore subprojects will be screened for applicability of the resettlement policy. In view of the emergency nature of the operations, IDA will, in applicable instances, require a draft resettlement plan for sub-projects prior to approval of corresponding sub-project. The approval of the resettlement plan is subject to approval by the IDA. Several issues will increase the complexity of land acquisition - the loss or destruction of ownership documents during the tsunami, the disappearance of physical markers of land boundaries and the huge death toll resulting in numerous inheritance issues involving vulnerable persons like widows and orphans. The safeguards framework will therefore include procedures for identifying eligible project-affected people, calculating and delivering compensation, mechanisms for land dispute grievance redress, and for protection of inheritance right of vulnerable groups.

Although land disputes between private parties and refugees from war, or natural disasters are not covered by OP 4.12, the policy does cover those displaced by the project's activities. Even for those not covered by the policy, and to ensure effective poverty reduction, it is good practice for the borrower to undertake a social assessment and implement measures to minimize and mitigate adverse social impacts, particularly on poor and vulnerable groups. Well documented consultation mechanisms will be required to establish eligibility for compensation.

OD 4.20 Indigenous Peoples. In the Indian context, the application of OD 4.20 is equated with the impacts to tribal population. It is unlikely that there are any tribal population in the disaster affected areas (13 coastal districts of Tamil Nadu and 2 enclaves of Pondicherry) living in the

disaster affected villages. However, the issue of ethnic and religious affiliation is a larger factor in considering the vulnerability. In light of the above situation, a potential vulnerability assessment of all affected groups is planned to ensure effective consultations and culturally appropriate benefits for each group, instead of focusing only on groups defined as “indigenous peoples”. As part of this analysis, subproject preparation will assess the vulnerability of different ethnic groups in particular project contexts (in terms of potential exclusion from project benefits, negative project impacts, and the need for specific culturally compatible mechanisms for participation), and will incorporate adequate measures to address such vulnerability in project design.

OPN 11.03 Cultural Properties. The emergency operation may pose limited risks of damaging cultural property, assuming that they will not include large-scale excavations, movement of earth or demolition. Furthermore, projects and subprojects will be reviewed for their potential impact on cultural property and clear procedures will be required for identification, protection of cultural property from theft, and treatment of discovered artifacts, and will be included in standard bidding documents. While not damaging cultural property, subproject preparation may later identify and include assistance for preservation of historic or archeological sites. If these opportunities occur, cultural property management plans would be prepared for those subprojects.

OP 4.04 Natural Habitats. The reconstruction of housing is likely to require a large amount of land, possibly as much as 5000 hectares in Tamil Nadu alone. The Project will not support sub-projects that involve conversion of critical natural habitats such as in Forest Reserves, Wildlife Reserves, National Parks or Sanctuaries. Site selection criteria for new housing colonies, in both rural and urban areas, should therefore include appropriate provisions for safeguarding valuable natural habitats.

Annex 3: Environmental Principles of Reconstruction

These principles propose a framework for considering issues, remedial options and opportunities to enhance environmental management and outcomes associated with man-made and natural systems.

Mainstreaming environmental considerations into sectoral interventions. There are environmental dimensions to practically every sector affected by the tsunami. This requires the consideration of environmental issues in all sectoral reconstruction planning and action, particularly the siting of temporary and permanent settlements. Actions related to reconstruction and recovery should seek to ensure that the sustainability of coastal and marine ecosystems is not compromised, and is ideally enhanced as the goods and services they provide underpin the livelihoods and immediate welfare of large coastal populations. Wherever possible, ‘soft’ options with fewer adverse environmental impacts should be favored over ‘hard’ options that may involve changes to coastal hydrology and other natural processes.

Learning lessons from the tsunami event. Tsunamis occur relatively infrequently in the Indian Ocean. The present situation offers an opportunity to assess and monitor the resilience of natural and modified ecosystems to such extreme events, which in turn will help plan mitigation of the potential impacts of a range of natural risks and hazards, which affect coastal areas periodically. Such monitoring can also help plan against the anticipated adverse impacts of climate change. In the short-term, such monitoring is key to identifying environmental damage and prioritizing environmental restoration³.

Need for a comprehensive coastal zone management strategy. Such a strategy would reflect the dynamic nature of the coastal and marine environment and support multiple-use objectives, without compromising the sustainable supply of environmental goods and services. These objectives would reflect livelihood needs, reduce vulnerability to natural hazards, and the conservation of biodiversity and ecological services.

Focus on localized site-specific solutions. The extent of the damages along the coastline and the fear of a tsunami recurring must not lead to uniform strategies being applied across the board without full consideration of the different variables such as climatic factors, bathymetry and coastal topography associated with vulnerability to natural hazards. Economic, environmental, social and cultural factors must all be taken into account when developing disaster risk mitigation strategies, and solutions must be anchored in the prevailing circumstances of local situations.

³ Such assessments and monitoring should be linked with the comprehensive vulnerability mapping and analysis proposed in the chapter on disaster risk management.

Annex 4:

Matrix of Environmental Management Measures

Sector	Sub-project type	Activities envisaged	Environmental issues	Environmental management measures
Housing	Construction of new shelters/Rehabilitation of existing shelters	<ul style="list-style-type: none"> • Planning • Design • Construction of shelters 	<ul style="list-style-type: none"> • Improper siting, design, construction, maintenance • Lack of warning system • Lack of knowledge on when to use shelter 	<ul style="list-style-type: none"> • Consultation and awareness program • Incorporation of good disaster-resistance standards for siting, design, construction and operation • Community disaster management strategy (incl. warning system) • Training/Awareness building
	Rehabilitation of previously existing structures	<ul style="list-style-type: none"> • Removal of debris • Repairs and rehabilitation 	<ul style="list-style-type: none"> • Improper debris disposal • Sourcing of materials from unsustainable sources 	<ul style="list-style-type: none"> • Consultation • Debris disposal in safe areas • Sourcing of materials cleared • Use of disaster-resistant techniques and materials where possible
	Building new structures on small-scale (emergency-related)	<ul style="list-style-type: none"> • Planning • Construction of structures 	<ul style="list-style-type: none"> • Site location could be inappropriate (e.g. very vulnerable to disasters) • Sourcing of materials from unsustainable sources 	<ul style="list-style-type: none"> • Consultation and community involvement in planning • Designs and materials to be cleared by qualified personnel • Incorporation of more disaster-resistant building codes for design and construction

	Building new Structures on large-scale	<ul style="list-style-type: none"> • Planning • Detailed Designs • Construction 	<ul style="list-style-type: none"> • Site location could be inappropriate (e.g. very vulnerable to disasters, aggravate political conflicts) • Sourcing of materials from unsustainable sources • Public health and nuisance concerns from improper water supply, sanitation and waste disposal 	<ul style="list-style-type: none"> • Consultation and needs assessment • Community involvement in planning • Designs, cleared by qualified experts, includes safe water supply, sanitation and solid waste management • Incorporation of more disaster-resistant building codes for design and construction • Comprehensive organizational and management plan, commitment from local government and public to maintain supplies and staff
	Building new Townships	<ul style="list-style-type: none"> • Siting • Planning • Initial Designs • Construction 	<ul style="list-style-type: none"> • Site location could be inappropriate (e.g. very vulnerable to disasters) • Sourcing of materials from unsustainable sources • Inadequate access • Public health and nuisance concerns from improper water supply, sanitation and waste disposal 	<ul style="list-style-type: none"> • Consultation and needs assessment • Community involvement in planning • Mapping • Analysis of alternative sites (including vulnerability analysis, community preferences) • Incorporation of more disaster-resistant building codes for design and construction • Provision of good & adequate drinking water, sanitation and solid waste management facilities.

Sector	Sub-project type	Activities envisaged	Environmental issues	Environmental management measures
<i>Fishing</i>	<ul style="list-style-type: none"> Fish processing, ice boxes for fish preservation and any other infrastructure if required. 	<ul style="list-style-type: none"> Fish processing and preservation 	<ul style="list-style-type: none"> Waste water management Heavy metal content in the fishes 	<ul style="list-style-type: none"> No oil waste or chemical waste should be discharged into the water source. Fishes should be periodically tested for heavy metal deposition to avoid human health effects after consumption.
	<ul style="list-style-type: none"> Boats & trawlers 	<ul style="list-style-type: none"> Use of wood for construction 	<ul style="list-style-type: none"> Tree-felling from forest areas 	<ul style="list-style-type: none"> Wood for boats
	<ul style="list-style-type: none"> Fishing nets 	<ul style="list-style-type: none"> Disposal of used fishing nets 	<ul style="list-style-type: none"> Waste generation 	<ul style="list-style-type: none"> Disposal in approved garbage disposal yards
	<ul style="list-style-type: none"> Aquaculture farms 	<ul style="list-style-type: none"> Rehabilitation of farms 	<ul style="list-style-type: none"> Direct discharge of used water into sea without proper treatment. 	<ul style="list-style-type: none"> Proper water water treatment plants prior to disposal to the sea.
	<ul style="list-style-type: none"> Pisciculture 	<ul style="list-style-type: none"> Rehabilitation of fish ponds 	<ul style="list-style-type: none"> Organic pollution from excess feed Oxygen depletion due to overstocking Loss of native fish species 	<ul style="list-style-type: none"> Regulate feeding Regulate intensity of stocking Avoid exotic species

Sector	Sub-project type	Activities envisaged	Environmental issues	Environmental management measures
Agriculture	<ul style="list-style-type: none"> • Small-scale agricultural diversification 	<ul style="list-style-type: none"> • Identification of agricultural opportunities and design of interventions • Crop diversification • Water provision • Livestock provision and management 	<ul style="list-style-type: none"> • Impacts on vegetative cover, soil fertility • Induced impacts on public health/water quality/residues due to potential increase in agro-chemical use • Potential diversion of additional water resources and associated conflicts • Monoculture and disease/ pest/ fire resistance • Unsustainable grazing • Potential conflict between livestock herders and farmers/local population 	<ul style="list-style-type: none"> • Consultation and measures for conflict management • Site location clearance (avoid infringing on protected areas/ critical habitats/significant biodiversity areas/ wetlands) • Training and use of IPM/INM measures • Also see section on irrigation as relevant • Provide adequate training/ extension and access to local expertise (by training local farmers/groups where possible) on all aspects (including post-harvest management and marketing) • Awareness program on proper procurement, storage, use and disposal of agro-chemicals and their containers • Agriculture/Horticulture/Livestock species choice determined by qualified experts and community consultation; avoid introducing species that may cause disruption in eco-balance • Provide adequate veterinary services • Assessment of grazing requirements (for incremental and projected herd) and legal access to sufficient sustainable grazing ensured; restrict livestock increase depending on grazing constraints • Identification and management of potential conflicts and protection of rights of vulnerable groups (e.g. women, minorities, poor) through appropriate training and institutional/ process arrangements (e.g. rotational grazing, development of dry-season grazing areas and reserves)

Sector	Sub-project type	Activities envisaged	Environmental issues	Environmental management measures
Small public works	Repair of existing roads	<ul style="list-style-type: none"> • Repair of existing roads 	<ul style="list-style-type: none"> • Inadequately rehabilitated borrow pits • Quality of construction 	<ul style="list-style-type: none"> • Dust controls by water sprayers during construction • Adequate Personal Protective Equipments (PPE) during construction. • Tree plantation on both sides of road to control air and noise pollution should be considered. • Erosion protection • Borrow pit rehabilitation • Provision of cross & side drains
	Widening and new roads	<ul style="list-style-type: none"> • Widening of existing roads and construction of new roads • Stone quarry operation 	<ul style="list-style-type: none"> • Road construction-related impacts • Quality of construction • Inadequately rehabilitated borrow pits • Cross and side drainage provisions • Quarry-related environmental impacts 	<ul style="list-style-type: none"> • Consultation and community involvement in planning • Minimize loss of trees/natural vegetation and, where minor loss unavoidable, provide compensatory planting • Suitable labor camp water, sanitation and waste disposal arrangements • Rapid assessment of alternatives from environmental perspective • Dust controls by water sprayers during construction • Adequate Personal Protective Equipments (PPE) during construction. • Tree plantation on both sides of road to control air and noise pollution should be considered. • Erosion protection • Borrow area rehabilitation • Proper Quarry management • Assignment of Maintenance responsibility assigned • Training / orientation of contractors, supervision consultants (if any) and line department officials

**Annex 5:
Guidelines for Screening Social Safeguards**

This provides guidelines for addressing potential social impacts in the proposed sub-projects that are eligible for funding under the Emergency Reconstruction Project. Typical activities envisaged to be financed are listed below with typical social concerns and opportunities as well as an identification of typical social mitigation measures, which are to be included in the sub-projects. The checklists prepared for each sub-project will enable the preparation of detailed Plans.

Sector	Sub-Project and type of activities	Potential impacts and social concerns	Typical mitigation measures
Housing and public Buildings	<ul style="list-style-type: none"> • Construction of new and transit housing (in-situ or new location) • Repairs and rehabilitation of existing houses • Change of land use • Small infrastructure facilities • Construction of new public buildings 	<ul style="list-style-type: none"> • Private land acquisition • Use of public lands • Loss of access to livelihoods • Temporary loss of access to lands • Impacts to non title holders on public lands • Loss of structures • Damages to standing crops and plantations • Integration with host communities 	<ul style="list-style-type: none"> • Minimization of land by identifying vacant public lands • Consultation and participation during preparation of mitigation plans • Compensation for loss of assets at replacement cost • Assistance for temporary loss of lands • Resettlement and rehabilitation assistance • Measures to integrate host population • Special measures to protect the interests of vulnerable groups such as SC/ST and female headed households
Fishing Infrastructure	<ul style="list-style-type: none"> • Harbour Support actives • Engine repair centres • Fishing Auction Centres • Communication centres • Drain Yards • Approach road 	<ul style="list-style-type: none"> • Positive impacts in increasing fishing infrastructure • Use of public lands • Acquisition of Small amount of private lands • Loss of temporary access to lands 	<ul style="list-style-type: none"> • Consultation and participation during preparation of mitigation plans and identification of infrastructure needs • Compensation for loss of assets at replacement cost
Agriculture and Animal Husbandry	<ul style="list-style-type: none"> • Reclamation of Sodic lands • Shelter Plantations • Livestock development 	<ul style="list-style-type: none"> • Positive impacts to enhance Livelihoods and bring land to cultivable status • Small amount of land requirement for plantations 	<ul style="list-style-type: none"> • Consultation and participation during preparation of identification of schemes

Note: The above list is only illustrative and any additional activities that may be considered will be mitigated in accordance with requirements and needs.

Annex 6(a)
LAND ACQUISITION ASSESSMENT DATA SHEET
(To be used to record information in case of requirement of
Use of land for sub-projects)

1. Likely land requirement for the sub-project (Ha):

(a) Government_____ha (b) Private _____ha (c) Temple Land_____ha
(d) Gram Panchyat_____ha (e) any other-----ha

2. Method of land acquisition (Land Acquisition Act, Private Negotiations or voluntary donation⁴):

3. Locations:

4. No of land owners to be affected:

5. No. of structures affected:

6. Current uses of the affected lands:

7. Users:

a) Number of Customary Claimants:

b) Number of Squatters:

c) Number of Encroachers:

d) Number of Owners:

e) Number of Tenants:

f) Others (specify): _____ Number:

g) Common facilities affected : (Describe)-----

8. Details of standing crops to be affected:

9. Any other properties such as wells or trees, etc. to be affected:

10. In case of voluntary donation, sufficient proof must be obtained ((notarized or witnessed statements,

In case of private negotiations, the copy of Government Order will be provided to each land owners in Tamil for facilitating the negotiations.

⁴ In case of voluntary donation appropriate agreement will be executed between land owner and implementing agency prior to handing over of the land to prevent any further climes.

Annex 7
Guidelines for Preparation of Land Acquisition and Involuntary Resettlement Plans

1. Land acquisition and involuntary resettlement will be kept to a minimum, and will be carried out in accordance with these guidelines. Subproject proposals that would require acquisition of productive lands and demolition of structures will be carefully reviewed to minimize or avoid their impacts through avoidance or minimization process. The principle objectives of resettlement are as follows:

- a) Secondary involuntary resettlement will be avoided or minimized by exploring all possible options that have least impacts in terms of secondary land acquisition and resettlement ;
- b) In unavoidable circumstances, the affected persons irrespective of their legal status will be assisted in their efforts to improve their livelihoods and standards of living or at least restore them in real terms to the pre-affected levels; and,
- c) The compensation and assistance to the project affected people are based on the principle that people shall not suffer net losses as a result of the project; .

Eligibility for Benefits

2. Project Affected Persons (PAPs) are defined as persons whose livelihood or shelter is directly affected by the project activities due to acquisition of the land owned or used by them. PAPs deemed eligible for compensation are:

- (a) Those who have formal legal rights to land, water resources or structures/buildings, including recognized customary and traditional rights;
- (b) those who do not have such formal legal rights but have a claim to usufruct rights rooted in customary law; and
- (c) those whose claim to land and water resources or building/structures do not fall within (a) and (b) above, are eligible to resettlement assistance to restore their livelihood.

Involuntary Resettlement Support Principles

3. The project implementation agencies will ensure timely provision of compensation and resettlement assistance to the project affected peoples. The following are the key principles.

- a) any resettlement will be carried out as a sustainable development project;
- b) replacement land with an equally productive plot, cash or other equivalent productive assets;
- c) materials and assistance to fully replace solid structures that will be demolished;
- d) In case of temporary loss of access to lands, compensation in the form of lease rent will be paid;
- e) replacement of damaged or lost crops and trees, at replacement cost;
- f) Project affected people whose remaining land holding become uneconomical will be offered an option to acquire residual lands and will be provided long term economic rehabilitation assistance.
- g) Individuals may elect to voluntarily contribute land or assets provided the persons making such contributions do so willingly and are informed that they have the right to refuse such contributions;
- h) in case of physical relocation, alternative provisions for replacement of houses with adequate basic civic amenities at the resettlement sites.

Support Principles for Different Types of Impacts.

4. The support principle for broad category of impacts is summarized below.

Type of Impact	Support Principles
Loss of Assets	<ul style="list-style-type: none"> The Government will compensate the lost assets at their replacement cost The entitlement unit for such assistance is the household or family. The option of voluntary donation is available to the asset owners
Loss of House and Shelter	<ul style="list-style-type: none"> Every effort will be made by the Government to ensure that new housing is available before people are required to relocate. If resettlement sites are developed close to the existing villages the local “host population” will also be consulted about their views and needs, and be given appropriate support to reduce any negative impact caused by an influx of new people.
Loss of Livelihood or Income Opportunities	<ul style="list-style-type: none"> Assistance will be given to the affected population to reestablish their livelihood and income, and to compensate for temporary losses. All adult members of households affected in this way will be eligible for support. Where possible, the Government will provide employment opportunities created by the reconstruction activities , Longer-term earning opportunities will be provided through strategies such as vocational training, employment counseling, inclusion in income generating schemes, access to credit, etc.
Group Based Development Opportunities	<ul style="list-style-type: none"> Through designs, provision of infrastructure, and other support mechanisms, the project will replace lost assets and minimize any negative impact on groups, particularly groups that are considered vulnerable.
Targeted Support to Vulnerable Groups	<ul style="list-style-type: none"> Vulnerable groups will be provided with additional options and support mechanism than those not considered vulnerable.
Unidentified impacts	<ul style="list-style-type: none"> Unforeseen impacts will be documented and mitigation measures based on the principle of ESMF will be proposed

Land Acquisition and Payment of Compensation

5. Land acquisition is likely to take place through combination of several methods. Identification of available vacant government lands will be most preferred method. In addition, the lands belonging to temples trusts, Gram Panchyats, etc. will also be explored. In some cases the land owners or Gram Panchyats or temples may come forward for voluntary donation of lands. The private land acquisition will be made through private negotiations or using the land acquisition process. Based on the above support principles, the individual entitlements will be proposed and included in the RP.

6. The GoTN has brought out a Government Order (GO.MS. No.75 dated February 10, 2005) for using private negotiations for faster acquisition of private lands. Under this provision, a district level negotiation committee will negotiate the cost land to be acquired with land owners. The district committee is authorized to negotiate up to 200% of either the market value as defined under the land acquisition act or the guideline value fixed by the state government for collection of stamp duty during the registration of sale transitions, which ever is less. In order to protect the interests of the land owners and ensure reasonable compensation close to replacement cost, the government agreed to ensure the government order will be made available to all owners before negotiation. If their remaining land holding becomes uneconomical, the land owners will be offered an option to surrender the residual land against the compensation and long term economic rehabilitation measures will be provided to enable them to improve or at least maintain their pre-

project living standards. In case of private lands used for transits, appropriate lease rent will be paid. In case of any voluntary donation of land appropriate agreement between the land owner and implementing agency will be executed to avoid any claims of compensation at a later stage

7. In case of Pondichery, the relocation site lands will be acquired by using the land acquisition act. Section 4(1) notices have been issued and the compensation will be fixed at the higher of either the guideline value or market value. The guideline values are revised on annual basis and the highest transition sale value of similar lands in the preceding one year before notification is being considered as market value. In addition, 30 % solatium and interest from the section notification will be paid. The lands will be acquired using urgency clause of land acquisition by paying 80% of initial estimated value and the balance amount will be paid after completion of the process. The process is likely to take about 6 months.

8. In case of losses to structures, the compensation will be determined in accordance with the current public works scheduled rates for new construction of similar quality with out depreciation.

Consultation Process

9. Implementing agencies will ensure that all occupants of land and owners of assets located in a proposed subproject area are consulted. Community meetings will be held in each affected villages to inform the local population of their rights to compensation and options available in accordance with these guidelines. The Minutes of the community meetings shall reflect the discussions held; agreements reached, and include details of the agreement

10. The implementing agency shall provide a copy of the minutes to affected people and confirm in discussions with each of them, their requests and preferences for compensation, agreements reached, and any eventual complaint. Copies will be recorded in the posted project documentation and be available for inspection during supervision.

Sub- Project Approval

12. In the event that a subproject involves land acquisition against compensation or loss of livelihood or shelter, the implementing agency shall:

- (a) Not approve the subproject until a satisfactory RP has been prepared and shared with the affected person and the local community; and
- (b) Not allow works to start until the compensation and assistance has been delivered in a satisfactory manner to the affected persons.

Preparation of Resettlement Plans (RPs)

13. Having identified the potential impacts of the relevant sub-projects, the next step is to develop action plans to mitigate the impacts. The RPs provides a link between the impacts identified and proposed mitigation measures to realize the objectives of involuntary resettlement. The RPs will take into account magnitude of impacts and accordingly prepare a resettlement plan that is consistent with this framework for Bank approval before the sub-project is accepted for Bank financing.

- (a) Sub-projects that will affect more than 200 people due to land acquisition and/or physical relocation and where a full Resettlement Plan (RP) must be produced. Such plan will be

prepared as soon as the sub-project is finalized and cleared prior to approval of the corresponding civil work bid document;

- (b) Sub-projects that will affect less than 200 people will require an abbreviated RP;
- (c) The above plans will be prepared as soon as subproject is finalized, prior to Bank's approval of corresponding civil works bid document; and,
- (d) Projects that are not expected to have any land acquisition or any other significant adverse social impacts; on the contrary, significant positive social impact and improved livelihoods are exempted from such interventions.

The indicative outline of Resettlement Plans is provided in annex 7(a)

Annex: 7(a)
Indicative outline of Resettlement Plans

The scope and level of detail of the resettlement plan vary with the magnitude of land acquisition and complexity of resettlement. The plan is based on up-to-date and reliable information about (a) the proposed compensation payment and resettlement of adversely affected groups, and (b) the legal issues involved in resettlement. The resettlement plan covers the elements below, as relevant. When any element is not relevant to project circumstances, it should be noted in the resettlement plan.

(i) **Description of the sub- project.** General description of the project and identification of the project area.

(ii) **Potential impacts.** Identification of: (a) the project component or activities that give rise to land acquisition and resettlement (b) the alternatives considered avoiding or minimizing land acquisition and resettlement; and (c) the mechanisms established to minimize resettlement, to the extent possible, during project implementation.

(iii) **Objectives.** The main objectives of the resettlement program.

(iv) **Results of census socioeconomic surveys.** The findings of surveys to be conducted in the early stages of project preparation and with the involvement of potentially affected people, including:(a) the results of a census survey covering; (b)current occupants of the affected area to establish a basis for the design of the compensation payment and resettlement program and to exclude subsequent inflows of people from eligibility for compensation and resettlement assistance;(c)standard demographic and socio-economic characteristics of affected households,(d) the magnitude of the expected loss—total or partial—of assets, and the extent of impacts, physical or economic;(e) public infrastructure and social services that will be affected; and(f)social and cultural characteristics of affected communities, including a description of formal and informal institutions (e.g., community organizations, ritual groups, nongovernmental organizations (NGOs) that may be relevant to the consultation strategy and to designing and implementing the resettlement activities.

(v). **Eligibility.** Definition of affected persons and criteria for determining their eligibility for compensation and other resettlement assistance, including relevant cut-off dates.

(vi). **Valuation of and compensation for losses.** The methodology to be used in valuing losses to determine their replacement cost; and a description of the proposed types and levels of compensation under local law and such supplementary measures as are necessary to achieve replacement cost for lost assets

(vii). **Resettlement measures.** A description of the packages of compensation and other resettlement measures that will assist each category of eligible affected persons to achieve the objectives of the policy. In addition to being technically and economically feasible, the resettlement packages should be compatible with the cultural preferences of the displaced persons, and prepared in consultation with them. Any measures necessary to prevent land speculation or influx of ineligible persons at the selected sites. The provisions of housing, infrastructure (e.g., water supply, feeder roads), and social services (e.g., schools, health services); plans to ensure comparable services to host populations. Additional measures to ensure that such vulnerable groups as indigenous people, ethnic minorities, the landless, and women are adequately represented.

(viii) **Income Restoration Measures.** Wherever the livelihoods are affected, appropriate measure for improvement or restoring of livelihoods including assistance during the transition period will be proposed which should be compatible with the cultural preference and skill of the affected people.

(ix) **Community participation.** Involvement of affected people for consultation with and participation of in the preparation and implementation;(b)a summary of the views expressed and how these views were taken into account in preparing the resettlement plan;(c) a review of the alternatives presented and the choices made by affected persons wherever options available to them, including choices related to forms of compensation and resettlement assistance. and

(x) **Integration with host populations.** Measures to mitigate the impact of resettlement on any host communities, including: (a)consultations with host communities and local governments;(b)arrangements for prompt tendering of any payment due the hosts for land or other assets provided to resettlers;(c)arrangements for addressing any conflict that may arise between resettlers and host communities; and (d)any measures necessary to augment services (e.g., education, water, health, and production services) in host communities to make them at least comparable to services available to resettlers.

(xi). **Implementation Arrangements:** The description of agencies responsible for implementation of compensation payment and resettlement activities and NGOs that may have a role in project implementation should be outlined and an assessment of the institutional capacity of such agencies and NGOs; and any steps that are proposed to enhance the institutional capacity of agencies and NGOs responsible for resettlement implementation.

(xii). **Grievance procedures.** Affordable and accessible procedures for third-party settlement of disputes arising from resettlement; such grievance mechanisms should take into account the availability of judicial recourse and community and traditional dispute settlement mechanisms.

(xiii) **Implementation schedule.** An implementation schedule covering all payments of compensation and other applicable resettlement activities from preparation through implementation, including target dates for the achievement of expected benefits to resettlers and hosts and terminating the various forms of assistance. The schedule should indicate how the resettlement activities are linked to the implementation of the overall project.

(xiv) **Costs and budget.** Tables showing itemized cost estimates for all compensation payments and associated resettlement activities other contingencies; timetables for expenditures; sources of funds; and arrangements for timely flow of funds, and funding for land acquisition and resettlement should be described.

(xv). **Monitoring and evaluation.** Arrangements for monitoring of compensation payments and resettlement activities by the implementing agency, supplemented by independent monitors as considered appropriate by the Bank, to ensure complete and objective information; performance monitoring indicators to measure inputs, outputs, and outcomes for resettlement activities; involvement of the displaced persons in the monitoring process; evaluation of the impact of resettlement for a reasonable period after all resettlement and related development activities have been completed; using the results of resettlement monitoring to guide subsequent implementation.

Abbreviated Resettlement Plan

An abbreviated plan covers the following minimum elements

- (a) a census survey of displaced persons and valuation of assets;

- (b) description of compensation and other resettlement assistance to be provided;
- (c) consultations with displaced people about acceptable alternatives;
- (d) institutional responsibility for implementation and procedures for grievance redress;
- (e) arrangements for monitoring and implementation; and
- (f) a timetable and budget.

Annex 8:
List of Ineligible Activities

Subprojects with any of the attributes listed below will be ineligible for support under the proposed project.

Attributes of Ineligible Subprojects
<ul style="list-style-type: none">• Any project activity with the potential for significant conversion or degradation of critical natural habitats. Including, but not limited to, any activity within:<ul style="list-style-type: none">• Declared Forest Reserves• Wildlife Reserves;• National Parks and Sanctuaries;• CRZ I or any CRZ zone where activities are not allowable in accordance with the CRZ Notification.• Any project that is not consistent with applicable laws and regulations.• Any project with the potential for significant damages to cultural property.• Any project that is not consistent with the project description at time of project negotiations, unless subsequently agreed to with the Bank along with the appropriate level of environmental and social management.

Annex 9 Indicative Outline Terms of Reference for Social Assessment ⁵

Social assessment is the instrument used by the government to analyze social issues and solicit stakeholder views for the design of sub-projects. This draft ToR provides an outline of generic terms of reference for each District, covering the sub-projects of relevance. The government will adapt this general framework based on the local context and the needs of specific District.

Introduction

The purpose of the social assessment is to ensure transparency and accountability in the delivery of Tsunami reconstruction benefits or programs and to recommend appropriate measures to manage significant social risks. *The sub-projects to be assessed in the Sector/ District should be briefly identified in this introduction and a brief explanation given on implementing arrangements for the social assessment.*

Background information

Include a brief statement of the rationale for the sub-projects to be included, their intended objectives, a description of their major components, implementing agency(ies), current status and timetable, and describe any associated existing programs or schemes.

Objectives

The social assessment's objective is to increase the likelihood of achieving sub-project's intended social outcomes, insuring their efficiency and equity. To achieve this objective, the consultant will assess the likely positive and negative social impacts, particularly on vulnerable groups, of the reconstruction activities planned and assess the level of awareness, concerns and attitudes of people towards these planned activities. The social assessment will be guided by the principles for reconstruction and resettlement of Tsunami affected communities attached to this TOR. *Summarize the scope of the social assessment and discuss its timing in relation to the sub-project preparation, design and implementation. Describe in the final ToR the specific tasks expected from the agency conducting the assessment, for example:*

Task 1: Description of the proposed sub-projects and their intended social outcomes

Task 2: Brief description of the socio-cultural, institutional, historical and political context

Task 3: Assess legislative and regulatory considerations and role of local government

Task 4: Analysis of key social issues –for example, diversity and gender issues, institutional arrangements, information flows and rules for effective decision-making, participation of stakeholders and potential social risks including, but not limited to, the feasibility and acceptability of the sub-project outcomes, efficiency and equity of implementation arrangements, relations between beneficiaries and non-beneficiaries, efficacy of site selection, conflict management or grievance-redress processes, and the maintenance of public assets created.

Task 5: Assess any whether any impacts to known tribal groups in the affected villages and accordingly prepare the Tribal Development Plans in accordance with the World Bank's

⁵. *(items in italics are to be adapted to each Sector/ District's requirements)*

Operational Directives 4.20 Indigenous Peoples. These plans should be appropriate to the cultural preferences and the need of tribal groups.

Task 6: Data collection and research methods –consultation approaches required to ensure participation of those affected, for example focus group discussions, key informant interviews and triangulation of data collection; as well as quantitative surveys needed and statistical techniques to be employed

Task 7: Recommended strategy to achieve social development outcomes

Task 8: Implications for analysis of alternatives, management and implementation arrangements

Task 9: Developing a plan and indicators for sub-project participatory monitoring

Expected outputs, schedule and reporting relationships

Within 2 weeks the consultant will prepare an inception report including their work plan and methodology with a detailed schedule of the social assessment tasks to be completed, as described in the terms of reference. Within 2 months they will provide a draft social assessment report which will identify stakeholders and their expectations, interests or concerns, assess the social risks of the sub-projects (both the risk of the sub-project's impacts on the vulnerable, as well as other social risks to the sub-project's feasibility or success), and recommend design changes or mitigation measures or action best able to manage those risks during implementation. *Note to whom the team will give preliminary and final drafts of each output.* The final report will be completed by month 4, and will include relevant charts and graphs, statistical and qualitative analysis and, in some cases, raw data obtained during the social assessment. *In addition to the outputs of the social assessment, include a note on the social assessment process itself, stating any difficulties likely to be faced by the team in conducting the social assessment, and the most appropriate dissemination strategy for its findings.* The report and accompanying materials will be provided in English and Tamil and posted in District Administration offices.

Consultant team

Social assessment requires a multidisciplinary team to meet the different demands of the assignment. *Key positions and skills should correspond to the sub-projects to be assessed. The terms of reference should specify key positions on the team. Individual time requirements should be specified for each assignment.* One team member will be appointed team leader, and be responsible for the entire team's performance.

Post-Tsunami Reconstruction Social Assessment

Guiding Principles for Reconstruction and Resettlement of Tsunami Affected Communities

The overarching objectives for reconstruction in the context of the Asia earthquake and tsunami disaster are to (i) deliver timely reconstruction/resettlement assistance to all affected people, (ii) ensure reconstruction is implemented in culturally appropriate and socially and environmentally sensitive ways, (iii) bring about the equitable and effective restoration of shelter and livelihoods, and (iv) ensure that communities are rebuilt in such a way that they are less vulnerable to future natural hazard events.

In the wake of the devastating tsunami, there is a natural reaction to relocate communities away from the coastline to protect people from potential future disasters. While understandable, decisions to relocate groups of people or communities must be made by the communities themselves, equipped with information on technical considerations, including the exposure of the site to multiple hazards, and where appropriate (e.g., for small, isolated communities), the capacity of the government to provide services in a cost-effective manner.

Evaluations of past experience with post-disaster reconstruction have shown that rebuilding in situ is generally preferable to relocating communities after a disaster. It is usually the quickest and most cost effective method for bringing about recovery and normalcy. Wherever feasible, reconstruction in situ should be promoted to take advantage of existing infrastructure and community facilities, and minimize resettlement and social dislocation.

Due to the impacts of the tsunami on the physical terrain and the likelihood of future disasters in highly exposed areas, it may not be feasible for some communities to rebuild in their original sites. While it is laudable to try to protect at-risk communities from hazard events, international experience clearly shows that blanket no-build zones are neither feasible nor sustainable. A practical approach is necessary, in which risk assessments are undertaken to identify where return to original sites is or is not technically and environmentally feasible. These assessments should involve community representatives working with social and technical specialists, and assess suitability of the original site for rehabilitation, including vulnerability to various natural hazards, disease and environmental risks, suitability of land for agriculture, etc.

Where reconstruction on the original site is not feasible or not desired by the community, new sites for relocation should be identified and assessed for the following:

- Clarification of the current status of the site with respect to occupation, ownership, land use rights by other groups and potential encroachment on protected areas;
- More detailed social assessment, including the nature of neighboring communities or villages and potential tensions/conflicts with resettled population;
- Carrying capacity of the new site with respect to population and livelihood activities; and,
- Environmental and hazard risk assessment. The EA should assess the natural environment (e.g., air, water, land); human health and safety; social aspects (e.g., involuntary resettlement, indigenous peoples, cultural property) and include a process to mitigate and manage adverse environmental impacts throughout project implementation.

All reconstruction and recovery efforts should be undertaken with sound and comprehensive spatial planning in order to reduce the vulnerability of communities to future natural hazard events. In addition, these efforts should include:

- Improving the construction standards of the built environment and/or introducing them where they do not exist;
- Establishing hazard monitoring, early warning, and community preparedness plans for multi-hazards; and,
- Enhancing the ability of natural systems to protect people and provide essential goods and services to sustain and enhance livelihoods.
- Supporting comprehensive regional and subregional strategic planning that integrates social and environmental considerations (i.e. strengthens holistic, regional economic planning).

The following principles will inform all recovery and reconstruction activities:

- There is recognition that a healthy environment underpins healthy and safe coastal communities.

- There will be full and consistent participation of all community members in the decision-making process and implementation of decisions (including women, the poor and other vulnerable groups).
- The rights and needs of highly vulnerable groups (including widows, women, the aged, children, poor, etc.) will be equitably addressed.
- There should be clear and transparent communication to affected people and communities concerning their eligibility for support, compensation and entitlement packages, as well as the mechanisms to gain access to such resources.
- Involuntary resettlement should be avoided or minimized. Where this is not feasible, a transparent process for securing land for settlement in less vulnerable sites and access rights to coastal areas essential for livelihoods should be established.
- Technical assistance should be made available to all communities to enable them to assess environmental, social, situational, service and infrastructure and related needs and issues to arrive at informed decisions concerning choice of sites and specific strategies for reconstruction.
- Channels for grievance resolution should be set up at various levels of the administrative/organizational structure to deal with individual or collective complaints. Responsiveness to grievances within a reasonable time frame will help to build community support for the rehabilitation process and mechanism.
- Reliance on traditional leadership (village and fishing leaders, religious leaders, etc.) for guidance and mediation will be critical. Regular meetings with these leaders would provide an effective feedback loop for gauging community response.

Annex-10 (a)

LAND ACQUISITION COMPENSATION MONITORING SHEET

(Tamil Nadu)

1. Name of the sub-project:
2. Village/Town:
3. Name of the Land Owner:
4. Area of land acquisition (Ha):
5. Type of Land: (a) Irrigated..... (b) Non-irrigated:(c) homestead..... (d) Barren.....(e) other (specify).....
6. (a) Market value (in Rs/Ha): (b) Guideline Value..(in Rs/Ha).....
(c) Date of latest revision of guideline value:.....
(d) Negotiated Price (in Rs/Ha)..... (e) Total compensation Paid..... (.....% of guideline value)
7. Date of Negotiations:
8. Date of registration of sale deed:
9. Payment Details : (Cheque No, etc.),
10. Details of standing crops affected and compensation payment details
11. Details of any other properties affected such as wells or trees, structures affected and compensation payment details
12. Area of left over land holding.....
13. Option for surrendering left over land if it is residual⁶
14. Long term rehabilitation measures (if required).....
15. Remarks.....

The land owner will certify that he has received the copy of Government Order on private negotiations and the provisions of the Order were understood and the negotiations are carried out in accordance with provisions of the Government Order.

Signature of Land Owner

Signature of District/Sector ESMF Co-coordinator

⁶ The thresholds for residual lands will be decided based on the local norms.

Annexure 10(b)
LAND ACQUISITION COMPENSATION MOINTORING SHEET
(Pondicherry)

1. Name of the sub-project:
2. Village/Town:
3. Name of the Land Owner:
4. Area of land acquisition (Ha):
5. Type of Land: (a) Irrigated..... (b) Non-irrigated:(c) homestead..... (d) Barren.....(e) Other (specify).....
6. Date of Section (4a) Notification:
7. Date of Section 6 Notification:
8. Date of payment of Advance compensation:
9. Date of handing over of the Land:
10. Date of Award:
11. Date of Issue of notice for receipt of final compensation:
12. Highest sale transition price of similar land during one year preceding Section Notification (Market Value): (Rs/Ha):
13. Guideline Rate (Rs./Ha):
14. Date of revision of Guideline rate:.....
15. Award amount (Rs/Ha)⁷:
16. Payment Détails: (Cheques No. etc.)...
17. Market value (in Rs/Ha): (b) Guideline Value..(in Rs/Ha)...
(a) Total compensation Paid...(c) Date of Issue of notice for final compensation:
(b) Payment Détails: (Cheque No, etc.
18. Details of standing crops affected and compensation payment details
19. Details of any other properties affected such as wells or trees, structures affected and compensation payment details:
20. Area of left over land holding.....
21. Option for surrendering left over land if it is residual⁸
22. Long term rehabilitation measures (if required).....
23. Remarks:

Signature of the ESMF Coordinator

⁷ The basis for fixing of award amount is higher of the award value or guideline rate . The market value is the highest transacted price one year preceding the date of section 4 notification.

⁸ The thresholds for residual lands will be decided based on the local norms.