

Unless otherwise stated in the Particular Conditions, these financing charges shall be calculated at the annual rate of three percentage points above the discount rate of the central bank in the country of the currency of payment, or if not available, the interbank offered rate, and shall be paid in such currency.

The Contractor shall be entitled to this payment without formal notice or certification, and without prejudice to any other right or remedy.

14.9 Payment of Retention Money

When the Taking-Over Certificate has been issued for the Works, the first half of the Retention Money shall be certified by the Engineer for payment to the Contractor. If a Taking-Over Certificate is issued for a Section or part of the Works, a proportion of the Retention Money shall be certified and paid. This proportion shall be half (50%) of the proportion calculated by dividing the estimated contract value of the Section or part, by the estimated final Contract Price.

Promptly after the latest of the expiry dates of the Defects Notification Periods, the outstanding balance of the Retention Money shall be certified by the Engineer for payment to the Contractor. If a Taking-Over Certificate was issued for a Section, a proportion of the second half of the Retention Money shall be certified and paid promptly after the expiry date of the Defects Notification Period for the Section. This proportion shall be half (50%) of the proportion calculated by dividing the estimated contract value of the Section by the estimated final Contract Price.

However, if any work remains to be executed under Clause 11 [Defects Liability], the Engineer shall be entitled to withhold certification of the estimated cost of this work until it has been executed.

When calculating these proportions, no account shall be taken of any adjustments under Sub-Clause 13.7 [Adjustments for Changes in Legislation] and Sub-Clause 13.8 [Adjustments for Changes in Cost].

Unless otherwise stated in the Particular Conditions, when the Taking-Over Certificate has been issued for the Works and the first half of the Retention Money has been certified for payment by the Engineer, the Contractor shall be entitled to substitute a guarantee, in the form annexed to the Particular Conditions or in another form approved by the Employer and issued by a reputable bank or financial institution selected by the Contractor, for the second half of the Retention Money. The Contractor shall ensure that the guarantee is in the amounts and currencies of the second half of the Retention Money and is valid and enforceable until the Contractor has executed and completed the Works and remedied any defects, as specified for the Performance Security in Sub-Clause 4.2. On receipt by the Employer of the required guarantee, the Engineer shall certify and the Employer shall pay the second half of the Retention Money. The release of the second half of the Retention Money against a guarantee shall then be in lieu of the release under the second paragraph of this Sub-Clause. The Employer shall return the guarantee to the Contractor within 21 days after receiving a copy of the Performance Certificate.

If the Performance Security required under Sub-Clause 4.2 is in the form of a demand guarantee, and the amount guaranteed under it when the Taking-Over Certificate is issued is more than half of the Retention Money, then the Retention Money guarantee will not be required. If the amount guaranteed under the Performance Security when the Taking-Over Certificate is issued is less than half of the Retention Money, the Retention Money guarantee will only be required for the difference between half of the Retention Money and the amount guaranteed under the Performance Security.

14.10 Statement at Completion

Within 14 days after receiving the Taking-Over Certificate for the Works, the Contractor shall submit to the Engineer six copies of a Statement at completion with supporting documents, in accordance with Sub-Clause 14.3 [Application for Interim Payment Certificates], showing:

- (a) the value of all work done in accordance with the Contract up to the date stated in the Taking-Over Certificate for the Works,
- (b) any further sums which the Contractor considers to be due, and

- (c) an estimate of any other amounts which the Contractor considers will become due to him under the Contract. Estimated amounts shall be shown separately in this Statement at completion.

The Engineer shall then certify in accordance with Sub-Clause 14.6 [Issue of Interim Payment Certificates].

14.11 Application for Final Payment Certificate

Within 56 days after receiving the Performance Certificate, the Contractor shall submit, to the Engineer, six copies of a draft final statement with supporting documents showing in detail in a form approved by the Engineer:

- (a) the value of all work done in accordance with the Contract, and
- (b) any further sums which the Contractor considers to be due to him under the Contract or otherwise.

If the Engineer disagrees with or cannot verify any part of the draft final statement, the Contractor shall submit such further information as the Engineer may reasonably require within 28 days from receipt of said draft and shall make such changes in the draft as may be agreed between them. The Contractor shall then prepare and submit to the Engineer the final statement as agreed. This agreed statement is referred to in these Conditions as the "Final Statement".

However if, following discussions between the Engineer and the Contractor and any changes to the draft final statement which are agreed, it becomes evident that a dispute exists, the Engineer shall deliver to the Employer (with a copy to the Contractor) an Interim Payment Certificate for the agreed parts of the draft final statement. Thereafter, if the dispute is finally resolved under Sub-Clause 20.4 [Obtaining Dispute Board's Decision] or Sub-Clause 20.5 [Amicable Settlement], the Contractor shall then prepare and submit to the Employer (with a copy to the Engineer) a Final Statement.

14.12 Discharge

When submitting the Final Statement, the Contractor shall submit a discharge which confirms that the total of the Final Statement represents full and final settlement of all moneys due to the Contractor under or in connection with the Contract. This discharge may state that it becomes effective when the Contractor has received the Performance Security and the outstanding balance of this total, in which event the discharge shall be effective on such date.

14.13 Issue of Final Payment Certificate

Within 28 days after receiving the Final Statement and discharge in accordance with Sub-Clause 14.11 [Application for Final Payment Certificate] and Sub-Clause 14.12 [Discharge], the Engineer shall deliver, to the Employer and to the Contractor, the Final Payment Certificate which shall state:

- (a) the amount which he fairly determines is finally due, and
- (b) after giving credit to the Employer for all amounts previously paid by the Employer and for all sums to which the Employer is entitled, the balance (if any) due from the Employer to the Contractor or from the Contractor to the Employer, as the case may be.

If the Contractor has not applied for a Final Payment Certificate in accordance with Sub-Clause 14.11 [Application for Final Payment Certificate] and Sub-Clause 14.12 [Discharge], the Engineer shall request the Contractor to do so. If the Contractor fails to submit an application within a period of 28 days, the Engineer shall issue the Final Payment Certificate for such amount as he fairly determines to be due.

14.14 Cessation of Employer's Liability

The Employer shall not be liable to the Contractor for any matter or thing under or in connection with the Contract or execution of the Works, except to the extent that the Contractor shall have included an amount expressly for it:

- (a) in the Final Statement and also
- (b) (except for matters or things arising after the issue of the Taking-Over Certificate for the Works) in the Statement at completion described in Sub-Clause 14.10 [Statement at Completion].

However, this Sub-Clause shall not limit the Employer's liability under his indemnification obligations, or the Employer's liability in any case of fraud, deliberate default or reckless misconduct by the Employer.

14.15 Currencies of Payment

The Contract Price shall be paid in the currency or currencies named in the Schedule of Payment Currencies. If more than one currency is so named, payments shall be made as follows:

- (a) if the Accepted Contract Amount was expressed in Local Currency only:
 - (i) the proportions or amounts of the Local and Foreign Currencies, and the fixed rate of exchange to be used for calculating the payments, shall be as stated in the Schedule of Payment Currencies, except as otherwise agreed by both Parties;
 - (ii) payments and deductions under Sub-Clause 13.5 [Provisional Sums] and Sub-Clause 13.7 [Adjustments for Changes in Legislation] shall be made in the applicable currencies and proportions; and
 - (iii) other payments and deductions under sub-paragraphs (a) to (g) of Sub-Clause 14.3 [Application for Interim Payment Certificates] shall be made in the currencies and proportions specified in sub-paragraph (a)(i) above;
- (b) payment of the damages specified in the Contract Data shall be made in the currencies and proportions specified in the Schedule of Payment Currencies;
- (c) other payments to the Employer by the Contractor shall be made in the currency in which the sum was expended by the Employer, or in such currency as may be agreed by both Parties;
- (d) if any amount payable by the Contractor to the Employer in a particular currency exceeds the sum payable by the Employer to the Contractor in that currency, the Employer may recover the balance of this amount from the sums otherwise payable to the Contractor in other currencies; and
- (e) if no rates of exchange are stated in the Schedule of Payment Currencies, they shall be those prevailing on the Base Date and determined by the central bank of the Country.

15 Termination by Employer

15.1 Notice to Contract

If the Contractor fails to carry out any obligation under the Contract, the Engineer may by notice require the Contractor to make good the failure and to remedy it within a specified reasonable time.

15.2 Termination by Employer

The Employer shall be entitled to terminate the Contract if the Contractor:

- (a) fails to comply with Sub-Clause 4.2 [Performance Security] or with a notice under Sub-Clause 15.1 [Notice to Correct],
- (b) abandons the Works or otherwise plainly demonstrates the intention not to continue performance of his obligations under the Contract,
- (c) without reasonable excuse fails:
 - (i) to proceed with the Works in accordance with Clause 8 [Commencement, Delays and Suspension], or
 - (ii) to comply with a notice issued under Sub-Clause 7.5 [Rejection] or Sub-Clause 7.6 [Remedial Work], within 28 days after receiving it,
- (d) subcontracts the whole of the Works or assigns the Contract without the required agreement,
- (e) becomes bankrupt or insolvent, goes into liquidation, has a receiving or administration order made against him, compounds with his creditors, or carries on business under a receiver, trustee or manager for the benefit of his creditors, or if any act is done or event occurs which (under applicable Laws) has a similar effect to any of these acts or events, or
- (f) gives or offers to give (directly or indirectly) to any person any bribe, gift, gratuity, commission or other thing of value, as an inducement or reward:
 - (i) for doing or forbearing to do any action in relation to the Contract, or
 - (ii) for showing or forbearing to show favour or disfavour to any person in relation to the Contract,

or if any of the Contractor's Personnel, agents or Subcontractors gives or offers to give (directly or indirectly) to any person any such inducement or reward as is described in this sub-paragraph (f). However, lawful inducements and rewards to Contractor's Personnel shall not entitle termination.

In any of these events or circumstances, the Employer may, upon giving 14 days' notice to the Contractor, terminate the Contract and expel the Contractor from the Site. However, in the case of sub-paragraph (e) or (f), the Employer may by notice terminate the Contract immediately.

The Employer's election to terminate the Contract shall not prejudice any other rights of the Employer, under the Contract or otherwise.

The Contractor shall then leave the Site and deliver any required Goods, all Contractor's Documents, and other design documents made by or for him, to the Engineer. However, the Contractor shall use his best efforts to comply immediately with any reasonable instructions included in the notice (i) for the assignment of any subcontract, and (ii) for the protection of life or property or for the safety of the Works.

After termination, the Employer may complete the Works and/or arrange for any other entities to do so. The Employer and these entities may then use any Goods, Contractor's Documents and other design documents made by or on behalf of the Contractor.

The Employer shall then give notice that the Contractor's Equipment and Temporary Works will be released to the Contractor at or near the Site. The Contractor shall promptly arrange their removal, at the risk and cost of the Contractor. However, if by this time the Contractor has failed to make a payment due to the Employer, these items may be sold by the Employer in order to recover this payment. Any balance of the proceeds shall then be paid to the Contractor.

15.3 Valuation at Date of Termination

As soon as practicable after a notice of termination under Sub-Clause 15.2 [Termination by Employer] has taken effect, the Engineer shall proceed in accordance with Sub-Clause 3.5 [Determinations] to agree or determine the value of the Works, Goods and Contractor's Documents, and any other sums due to the Contractor for work executed in accordance with the Contract.

15.4 Payment after Termination

After a notice of termination under Sub-Clause 15.2 [Termination by Employer] has taken effect, the Employer may:

- (a) proceed in accordance with Sub-Clause 2.5 [Employer's Claims],
- (b) withhold further payments to the Contractor until the costs of execution, completion and remedying of any defects, damages for delay in completion (if any), and all other costs incurred by the Employer, have been established, and/or
- (c) recover from the Contractor any losses and damages incurred by the Employer and any extra costs of completing the Works, after allowing for any sum due to the Contractor under Sub-Clause 15.3 [Valuation at Date of Termination]. After recovering any such losses, damages and extra costs, the Employer shall pay any balance to the Contractor.

15.5 Employer's Entitlement to Termination for Convenience

The Employer shall be entitled to terminate the Contract, at any time for the Employer's convenience, by giving notice of such termination to the Contractor. The termination shall take effect 28 days after the later of the dates on which the Contractor receives this notice or the Employer returns the Performance Security. The Employer shall not terminate the Contract under this Sub-Clause in order to execute the Works himself or to arrange for the Works to be executed by another contractor or to avoid a termination of the Contract by the Contractor under Clause 16.2 [Termination by Contractor].

After this termination, the Contractor shall proceed in accordance with Sub-Clause 16.3 [Cessation of Work and Removal of Contractor's Equipment] and shall be paid in accordance with Sub-Clause 16.4 [Payment on Termination].

15.6 Corrupt or Fraudulent Practices

If the Employer determines, based on reasonable evidence, that the Contractor has engaged in corrupt, fraudulent, collusive or coercive practices, in competing for or in executing the Contract, then the Employer may, after giving 14 days notice to the Contractor, terminate the Contract and expel him from the Site, and the provisions of Clause 15 shall apply as if such termination had been made under Sub-Clause 15.2 [Termination by Employer].

Should any employee of the Contractor be determined, based on reasonable evidence, to have engaged in corrupt, fraudulent or coercive practice during the execution of the work then that employee shall be removed in accordance with Sub-Clause 6.9 [Contractor's Personnel].

[For contracts financed by the African Development Bank]

For the purposes of this Sub-Clause:

- (a) "corrupt practice" means the offering, giving, receiving or soliciting of any thing of value to influence the action of a public official in the procurement process or in the Contract execution; and
- (b) "fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of the Contract to the detriment of the Borrower, and includes collusive practice among Bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the Borrower of the benefits of free and open competition.

[For contracts financed by the Asian Development Bank]

For the purposes of this Sub-Clause:

- (a) "corrupt practice" means the offering, giving, receiving, or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party;
- (b) "fraudulent practice" means any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;
- (c) "coercive practice" means impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;
- (d) "collusive practice" means an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party.

[For contracts financed by the Black Sea Trade and Development Bank and by the European Bank for Reconstruction and Development]

For the purposes of this Sub-Clause, the Bank defines, for the purposes of this provision, the terms set forth below as follows:

- (a) "corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value to influence a person, or the threatening of injury to person, property or reputation, in connection with the procurement process or in contract execution in order to obtain or retain business or other improper advantage in the conduct of international business;
- (b) "fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the client, and includes collusive practices among tenderers (prior to or after tender submission) designed to establish tender prices at artificial, non-competitive levels and to deprive the client of the benefits of free and open competition.

[For contracts financed by the Caribbean Development Bank:]

For the purposes of this Sub-Clause:

- (a) "corrupt practice" means the offering, giving, receiving, or soliciting, directly or indirectly, of any thing of value to influence the action of a public official in the procurement process or in the Contract execution;
- (b) "fraudulent practice" means a misrepresentation or omission of facts in order to influence a procurement process or the execution of the Contract;
- (c) "collusive practice" means a scheme or arrangement between two or more bidders, with or without the knowledge of the Borrower, designed to establish bid prices at artificial, non-competitive levels;
- (d) "coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the procurement process or affect the execution of a contract.

[For contracts financed by the Inter-American Development Bank]

For the purposes of this Sub-Clause:

The Bank requires that all Contractors adhere to the Bank's Policies for the Procurement of Works and Goods financed by the Bank. In particular, the Bank requires that all Borrowers (including grant beneficiaries), the executing agencies and contracting agencies, as well as all firms, entities and individuals bidding for or participating in a Bank-financed project, including, inter alia, applicants, bidders, contractors, consulting firms and individual consultants (including their respective officers, employees and agents) adhere to the highest ethical standards, and report to the Bank all suspected acts of fraud or corruption of which it has knowledge or becomes aware, during the Bidding Process and throughout the negotiation or execution of a Contract. Fraud and corruption are prohibited.

Fraud and corruption include acts of:

- (a) bribery,
- (b) extortion or coercion,
- (c) fraud, and
- (d) collusion.

The definitions of actions set forth below cover the most common types of corrupt practices, but are not exhaustive. For this reason, the Bank shall also take action in the event of any similar deed or complaint involving alleged acts of corruption, even when these are not specified in the following list. The Bank shall in all cases proceed in accordance with Sub-Clause 15.6.

In pursuance of this policy:

- (a) the Bank defines the terms set forth below as follows:
 - (i) "bribery" meaning the offering or giving of anything of value to influence the actions or decisions of third parties or the receiving or soliciting of any benefit in exchange for actions or omissions related to the performance of duties;
 - (ii) "extortion" or "coercion" meaning the act of obtaining something, compelling an action, or influencing a decision through intimidation, threat or the use of force, where potential or actual injury may befall upon a person, his/her reputation or property;
 - (iii) "fraud" meaning any action or omission intended to misrepresent the truth so as to induce others to act in reliance thereof, with the purpose of obtaining some unjust advantage or causing damage to others; and
 - (iv) "collusion" meaning a secret agreement between two or more parties to defraud or cause damage to a person or entity or to obtain an unlawful purpose;
- (b) if the Bank, in accordance with its administrative procedures, demonstrates that any firm, entity or individual bidding for or participating in a Bank-financed project including, inter alia, applicants, bidders, contractors, consulting firms, individual consultants, borrowers (including grant beneficiaries), purchasers, executing agencies and contracting agency (including their respective officers, employees and agents) engaged in an act of fraud or corruption in connection with Bank-financed projects, the Bank may:
 - (i) decide not to finance any proposal to award a contract or a contract awarded financed by the Bank;
 - (ii) suspend disbursement of the operation if it is determined at any stage that evidence is sufficient to support a finding that an employee, agent or representative of the Borrower, Executing Agency or Contracting Agency has engaged in an act of fraud or corruption;
 - (iii) cancel and/or accelerate the payment of, the portion of a loan or grant earmarked for a contract, when there is evidence that the representative of the Borrower, or Beneficiary of a grant, has not taken the adequate remedial measures within a time period which the Bank considers reasonable, and in accordance with the due process guarantees of the Borrowing country's legislation;
 - (iv) issue a reprimand in the form of a formal letter of censure of the firm, entity or individual's behaviour;
 - (v) issue a declaration that an individual, entity or firm is ineligible, either permanently or for a stated period of time, to be awarded contracts under Bank-financed projects except under such conditions as the Bank deems to be appropriate;
 - (vi) refer the matter to appropriate law enforcement authorities; and/or;

- (vii) may impose other sanctions that it deems to be appropriate under the circumstances, including the imposition of fines representing reimbursement of the Bank for costs associated with investigations and proceedings. Such other sanctions may be imposed in addition to or in lieu of other sanctions;
- (c) the Bank has established administrative procedures for cases of allegations of fraud and corruption within the procurement process or the execution of a contract financed by the Bank which are available at the Bank's website (www.iadb.org), as updated from time to time. To that effect any complaint shall be submitted to the Bank's Office of Institutional Integrity (OII) for the appropriate investigation. Allegations may be presented confidentially or anonymously;
- (d) payments are expressly conditional upon the claimant's participation in the procurement process conformed with all applicable Bank policies on Fraud and Corruption described in this Sub-Clause 15.5; and
- (e) the imposition of any sanction referred to paragraph (b) of this Sub-Clause will be public;

The Bank will have the right to require that a Contractor permit the Bank to inspect their accounts and records and other documents relating to the submission of bids and contract performance and to have them audited by auditors appointed by the Bank. The Bank will have the right to require that Contractors to:

- (a) maintain all documents and records related to the Bank-financed project for five (5) years after completion of the work; and
- (b) require the delivery of any document necessary for the investigation of allegations of fraud or corruption and the availability of employees or agents of the contractor with knowledge of the Bank-financed project to respond to questions from the Bank.

If the Contractor refuses to comply with the Bank's request, the Bank, in its sole discretion, may take appropriate action against the Contractor.

The Contractor represents and warrants:

- (a) that they have read and understood the Bank's prohibition against fraud and corruption and agrees to abide by the applicable rules;
- (b) that they have not engaged in any violation of policies on fraud and corruption described herein;
- (c) that they have not misrepresented or concealed any material facts during the procurement or contract negotiation processes or performance of the contract;
- (d) that neither they nor any of their directors, officers or principal shareholders have been declared ineligible to be awarded Bank-financed contracts or have been convicted of a crime involving fraud or corruption;
- (e) that none of their directors, officers or principal shareholders has been a director, officer or principal shareholder of any other company or entity that has been declared ineligible to be awarded a Bank-financed contract or has been convicted of a crime involving fraud or corruption;
- (f) that all commissions, agents' fees, facilitating payments or revenue-sharing agreements related to the Bank-financed contract or consulting agreement have been disclosed;
- (g) that they acknowledge that the breach of any of these warranties constitute a basis for the imposition of any or a combination of the measures described in this Sub-Clause.

[For contracts financed by the World Bank]

In pursuance of this policy, the Bank:

- (a) defines, for the purposes of this provision, the terms set forth below as follows:

- (i) “corrupt practice” is the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party;

In this context, “another party” refers to a public official acting in relation to the procurement process or contract execution]. In this context, “public official” includes World Bank staff and employees of other organisations taking or reviewing procurement decisions.

- (ii) “fraudulent practice” is any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;

In this context, “party” refers to a public official; the terms “benefit” and “obligation” relate to the procurement process or contract execution; and the “act or omission” is intended to influence the procurement process or contract execution.

- (iii) “collusive practice” is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party;

In this context, “parties” refers to participants in the procurement process (including public officials) attempting to establish bid prices at artificial, non competitive levels.

- (iv) “coercive practice” is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;

In this context, “parties” refers to participants in the procurement process (including public officials) attempting to establish bid prices at artificial, non competitive levels.

- (v) “obstructive practice” is

(A) deliberately destroying, falsifying, altering or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede a Bank investigation into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation, or

(B) acts intended to materially impede the exercise of the Bank’s inspection and audit rights.

In this context, “party” refers to a participant in the procurement process or contract execution.

16 Suspension and Termination by Contractor

16.1 Contractor’s Entitlement to Suspend Work

If the Engineer fails to certify in accordance with Sub-Clause 14.6 [Issue of Interim Payment Certificates] or the Employer fails to comply with Sub-Clause 2.4 [Employer’s Financial Arrangements] or Sub-Clause 14.7 [Payment], the Contractor may, after giving not less than 21 days’ notice to the Employer, suspend work (or reduce the rate of work) unless and until the Contractor has received the Payment Certificate, reasonable evidence or payment, as the case may be and as described in the notice.

Notwithstanding the above, if the Bank has suspended disbursements under the loan or credit from which payments to the Contractor are being made, in whole or in part, for the execution of the Works, and no alternative funds are available as provided for in Sub-Clause 2.4 [Employer’s Financial Arrangements], the Contractor may by notice suspend work or reduce the rate of work at any time, but not less than 7 days after the Borrower having received the suspension notification from the Bank.

The Contractor’s action shall not prejudice his entitlements to financing charges under Sub-Clause 14.8 [Delayed Payment] and to termination under Sub-Clause 16.2 [Termination by Contractor].

If the Contractor subsequently receives such Payment Certificate, evidence or payment (as described in the relevant Sub-Clause and in the above notice) before giving a notice of termination, the Contractor shall resume normal working as soon as is reasonably practicable.

If the Contractor suffers delay and/or incurs Cost as a result of suspending work (or reducing the rate of work) in accordance with this Sub-Clause, the Contractor shall give notice to the Engineer and shall be entitled subject to Sub-Clause 20.1 [Contractor's Claims] to:

- (a) an extension of time for any such delay, if completion is or will be delayed, under Sub-Clause 8.4 [Extension of Time for Completion], and
- (b) payment of any such Cost plus profit, which shall be included in the Contract Price.

After receiving this notice, the Engineer shall proceed in accordance with Sub-Clause 3.5 [Determinations] to agree or determine these matters.

16.2 Termination by Contractor

The Contractor shall be entitled to terminate the Contract if:

- (a) the Contractor does not receive the reasonable evidence within 42 days after giving notice under Sub-Clause 16.1 [Contractor's Entitlement to Suspend Work] in respect of a failure to comply with Sub-Clause 2.4 [Employer's Financial Arrangements],
- (b) the Engineer fails, within 56 days after receiving a Statement and supporting documents, to issue the relevant Payment Certificate,
- (c) the Contractor does not receive the amount due under an Interim Payment Certificate within 42 days after the expiry of the time stated in Sub-Clause 14.7 [Payment] within which payment is to be made (except for deductions in accordance with Sub-Clause 2.5 [Employer's Claims]),
- (d) the Employer substantially fails to perform his obligations under the Contract in such manner as to materially and adversely affect the economic balance of the Contract and/or the ability of the Contractor to perform the Contract,
- (e) the Employer fails to comply with Sub-Clause 1.5 [Contract Agreement] or Sub-Clause 1.7 [Assignment],
- (f) a prolonged suspension affects the whole of the Works as described in Sub-Clause 8.11 [Prolonged Suspension],
- (g) the Employer becomes bankrupt or insolvent, goes into liquidation, has a receiving or administration order made against him, compounds with his creditors, or carries on business under a receiver, trustee or manager for the benefit of his creditors, or if any act is done or event occurs which (under applicable Laws) has a similar effect to any of these acts or events,
- (h) the Contractor does not receive the Engineer's instruction recording the agreement of both Parties on the fulfilment of the conditions for the Commencement of Works under Sub-Clause 8.1 [Commencement of Works].

In any of these events or circumstances, the Contractor may, upon giving 14 days' notice to the Employer, terminate the Contract. However, in the case of sub-paragraph (f) or (g), the Contractor may by notice terminate the Contract immediately.

In the event the Bank suspends the loan or credit from which part or whole of the payments to the Contractor are being made, if the Contractor has not received the sums due to him upon expiration of the 14 days referred to in Sub-Clause 14.7 [Payment] for payments under Interim Payment Certificates, the Contractor may, without prejudice to the Contractor's entitlement to financing charges under Sub-Clause 14.8 [Delayed Payment], take one of the following actions, namely (i) suspend work or reduce the rate of work under Sub-Clause 16.1 above, or (ii) terminate the Contract by giving notice to the Employer, with a copy to the Engineer, such termination to take effect 14 days after the giving of the notice.

The Contractor's election to terminate the Contract shall not prejudice any other rights of the Contractor, under the Contract or otherwise.

16.3 Cessation of Work and Removal of Contractor's Equipment

After a notice of termination under Sub-Clause 15.5 [Employer's Entitlement to Termination for Convenience], Sub-Clause 16.2 [Termination by Contractor] or Sub-Clause 19.6 [Optional Termination, Payment and Release] has taken effect, the Contractor shall promptly:

- (a) cease all further work, except for such work as may have been instructed by the Engineer for the protection of life or property or for the safety of the Works,
- (b) hand over Contractor's Documents, Plant, Materials and other work, for which the Contractor has received payment, and
- (c) remove all other Goods from the Site, except as necessary for safety, and leave the Site.

16.4 Payment on Termination

After a notice of termination under Sub-Clause 16.2 [Termination by Contractor] has taken effect, the Employer shall promptly:

- (a) return the Performance Security to the Contractor,
- (b) pay the Contractor in accordance with Sub-Clause 19.6 [Optional Termination, Payment and Release], and
- (c) pay to the Contractor the amount of any loss or damage sustained by the Contractor as a result of this termination.

17 Risk and Responsibility

17.1 Indemnities

The Contractor shall indemnify and hold harmless the Employer, the Employer's Personnel, and their respective agents, against and from all claims, damages, losses and expenses (including legal fees and expenses) in respect of:

- (a) bodily injury, sickness, disease or death, of any person whatsoever arising out of or in the course of or by reason of the Contractor's design (if any), the execution and completion of the Works and the remedying of any defects, unless attributable to any negligence, wilful act or breach of the Contract by the Employer, the Employer's Personnel, or any of their respective agents, and
- (b) damage to or loss of any property, real or personal (other than the Works), to the extent that such damage or loss arises out of or in the course of or by reason of the Contractor's design (if any), the execution and completion of the Works and the remedying of any defects, unless and to the extent that any such damage or loss is attributable to any negligence, wilful act or breach of the Contract by the Employer, the Employer's Personnel, their respective agents, or anyone directly or indirectly employed by any of them.

The Employer shall indemnify and hold harmless the Contractor, the Contractor's Personnel, and their respective agents, against and from all claims, damages, losses and expenses (including legal fees and expenses) in respect of (1) bodily injury, sickness, disease or death, which is attributable to any negligence, wilful act or breach of the Contract by the Employer, the Employer's Personnel, or any of their respective agents, and (2) the matters for which liability may be excluded from insurance cover, as described in sub-paragraphs (d)(i), (ii) and (iii) of Sub-Clause 18.3 [Insurance Against Injury to Persons and Damage to Property].

17.2 Contractor's Care of the Works

The Contractor shall take full responsibility for the care of the Works and Goods from the Commencement Date until the Taking-Over Certificate is issued (or is deemed to be issued under Sub-Clause 10.1 [Taking Over of the Works and Sections]) for the Works, when responsibility for the care of the Works shall pass to the Employer. If a Taking-Over Certificate is issued (or is so deemed to be issued) for any Section or part of the Works, responsibility for the care of the Section or part shall then pass to the Employer.

After responsibility has accordingly passed to the Employer, the Contractor shall take responsibility for the care of any work which is outstanding on the date stated in a Taking-Over Certificate, until this outstanding work has been completed.

If any loss or damage happens to the Works, Goods or Contractor's Documents during the period when the Contractor is responsible for their care, from any cause not listed in Sub-Clause 17.3 [Employer's Risks], the Contractor shall rectify the loss or damage at the Contractor's risk and cost, so that the Works, Goods and Contractor's Documents conform with the Contract.

The Contractor shall be liable for any loss or damage caused by any actions performed by the Contractor after a Taking-Over Certificate has been issued. The Contractor shall also be liable for any loss or damage which occurs after a Taking-Over Certificate has been issued and which arose from a previous event for which the Contractor was liable.

17.3 Employer's Risks

The risks referred to in Sub-Clause 17.4 [Consequences of Employer's Risks] below, insofar as they directly affect the execution of the Works in the Country, are:

- (a) war, hostilities (whether war be declared or not), invasion, act of foreign enemies,
- (b) rebellion, terrorism, sabotage by persons other than the Contractor's Personnel, revolution, insurrection, military or usurped power, or civil war, within the Country,
- (c) riot, commotion or disorder within the Country by persons other than the Contractor's Personnel,
- (d) munitions of war, explosive materials, ionising radiation or contamination by radio-activity, within the Country, except as may be attributable to the Contractor's use of such munitions, explosives, radiation or radio-activity,
- (e) pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds,
- (f) use or occupation by the Employer of any part of the Permanent Works, except as may be specified in the Contract,
- (g) design of any part of the Works by the Employer's Personnel or by others for whom the Employer is responsible, and
- (h) any operation of the forces of nature which is Unforeseeable or against which an experienced contractor could not reasonably have been expected to have taken adequate preventive precautions.

17.4 Consequences of Employer's Risks

In and to the extent that any of the risks listed in Sub-Clause 17.3 above results in loss or damage to the Works, Goods or Contractor's Documents, the Contractor shall promptly give notice to the Engineer and shall rectify this loss or damage to the extent required by the Engineer.

If the Contractor suffers delay and/or incurs Cost from rectifying this loss or damage, the Contractor shall give a further notice to the Engineer and shall be entitled subject to Sub-Clause 20.1 [Contractor's Claims] to:

- (a) an extension of time for any such delay, if completion is or will be delayed, under Sub-Clause 8.4 [Extension of Time for Completion], and
- (b) payment of any such Cost, which shall be included in the Contract Price. In the case of subparagraphs (f) and (g) of Sub-Clause 17.3 [Employer's Risks], Cost plus profit shall be payable.

After receiving this further notice, the Engineer shall proceed in accordance with Sub-Clause 3.5 [Determinations] to agree or determine these matters.

17.5 Intellectual and Industrial Property Rights

In this Sub-Clause, "infringement" means an infringement (or alleged infringement) of any patent, registered design, copyright, trade mark, trade name, trade secret or other intellectual or industrial property right relating to the Works; and "claim" means a claim (or proceedings pursuing a claim) alleging an infringement.

Whenever a Party does not give notice to the other Party of any claim within 28 days of receiving the claim, the first Party shall be deemed to have waived any right to indemnity under this Sub-Clause.

The Employer shall indemnify and hold the Contractor harmless against and from any claim alleging an infringement which is or was:

- (a) an unavoidable result of the Contractor's compliance with the Contract, or
- (b) a result of any Works being used by the Employer:
 - (i) for a purpose other than that indicated by, or reasonably to be inferred from, the Contract, or
 - (ii) in conjunction with any thing not supplied by the Contractor, unless such use was disclosed to the Contractor prior to the Base Date or is stated in the Contract.

The Contractor shall indemnify and hold the Employer harmless against and from any other claim which arises out of or in relation to (i) the manufacture, use, sale or import of any Goods, or (ii) any design for which the Contractor is responsible.

If a Party is entitled to be indemnified under this Sub-Clause, the indemnifying Party may (at its cost) conduct negotiations for the settlement of the claim, and any litigation or arbitration which may arise from it. The other Party shall, at the request and cost of the indemnifying Party, assist in contesting the claim. This other Party (and its Personnel) shall not make any admission which might be prejudicial to the indemnifying Party, unless the indemnifying Party failed to take over the conduct of any negotiations, litigation or arbitration upon being requested to do so by such other Party.

17.6 Limitation of Liability

Neither Party shall be liable to the other Party for loss of use of any Works, loss of profit, loss of any contract or for any indirect or consequential loss or damage which may be suffered by the other Party in connection with the Contract, other than as specifically provided in Sub-Clause 8.7 [Delay Damages]; Sub-Clause 12.2 [Cost of Remedying Defects]; Sub-Clause 15.4 [Payment after Termination]; Sub-Clause 16.4 [Payment on Termination]; Sub-Clause 17.1 [Indemnities]; Sub-Clause 17.4(b) [Consequences of Employer's Risks] and Sub-Clause 17.5 [Intellectual and Industrial Property Rights].

The total liability of the Contractor to the Employer, under or in connection with the Contract other than under Sub-Clause 4.19 [Electricity, Water and Gas], Sub-Clause 4.20 [Employer's Equipment and Free-Issue Materials], Sub-Clause 17.1 [Indemnities] and Sub-Clause 17.5 [Intellectual and Industrial Property Rights], shall not exceed the sum resulting from the application of a multiplier (less or greater than one) to the Accepted Contract Amount, as stated in the Contract Data, or (if such multiplier or other sum is not so stated) the Accepted Contract Amount.

This Sub-Clause shall not limit liability in any case of fraud, deliberate default or reckless misconduct by the defaulting Party.

17.7 Use of Employer's Accommodation/Facilities

The Contractor shall take full responsibility for the care of the Employer provided accommodation and facilities, if any, as detailed in the Specification, from the respective dates of hand-over to the Contractor until cessation of occupation (where hand-over or cessation of occupation may take place after the date stated in the Taking-Over Certificate for the Works).

If any loss or damage happens to any of the above items while the Contractor is responsible for their care arising from any cause whatsoever other than those for which the Employer is liable, the Contractor shall, at his own cost, rectify the loss or damage to the satisfaction of the Engineer.

18 Insurance

18.1 General Requirements for Insurances

In this Clause, "insuring Party" means, for each type of insurance, the Party responsible for effecting and maintaining the insurance specified in the relevant Sub-Clause.

Wherever the Contractor is the insuring Party, each insurance shall be effected with insurers and in terms approved by the Employer. These terms shall be consistent with any terms agreed by both Parties before the date of the Letter of Acceptance. This agreement of terms shall take precedence over the provisions of this Clause

Wherever the Employer is the insuring Party, each insurance shall be effected with insurers and in terms acceptable to the Contractor. These terms shall be consistent with any terms agreed by both Parties before the date of the Letter of Acceptance. This agreement of terms shall take precedence over the provisions of this Clause.

If a policy is required to indemnify joint insured, the cover shall apply separately to each insured as though a separate policy had been issued for each of the joint insured. If a policy indemnifies additional joint insured, namely in addition to the insured specified in this Clause, (i) the Contractor shall act under the policy on behalf of these additional joint insured except that the Employer shall act for Employer's Personnel, (ii) additional joint insured shall not be entitled to receive payments directly from the insurer or to have any other direct dealings with the insurer, and (iii) the insuring Party shall require all additional joint insured to comply with the conditions stipulated in the policy.

Each policy insuring against loss or damage shall provide for payments to be made in the currencies required to rectify the loss or damage. Payments received from insurers shall be used for the rectification of the loss or damage.

The relevant insuring Party shall, within the respective periods stated in the Contract Data (calculated from the Commencement Date), submit to the other Party:

- (a) evidence that the insurances described in this Clause have been effected, and
- (b) copies of the policies for the insurances described in Sub-Clause 18.2 [Insurance for Works and Contractor's Equipment] and Sub-Clause 18.3 [Insurance against Injury to Persons and Damage to Property].

When each premium is paid, the insuring Party shall submit evidence of payment to the other Party. Whenever evidence or policies are submitted, the insuring Party shall also give notice to the Engineer.

Each Party shall comply with the conditions stipulated in each of the insurance policies. The insuring Party shall keep the insurers informed of any relevant changes to the execution of the Works and ensure that insurance is maintained in accordance with this Clause.

Neither Party shall make any material alteration to the terms of any insurance without the prior approval of the other Party. If an insurer makes (or attempts to make) any alteration, the Party first notified by the insurer shall promptly give notice to the other Party.

If the insuring Party fails to effect and keep in force any of the insurances it is required to effect and maintain under the Contract, or fails to provide satisfactory evidence and copies of policies in accordance with this Sub-Clause, the other Party may (at its option and without prejudice to any other right or remedy) effect insurance for the relevant coverage and pay the premiums due. The insuring Party shall pay the amount of these premiums to the other Party, and the Contract Price shall be adjusted accordingly.

Nothing in this Clause limits the obligations, liabilities or responsibilities of the Contractor or the Employer, under the other terms of the Contract or otherwise. Any amounts not insured or not recovered from the insurers shall be borne by the Contractor and/or the Employer in accordance with these obligations, liabilities or responsibilities. However, if the insuring Party fails to effect and keep in force an insurance which is available and which it is required to effect and maintain under the Contract, and the other Party neither approves the omission nor effects insurance for the coverage relevant to this default, any moneys which should have been recoverable under this insurance shall be paid by the insuring Party.

Payments by one Party to the other Party shall be subject to Sub-Clause 2.5 [Employer's Claims] or Sub-Clause 20.1 [Contractor's Claims], as applicable.

The Contractor shall be entitled to place all insurance relating to the Contract (including, but not limited to the insurance referred to Clause 18) with insurers from any eligible source country.

18.2 Insurance for Works and Contractor's Equipment

The insuring Party shall insure the Works, Plant, Materials and Contractor's Documents for not less than the full reinstatement cost including the costs of demolition, removal of debris and professional fees and profit. This insurance shall be effective from the date by which the evidence is to be submitted under subparagraph (a) of Sub-Clause 18.1 [General Requirements for Insurances], until the date of issue of the Taking-Over Certificate for the Works.

The insuring Party shall maintain this insurance to provide cover until the date of issue of the Performance Certificate, for loss or damage for which the Contractor is liable arising from a cause occurring prior to the issue of the Taking-Over Certificate, and for loss or damage caused by the Contractor in the course of any other operations (including those under Clause 11 [Defects Liability]).

The insuring Party shall insure the Contractor's Equipment for not less than the full replacement value, including delivery to Site. For each item of Contractor's Equipment, the insurance shall be effective while it is being transported to the Site and until it is no longer required as Contractor's Equipment.

Unless otherwise stated in the Particular Conditions, insurances under this Sub-Clause:

- (a) shall be effected and maintained by the Contractor as insuring Party,
- (b) shall be in the joint names of the Parties, who shall be jointly entitled to receive payments from the insurers, payments being held or allocated to the Party actually bearing the costs of rectifying the loss or damage,
- (c) shall cover all loss and damage from any cause not listed in Sub-Clause 17.3 [Employer's Risks],
- (d) shall also cover, to the extent specifically required in the bidding documents of the Contract, loss or damage to a part of the Works which is attributable to the use or occupation by the Employer of another part of the Works, and loss or damage from the risks listed in sub-paragraphs (c), (g) and (h) of Sub-Clause 17.3 [Employer's Risks], excluding (in each case) risks which are not insurable at commercially reasonable terms, with deductibles per occurrence of not more than the amount stated in the Contract Data (if an amount is not so stated, this sub-paragraph (d) shall not apply), and
- (e) may however exclude loss of, damage to, and reinstatement of:

- (i) a part of the Works which is in a defective condition due to a defect in its design, materials or workmanship (but cover shall include any other parts which are lost or damaged as a direct result of this defective condition and not as described in sub-paragraph (ii) below),
- (ii) a part of the Works which is lost or damaged in order to reinstate any other part of the Works if this other part is in a defective condition due to a defect in its design, materials or workmanship,
- (iii) a part of the Works which has been taken over by the Employer, except to the extent that the Contractor is liable for the loss or damage, and
- (iv) Goods while they are not in the Country, subject to Sub-Clause 14.5 [Plant and Materials intended for the Works].

If, more than one year after the Base Date, the cover described in sub-paragraph (d) above ceases to be available at commercially reasonable terms, the Contractor shall (as insuring Party) give notice to the Employer, with supporting particulars. The Employer shall then (i) be entitled subject to Sub-Clause 2.5 [Employer's Claims] to payment of an amount equivalent to such commercially reasonable terms as the Contractor should have expected to have paid for such cover, and (ii) be deemed, unless he obtains the cover at commercially reasonable terms, to have approved the omission under Sub-Clause 18.1 [General Requirements for Insurances].

18.3 Insurance against Injury to Persons and Damage to Property

The insuring Party shall insure against each Party's liability for any loss, damage, death or bodily injury which may occur to any physical property (except things insured under Sub-Clause 18.2 [Insurance for Works and Contractor's Equipment]) or to any person (except persons insured under Sub-Clause 18.4 [Insurance for Contractor's Personnel]), which may arise out of the Contractor's performance of the Contract and occurring before the issue of the Performance Certificate.

This insurance shall be for a limit per occurrence of not less than the amount stated in the Contract Data, with no limit on the number of occurrences. If an amount is not stated in the Contract Data, this Sub-Clause shall not apply.

Unless otherwise stated in the Particular Conditions, the insurances specified in this Sub-Clause:

- (a) shall be effected and maintained by the Contractor as insuring Party,
- (b) shall be in the joint names of the Parties,
- (c) shall be extended to cover liability for all loss and damage to the Employer's property (except things insured under Sub-Clause 18.2) arising out of the Contractor's performance of the Contract, and
- (d) may however exclude liability to the extent that it arises from:
 - (i) the Employer's right to have the Permanent Works executed on, over, under, in or through any land, and to occupy this land for the Permanent Works,
 - (ii) damage which is an unavoidable result of the Contractor's obligations to execute the Works and remedy any defects, and
 - (iii) a cause listed in Sub-Clause 17.3 [Employer's Risks], except to the extent that cover is available at commercially reasonable terms.

18.4 Insurance for Contractor's Personnel

The Contractor shall effect and maintain insurance against liability for claims, damages, losses and expenses (including legal fees and expenses) arising from injury, sickness, disease or death of any person employed by the Contractor or any other of the Contractor's Personnel.

The insurance shall cover the Employer and the Engineer against liability for claims, damages, losses and expenses (including legal fees and expenses) arising from injury, sickness, disease or death of any person employed by the Contractor or any other of the Contractor's Personnel, except that this insurance may exclude losses and claims to the extent that they arise from any act or neglect of the Employer or of the Employer's Personnel.

The insurance shall be maintained in full force and effect during the whole time that these personnel are assisting in the execution of the Works. For a Subcontractor's employees, the insurance may be effected by the Subcontractor, but the Contractor shall be responsible for compliance with this Clause.

19 Force Majeure

19.1 Definition of Force Majeure

In this Clause, "Force Majeure" means an exceptional event or circumstance:

- (a) which is beyond a Party's control,
- (b) which such Party could not reasonably have provided against before entering into the Contract,
- (c) which, having arisen, such Party could not reasonably have avoided or overcome, and
- (d) which is not substantially attributable to the other Party.

Force Majeure may include, but is not limited to, exceptional events or circumstances of the kind listed below, so long as conditions (a) to (d) above are satisfied:

- (i) war, hostilities (whether war be declared or not), invasion, act of foreign enemies,
- (ii) rebellion, terrorism, sabotage by persons other than the Contractor's Personnel, revolution, insurrection, military or usurped power, or civil war,
- (iii) riot, commotion, disorder, strike or lockout by persons other than the Contractor's Personnel,
- (iv) munitions of war, explosive materials, ionising radiation or contamination by radio-activity, except as may be attributable to the Contractor's use of such munitions, explosives, radiation or radio-activity, and
- (v) natural catastrophes such as earthquake, hurricane, typhoon or volcanic activity.

19.2 Notice of Force Majeure

If a Party is or will be prevented from performing its substantial obligations under the Contract by Force Majeure, then it shall give notice to the other Party of the event or circumstances constituting the Force Majeure and shall specify the obligations, the performance of which is or will be prevented. The notice shall be given within 14 days after the Party became aware, or should have become aware, of the relevant event or circumstance constituting Force Majeure.

The Party shall, having given notice, be excused performance of its obligations for so long as such Force Majeure prevents it from performing them.

Notwithstanding any other provision of this Clause, Force Majeure shall not apply to obligations of either Party to make payments to the other Party under the Contract

19.3 Duty to Minimise Delay

Each Party shall at all times use all reasonable endeavours to minimise any delay in the performance of the Contract as a result of Force Majeure.

A Party shall give notice to the other Party when it ceases to be affected by the Force Majeure.

19.4 Consequences of Force Majeure

If the Contractor is prevented from performing his substantial obligations under the Contract by Force Majeure of which notice has been given under Sub-Clause 19.2 [Notice of Force Majeure], and suffers delay and/or incurs Cost by reason of such Force Majeure, the Contractor shall be entitled subject to Sub-Clause 20.1 [Contractor's Claims] to:

- (a) an extension of time for any such delay, if completion is or will be delayed, under Sub-Clause 8.4 [Extension of Time for Completion], and
- (b) if the event or circumstance is of the kind described in sub-paragraphs (i) to (iv) of Sub-Clause 19.1 [Definition of Force Majeure] and, in sub-paragraphs (ii) to (iv), occurs in the Country, payment of any such Cost, including the costs of rectifying or replacing the Works and/or Goods damaged or destroyed by Force Majeure, to the extent they are not indemnified through the insurance policy referred to in Sub-Clause 18.2 [Insurance for Works and Contractor's Equipment].

After receiving this notice, the Engineer shall proceed in accordance with Sub-Clause 20.3 [Determinations] to agree or determine these matters.

19.5 Force Majeure Affecting Subcontractor

If any Subcontractor is entitled under any contract or agreement relating to the Works to relief from force majeure on terms additional to or broader than those specified in this Clause, such additional or broader force majeure events or circumstances shall not excuse the Contractor's non-performance or entitle him to relief under this Clause.

19.6 Optional Termination, Payment and Release

If the execution of substantially all the Works in progress is prevented for a continuous period of 84 days by reason of Force Majeure of which notice has been given under Sub-Clause 19.2 [Notice of Force Majeure], or for multiple periods which total more than 140 days due to the same notified Force Majeure, then either Party may give to the other Party a notice of termination of the Contract. In this event, the termination shall take effect 7 days after the notice is given, and the Contractor shall proceed in accordance with Sub-Clause 16.3 [Cessation of Work and Removal of Contractor's Equipment].

Upon such termination, the Engineer shall determine the value of the work done and issue a Payment Certificate which shall include:

- (a) the amounts payable for any work carried out for which a price is stated in the Contract;
- (b) the Cost of Plant and Materials ordered for the Works which have been delivered to the Contractor, or of which the Contractor is liable to accept delivery: this Plant and Materials shall become the property of (and be at the risk of) the Employer when paid for by the Employer, and the Contractor shall place the same at the Employer's disposal;
- (c) other Cost or liabilities which in the circumstances were reasonably and necessarily incurred by the Contractor in the expectation of completing the Works;
- (d) the Cost of removal of Temporary Works and Contractor's Equipment from the Site and the return of these items to the Contractor's works in his country (or to any other destination at no greater cost); and

- (e) the Cost of repatriation of the Contractor's staff and labour employed wholly in connection with the Works at the date of termination.

19.7 Release from Performance

Notwithstanding any other provision of this Clause, if any event or circumstance outside the control of the Parties (including, but not limited to, Force Majeure) arises which makes it impossible or unlawful for either or both Parties to fulfil its or their contractual obligations or which, under the law governing the Contract, entitles the Parties to be released from further performance of the Contract, then upon notice by either Party to the other Party of such event or circumstance:

- (a) the Parties shall be discharged from further performance, without prejudice to the rights of either Party in respect of any previous breach of the Contract, and
- (b) the sum payable by the Employer to the Contractor shall be the same as would have been payable under Sub-Clause 19.6 [Optional Termination, Payment and Release] if the Contract had been terminated under Sub-Clause 19.6.

20 Claims, Disputes and Arbitration

20.1 Contractor's Claims

If the Contractor considers himself to be entitled to any extension of the Time for Completion and/or any additional payment, under any Clause of these Conditions or otherwise in connection with the Contract, the Contractor shall give notice to the Engineer, describing the event or circumstance giving rise to the claim. The notice shall be given as soon as practicable, and not later than 28 days after the Contractor became aware, or should have become aware, of the event or circumstance.

If the Contractor fails to give notice of a claim within such period of 28 days, the Time for Completion shall not be extended, the Contractor shall not be entitled to additional payment, and the Employer shall be discharged from all liability in connection with the claim. Otherwise, the following provisions of this Sub-Clause shall apply.

The Contractor shall also submit any other notices which are required by the Contract, and supporting particulars for the claim, all as relevant to such event or circumstance.

The Contractor shall keep such contemporary records as may be necessary to substantiate any claim, either on the Site or at another location acceptable to the Engineer. Without admitting the Employer's liability, the Engineer may, after receiving any notice under this Sub-Clause, monitor the record-keeping and/or instruct the Contractor to keep further contemporary records. The Contractor shall permit the Engineer to inspect all these records, and shall (if instructed) submit copies to the Engineer.

Within 42 days after the Contractor became aware (or should have become aware) of the event or circumstance giving rise to the claim, or within such other period as may be proposed by the Contractor and approved by the Engineer, the Contractor shall send to the Engineer a fully detailed claim which includes full supporting particulars of the basis of the claim and of the extension of time and/or additional payment claimed, if the event or circumstance giving rise to the claim has a continuing effect:

- (a) this fully detailed claim shall be considered as interim;
- (b) the Contractor shall send further interim claims at monthly intervals, giving the accumulated delay and/or amount claimed, and such further particulars as the Engineer may reasonably require; and
- (c) the Contractor shall send a final claim within 28 days after the end of the effects resulting from the event or circumstance, or within such other period as may be proposed by the Contractor and approved by the Engineer.

Within 42 days after receiving a claim or any further particulars supporting a previous claim, or within such other period as may be proposed by the Engineer and approved by the Contractor, the Engineer shall respond with approval, or with disapproval and detailed comments. He may also request any necessary further particulars, but shall nevertheless give his response on the principles of the claim within the above defined time period.

Within the above defined period of 42 days, the Engineer shall proceed in accordance with Sub-Clause 3.5 [Determinations] to agree or determine (i) the extension (if any) of the Time for Completion (before or after its expiry) in accordance with Sub-Clause 8.4 [Extension of Time for Completion], and/or (ii) the additional payment (if any) to which the Contractor is entitled under the Contract.

Each Payment Certificate shall include such additional payment for any claim as has been reasonably substantiated as due under the relevant provision of the Contract. Unless and until the particulars supplied are sufficient to substantiate the whole of the claim, the Contractor shall only be entitled to payment for such part of the claim as he has been able to substantiate.

If the Engineer does not respond within the timeframe defined in this Clause, either Party may consider that the claim is rejected by the Engineer and any of the Parties may refer to the Dispute Board in accordance with Sub-Clause 20.4 [Obtaining Dispute Board's Decision].

The requirements of this Sub-Clause are in addition to those of any other Sub-Clause which may apply to a claim. If the Contractor fails to comply with this or another Sub-Clause in relation to any claim, any extension of time and/or additional payment shall take account of the extent (if any) to which the failure has prevented or prejudiced proper investigation of the claim, unless the claim is excluded under the second paragraph of this Sub-Clause.

20.2 Appointment of the Dispute Board

Disputes shall be referred to a DB for decision in accordance with Sub-Clause 20.4 [Obtaining Dispute Board's Decision]. The Parties shall appoint a DB by the date stated in the Contract Data.

The DB shall comprise, as stated in the Contract Data, either one or three suitably qualified persons ("the members"), each of whom shall be fluent in the language for communication defined in the Contract and shall be a professional experienced in the type of construction involved in the Works and with the interpretation of contractual documents. If the number is not so stated and the Parties do not agree otherwise, the DB shall comprise three persons.

If the Parties have not jointly appointed the DB 21 days before the date stated in the Contract Data and the DB is to comprise three persons, each Party shall nominate one member for the approval of the other Party. The first two members shall recommend and the Parties shall agree upon the third member, who shall act as chairman.

However, if a list of potential members has been agreed by the Parties and is included in the Contract, the members shall be selected from those on the list, other than anyone who is unable or unwilling to accept appointment to the DB.

The agreement between the Parties and either the sole member or each of the three members shall incorporate by reference the General Conditions of Dispute Board Agreement contained in the Appendix to these General Conditions, with such amendments as are agreed between them.

The terms of the remuneration of either the sole member or each of the three members, including the remuneration of any expert whom the DB consults, shall be mutually agreed upon by the Parties when agreeing the terms of appointment. Each Party shall be responsible for paying one-half of this remuneration.

If at any time the Parties so agree, they may jointly refer a matter to the DB for it to give its opinion. Neither Party shall consult the DB on any matter without the agreement of the other Party.

If a member declines to act or is unable to act as a result of death, disability, resignation or termination of appointment, a replacement shall be appointed in the same manner as the replaced person was required to have been nominated or agreed upon, as described in this Sub-Clause.

The appointment of any member may be terminated by mutual agreement of both Parties, but not by the Employer or the Contractor acting alone. Unless otherwise agreed by both Parties, the appointment of the DB (including each member) shall expire when the discharge referred to in Sub-Clause 14.12 [Discharge] shall have become effective.

20.3 Failure to Agree on the Composition of the Dispute Board

If any of the following conditions apply, namely:

- (a) the Parties fail to agree upon the appointment of the sole member of the DB by the date stated in the first paragraph of Sub-Clause 20.2, [Appointment of the Dispute Board]
- (b) either Party fails to nominate a member (for approval by the other Party), or fails to approve a member nominated by the other Party, of a DB of three persons by such date,
- (c) the Parties fail to agree upon the appointment of the third member (to act as chairman) of the DB by such date, or
- (d) the Parties fail to agree upon the appointment of a replacement person within 42 days after the date on which the sole member or one of the three members declines to act or is unable to act as a result of death, disability, resignation or termination of appointment,

then the appointing entity or official named in the Contract Data shall, upon the request of either or both of the Parties and after due consultation with both Parties, appoint this member of the DB. This appointment shall be final and conclusive. Each Party shall be responsible for paying one-half of the remuneration of the appointing entity or official.

20.4 Obtaining Dispute Board's Decision

If a dispute (of any kind whatsoever) arises between the Parties in connection with, or arising out of, the Contract or the execution of the Works, including any dispute as to any certificate, determination, instruction, opinion or valuation of the Engineer, either Party may refer the dispute in writing to the DB for its decision, with copies to the other Party and the Engineer. Such reference shall state that it is given under this Sub-Clause.

For a DB of three persons, the DB shall be deemed to have received such reference on the date when it is received by the chairman of the DB.

Both Parties shall promptly make available to the DB all such additional information, further access to the Site, and appropriate facilities, as the DB may require for the purposes of making a decision on such dispute. The DB shall be deemed to be not acting as arbitrator(s).

Within 84 days after receiving such reference, or within such other period as may be proposed by the DB and approved by both Parties, the DB shall give its decision, which shall be reasoned and shall state that it is given under this Sub-Clause. The decision shall be binding on both Parties, who shall promptly give effect to it unless and until it shall be revised in an amicable settlement or an arbitral award as described below. Unless the Contract has already been abandoned, repudiated or terminated, the Contractor shall continue to proceed with the Works in accordance with the Contract.

If either Party is dissatisfied with the DB's decision, then either Party may, within 28 days after receiving the decision, give a Notice of Dissatisfaction to the other Party indicating its dissatisfaction and intention to commence arbitration. If the DB fails to give its decision within the period of 84 days (or as otherwise approved) after receiving such reference, then either Party may, within 28 days after this period has expired, give a Notice of Dissatisfaction to the other Party.

In either event, this Notice of Dissatisfaction shall state that it is given under this Sub-Clause, and shall set out the matter in dispute and the reason(s) for dissatisfaction. Except as stated in Sub-Clause 20.7 [Failure to Comply with Dispute Board's Decision] and Sub-Clause 20.8 [Expiry of Dispute Board's Appointment], neither Party shall be entitled to commence arbitration of a dispute unless a Notice of Dissatisfaction has been given in accordance with this Sub-Clause.

If the DB has given its decision as to a matter in dispute to both Parties, and no Notice of Dissatisfaction has been given by either Party within 28 days after it received the DB's decision, then the decision shall become final and binding upon both Parties.

20.5 Amicable Settlement

Where a Notice of Dissatisfaction has been given under Sub-Clause 20.4 above, both Parties shall attempt to settle the dispute amicably before the commencement of arbitration. However, unless both Parties agree otherwise, the Party giving a Notice of Dissatisfaction in accordance with Sub-Clause 20.4 above should move to commence arbitration after the fifty-sixth day from the day on which a Notice of Dissatisfaction was given, even if no attempt at an amicable settlement has been made.

20.6 Arbitration

Any dispute between the Parties arising out of or in connection with the Contract not settled amicably in accordance with Sub-Clause 20.5 above and in respect of which the DB's decision (if any) has not become final and binding shall be finally settled by arbitration. Arbitration shall be conducted as follows:

(a) if the contract is with foreign contractors,

(i) for contracts financed by all participating Banks except under sub-paragraph (i) (2) below:

international arbitration (1) with proceedings administered by the arbitration institution designated in the Contract Data, and conducted under the rules of arbitration of such institution; or, if so specified in the Contract Data, (2) international arbitration in accordance with the arbitration rules of the United Nations Commission on International Trade Law (UNCITRAL); or (3) if neither an arbitration institution nor UNCITRAL arbitration rules are specified in the Contract Data, with proceedings administered by the International Chamber of Commerce (ICC) and conducted under the ICC Rules of Arbitration; by one or more arbitrators appointed in accordance with said arbitration rules.

(ii) for contracts financed by the Asian Development Bank:

international arbitration (1) with proceedings administered by the arbitration institution specified in the Contract Data and conducted under the rules of arbitration of such institution unless it is specified in the Contract Data that the arbitration shall be conducted under the rules of the United Nations Commission on International Trade Law (UNCITRAL) and if UNCITRAL Rules are so specified then the named arbitration institution shall be the appointing authority and shall administer the arbitration); or (2) if an arbitration institution is not specified in the Contract Data, with proceedings administered by the Singapore International Arbitration Centre (SIAC) and conducted under the SIAC Rules, by one or more arbitrators appointed in accordance with the said arbitration rules.

(b) if the Contract is with domestic contractors, arbitration with proceedings conducted in accordance with the laws of the Employer's country.

The place of arbitration shall be the neutral location specified in the Contract Data; and the arbitration shall be conducted in the language for communications defined in Sub-Clause 1.4 [Law and Language].

The arbitrators shall have full power to open up, review and revise any certificate, determination, instruction, opinion or valuation of the Engineer, and any decision of the DB, relevant to the dispute. Nothing shall disqualify representatives of the Parties and the Engineer from being called as a witness and giving evidence before the arbitrators on any matter whatsoever relevant to the dispute.

Neither Party shall be limited in the proceedings before the arbitrators to the evidence or arguments previously put before the DB to obtain its decision, or to the reasons for dissatisfaction given in its Notice of Dissatisfaction. Any decision of the DB shall be admissible in evidence in the arbitration.

Arbitration may be commenced prior to or after completion of the Works. The obligations of the Parties, the Engineer and the DB shall not be altered by reason of any arbitration being conducted during the progress of the Works.

20.7 Failure to Comply with Dispute Board's Decision

In the event that a Party fails to comply with a final and binding DB decision, then the other Party may, without prejudice to any other rights it may have, refer the failure itself to arbitration under Sub-Clause 20.6 [Arbitration]. Sub-Clause 20.4 [Obtaining Dispute Board's Decision] and Sub-Clause 20.5 [Amicable Settlement] shall not apply to this reference.

20.8 Expiry of Dispute Board's Appointment

If a dispute arises between the Parties in connection with, or arising out of, the Contract or the execution of the Works and there is no DB in place, whether by reason of the expiry of the DB's appointment or otherwise:

- (a) Sub-Clause 20.4 [Obtaining Dispute Board's Decision] and Sub-Clause 20.5 [Amicable Settlement] shall not apply, and
- (b) the dispute may be referred directly to arbitration under Sub-Clause 20.6 [Arbitration].

APPENDIX

A General Conditions of Dispute Board Agreement

1 Definitions

Each "Dispute Board Agreement" is a tripartite agreement by and between:

- (a) the "Employer";
- (b) the "Contractor"; and
- (c) the "Member" who is defined in the Dispute Board Agreement as being:
 - (i) the sole member of the "DB" and, where this is the case, all references to the "Other Members" do not apply, or
 - (ii) one of the three persons who are jointly called the "DB" (or "Dispute Board") and, where this is the case, the other two persons are called the "Other Members".

The Employer and the Contractor have entered (or intend to enter) into a contract, which is called the "Contract" and is defined in the Dispute Board Agreement, which incorporates this Appendix. In the Dispute Board Agreement, words and expressions which are not otherwise defined shall have the meanings assigned to them in the Contract.

2 General Provisions

Unless otherwise stated in the Dispute Board Agreement, it shall take effect on the latest of the following dates:

- (a) the Commencement Date defined in the Contract,

- (b) when the Employer, the Contractor and the Member have each signed the Dispute Board Agreement, or
- (c) when the Employer, the Contractor and each of the Other Members (if any) have respectively each signed a dispute board agreement.

This employment of the Member is a personal appointment. At any time, the Member may give not less than 70 days' notice of resignation to the Employer and to the Contractor, and the Dispute Board Agreement shall terminate upon the expiry of this period.

3 Warranties

The Member warrants and agrees that he/she is and shall be impartial and independent of the Employer, the Contractor and the Engineer. The Member shall promptly disclose, to each of them and to the Other Members (if any), any fact or circumstance which might appear inconsistent with his/her warranty and agreement of impartiality and independence.

When appointing the Member, the Employer and the Contractor relied upon the Member's representations that he/she is:

- (a) experienced in the work which the Contractor is to carry out under the Contract,
- (b) experienced in the interpretation of contract documentation, and
- (c) fluent in the language for communications defined in the Contract.

4 General Obligations of the Member

The Member shall:

- (a) have no interest financial or otherwise in the Employer, the Contractor or Engineer, nor any financial interest in the Contract except for payment under the Dispute Board Agreement;
- (b) not previously have been employed as a consultant or otherwise by the Employer, the Contractor or the Engineer, except in such circumstances as were disclosed in writing to the Employer and the Contractor before they signed the Dispute Board Agreement;
- (c) have disclosed in writing to the Employer, the Contractor and the Other Members (if any), before entering into the Dispute Board Agreement and to his/her best knowledge and recollection, any professional or personal relationships with any director, officer or employee of the Employer, the Contractor or the Engineer, and any previous involvement in the overall project of which the Contract forms part;
- (d) not, for the duration of the Dispute Board Agreement, be employed as a consultant or otherwise by the Employer, the Contractor or the Engineer, except as may be agreed in writing by the Employer, the Contractor and the Other Members (if any);
- (e) comply with the annexed procedural rules and with Sub-Clause 20.4 of the Conditions of Contract;
- (f) not give advice to the Employer, the Contractor, the Employer's Personnel or the Contractor's Personnel concerning the conduct of the Contract, other than in accordance with the annexed procedural rules;
- (g) not while a Member enter into discussions or make any agreement with the Employer, the Contractor or the Engineer regarding employment by any of them, whether as a consultant or otherwise, after ceasing to act under the Dispute Board Agreement;
- (h) ensure his/her availability for all site visits and hearings as are necessary;

- (i) become conversant with the Contract and with the progress of the Works (and of any other parts of the project of which the Contract forms part) by studying all documents received which shall be maintained in a current working file;
- (j) treat the details of the Contract and all the DB's activities and hearings as private and confidential, and not publish or disclose them without the prior written consent of the Employer, the Contractor and the Other Members (if any); and
- (k) be available to give advice and opinions, on any matter relevant to the Contract when requested by both the Employer and the Contractor, subject to the agreement of the Other Members (if any).

5 General Obligations of the Employer and the Contractor

The Employer, the Contractor, the Employer's Personnel and the Contractor's Personnel shall not request advice from or consultation with the Member regarding the Contract, otherwise than in the normal course of the DB's activities under the Contract and the Dispute Board Agreement. The Employer and the Contractor shall be responsible for compliance with this provision, by the Employer's Personnel and the Contractor's Personnel respectively.

The Employer and the Contractor undertake to each other and to the Member that the Member shall not, except as otherwise agreed in writing by the Employer, the Contractor, the Member and the Other Members (if any):

- (a) be appointed as an arbitrator in any arbitration under the Contract;
- (b) be called as a witness to give evidence concerning any dispute before arbitrator(s) appointed for any arbitration under the Contract; or
- (c) be liable for any claims for anything done or omitted in the discharge or purported discharge of the Member's functions, unless the act or omission is shown to have been in bad faith.

The Employer and the Contractor hereby jointly and severally indemnify and hold the Member harmless against and from claims from which he is relieved from liability under the preceding paragraph.

Whenever the Employer or the Contractor refers a dispute to the DB under Sub-Clause 20.4 of the Conditions of Contract, which will require the Member to make a site visit and attend a hearing, the Employer or the Contractor shall provide appropriate security for a sum equivalent to the reasonable expenses to be incurred by the Member. No account shall be taken of any other payments due or paid to the Member.

6 Payment

The Member shall be paid as follows, in the currency named in the Dispute Board Agreement:

- (a) a retainer fee per calendar month, which shall be considered as payment in full for:
 - (i) being available on 28 days' notice for all Site visits and hearings;
 - (ii) becoming and remaining conversant with all project developments and maintaining relevant files;
 - (iii) all office and overhead expenses including secretarial services, photocopying and office supplies incurred in connection with his duties; and
 - (iv) all services performed hereunder except those referred to in sub-paragraphs (b) and (c) of this Clause.

The retainer fee shall be paid with effect from the last day of the calendar month in which the Dispute Board Agreement becomes effective; until the last day of the calendar month in which the Taking-Over Certificate is issued for the whole of the Works.

With effect from the first day of the calendar month following the month in which the Taking-Over Certificate is issued for the whole of the Works, the retainer fee shall be reduced by one third. This reduced fee shall be paid until the first day of the calendar month in which the Member resigns or the Dispute Board Agreement is otherwise terminated.

- (b) a daily fee which shall be considered as payment in full for:
- (i) each day or part of a day up to a maximum of two days' travel time in each direction for the journey between the Member's home and the Site, or another location of a meeting with the Other Members (if any);
 - (ii) each working day on Site visits, hearings or preparing decisions; and
 - (iii) each day spent reading submissions in preparation for a hearing.
- (c) all reasonable expenses including necessary travel expenses (air fare in less than first class, hotel and subsistence and other direct travel expenses) incurred in connection with the Member's duties, as well as the cost of telephone calls, courier charges, faxes and telexes: a receipt shall be required for each item in excess of five percent of the daily fee referred to in sub-paragraph (b) of this Clause;
- (d) any taxes properly levied in the Country on payments made to the Member (unless a national or permanent resident of the Country) under this Clause 6.

The retainer and daily fees shall be as specified in the Dispute Board Agreement. Unless it specifies otherwise, these fees shall remain fixed for the first 24 calendar months, and shall thereafter be adjusted by agreement between the Employer, the Contractor and the Member, at each anniversary of the date on which the Dispute Board Agreement became effective.

If the parties fail to agree on the retainer fee or the daily fee, the appointing entity or official named in the Contract Data shall determine the amount of the fees to be used.

The Member shall submit invoices for payment of the monthly retainer and air fares quarterly in advance. Invoices for other expenses and for daily fees shall be submitted following the conclusion of a Site visit or hearing. All invoices shall be accompanied by a brief description of activities performed during the relevant period and shall be addressed to the Contractor.

The Contractor shall pay each of the Member's invoices in full within 56 calendar days after receiving each invoice and shall apply to the Employer (in the Statements under the Contract) for reimbursement of one-half of the amounts of these invoices. The Employer shall then pay the Contractor in accordance with the Contract.

If the Contractor fails to pay to the Member the amount to which he/she is entitled under the Dispute Board Agreement, the Employer shall pay the amount due to the Member and any other amount which may be required to maintain the operation of the DB; and without prejudice to the Employer's rights or remedies. In addition to all other rights arising from this default, the Employer shall be entitled to reimbursement of all sums paid in excess of one-half of these payments, plus all costs of recovering these sums and financing charges calculated at the rate specified in Sub-Clause 14.8 of the Conditions of Contract.

If the Member does not receive payment of the amount due within 70 days after submitting a valid invoice, the Member may (i) suspend his/her services (without notice) until the payment is received, and/or (ii) resign his/her appointment by giving notice under Clause 7.

7 Termination

At any time: (i) the Employer and the Contractor may jointly terminate the Dispute Board Agreement by giving 42 days' notice to the Member; or (ii) the Member may resign as provided for in Clause 2.

If the Member fails to comply with the Dispute Board Agreement, the Employer and the Contractor may, without prejudice to their other rights, terminate it by notice to the Member. The notice shall take effect when received by the Member.

If the Employer or the Contractor fails to comply with the Dispute Board Agreement, the Member may, without prejudice to his other rights, terminate it by notice to the Employer and the Contractor. The notice shall take effect when received by them both.

Any such notice, resignation and termination shall be final and binding on the Employer, the Contractor and the Member. However, a notice by the Employer or the Contractor, but not by both, shall be of no effect.

8 Default of the Member

If the Member fails to comply with any of his obligations under Clause 4 (a) - (d) above, he shall not be entitled to any fees or expenses hereunder and shall, without prejudice to their other rights, reimburse each of the Employer and the Contractor for any fees and expenses received by the Member and the Other Members (if any), for proceedings or decisions (if any) of the DB which are rendered void or ineffective by the said failure to comply.

If the Member fails to comply with any of his obligations under Clause 4 (e) - (k) above, he shall not be entitled to any fees or expenses hereunder from the date and to the extent of the non-compliance and shall, without prejudice to their other rights, reimburse each of the Employer and the Contractor for any fees and expenses already received by the Member, for proceedings or decisions (if any) of the DB which are rendered void or ineffective by the said failure to comply.

9 Disputes

Any dispute or claim arising out of or in connection with this Dispute Board Agreement, or the breach, termination or invalidity thereof, shall be finally settled by institutional arbitration. If no other arbitration institute is agreed, the arbitration shall be conducted under the Rules of Arbitration of the International Chamber of Commerce by one arbitrator appointed in accordance with these Rules of Arbitration.

PROCEDURAL RULES

- 1 Unless otherwise agreed by the Employer and the Contractor, the DB shall visit the Site at intervals of not more than 140 days, including times of critical construction events, at the request of either the Employer or the Contractor. Unless otherwise agreed by the Employer, the Contractor and the DB, the period between consecutive visits shall not be less than 70 days, except as required to convene a hearing as described below.
- 2 The timing of and agenda for each Site visit shall be as agreed jointly by the DB, the Employer and the Contractor, or in the absence of agreement, shall be decided by the DB. The purpose of Site visits is to enable the DB to become and remain acquainted with the progress of the Works and of any actual or potential problems or claims, and, as far as reasonable, to endeavour to prevent potential problems or claims from becoming disputes.
- 3 Site visits shall be attended by the Employer, the Contractor and the Engineer and shall be co-ordinated by the Employer in co-operation with the Contractor. The Employer shall ensure the provision of appropriate conference facilities and secretarial and copying services. At the conclusion of each Site visit and before leaving the site, the DB shall prepare a report on its activities during the visit and shall send copies to the Employer and the Contractor.
- 4 The Employer and the Contractor shall furnish to the DB one copy of all documents which the DB may request, including Contract documents, progress reports, variation instructions, certificates and other documents pertinent to the performance of the Contract. All communications between the DB and the Employer or the Contractor shall be copied to the other Party. If the DB comprises three persons, the Employer and the Contractor shall send copies of these requested documents and these communications to each of these persons.

- 5 If any dispute is referred to the DB in accordance with Sub-Clause 20.4 of the Conditions of Contract, the DB shall proceed in accordance with Sub-Clause 20.4 and these Rules. Subject to the time allowed to give notice of a decision and other relevant factors, the DB shall:
- (a) act fairly and impartially as between the Employer and the Contractor, giving each of them a reasonable opportunity of putting his case and responding to the other's case, and
 - (b) adopt procedures suitable to the dispute, avoiding unnecessary delay or expense.
- 6 The DB may conduct a hearing on the dispute, in which event it will decide on the date and place for the hearing and may request that written documentation and arguments from the Employer and the Contractor be presented to it prior to or at the hearing.
- 7 Except as otherwise agreed in writing by the Employer and the Contractor, the DB shall have power to adopt an inquisitorial procedure, to refuse admission to hearings or audience at hearings to any persons other than representatives of the Employer, the Contractor and the Engineer, and to proceed in the absence of any party who the DB is satisfied received notice of the hearing; but shall have discretion to decide whether and to what extent this power may be exercised.
- 8 The Employer and the Contractor empower the DB, among other things, to:
- (a) establish the procedure to be applied in deciding a dispute,
 - (b) decide upon the DB's own jurisdiction, and as to the scope of any dispute referred to it,
 - (c) conduct any hearing as it thinks fit, not being bound by any rules or procedures other than those contained in the Contract and these Rules.
 - (d) take the initiative in ascertaining the facts and matters required for a decision,
 - (e) make use of its own specialist knowledge, if any,
 - (f) decide upon the payment of financing charges in accordance with the Contract,
 - (g) decide upon any provisional relief such as interim or conservatory measures, and
 - (h) open up, review and revise any certificate, decision, determination, instruction, opinion or valuation of the Engineer, relevant to the dispute.
- 9 The DB shall not express any opinions during any hearing concerning the merits of any arguments advanced by the Parties. Thereafter, the DB shall make and give its decision in accordance with Sub-Clause 20.4, or as otherwise agreed by the Employer and the Contractor in writing. If the DB comprises three persons:
- (a) it shall convene in private after a hearing, in order to have discussions and prepare its decision;
 - (b) it shall endeavour to reach a unanimous decision: if this proves impossible the applicable decision shall be made by a majority of the Members, who may require the minority Member to prepare a written report for submission to the Employer and the Contractor; and
 - (c) if a Member fails to attend a meeting or hearing, or to fulfil any required function, the other two Members may nevertheless proceed to make a decision, unless:
 - (i) either the Employer or the Contractor does not agree that they do so, or
 - (ii) the absent Member is the chairman and he/she instructs the other Members to not make a decision.

Section 8: Particular Conditions of Contract

The following Particular Conditions of Contract (PCC) shall supplement the General Conditions of Contract (GCC). Whenever there is a conflict, the provisions herein shall prevail over those in the GCC.

Part A – Contract Data

Ref. GCC	Subject	Data
1.1.2.2 and 1.3	Employer's name and address	Bihar State Road Development Corporation Ltd. RCD Mechanical Workshop Campus, (Near Patna Airport), Sheikhpura, Patna -800014, Bihar, INDIA
1.1.2.4 and 1.3	Engineer's name and address	To be determined later
1.1.2.11	Bank's name	Asian Development Bank (ADB)
1.1.2.12	Borrower's name	India
1.1.3.3	Time for completion	821 days
1.1.3.7	Defects notification period	365 days.
1.1.5.6	Sections	As defined in annexure-1 – Part A (Particular Conditions of Contract)
1.3	Electronic transmission systems	Facsimile and email
1.4	Governing law	The law of India
1.4	Ruling language	English
1.4	Language for communications	English
2.1	Time for access to the site	For each section Time for Access to site is defined as per Annexure-1 to part-A to Particular Conditions of Contract.
3.1(B)(ii)	Engineer's duties and authority	Variations resulting in an increased/ of the Accepted Contract Amount shall require approval of the Employer.
4.2	Performance security	The performance security will be in the form of an unconditional bank guarantee in the amount of 5 % of the Accepted Contract Amount issued by a reputable bank located outside India, or a reputable local bank including scheduled or nationalized banks, in the format included in Section 9 (Contract Forms). If the institution issuing the security is located outside India, it shall have a correspondent financial institution located in India to make it enforceable. The Performance Security shall be denominated in

		the currency/ies stated in the bid of the successful bidder.
4.8 (b)	Safety Procedures	<p>At the end, add the following:</p> <p>“In particular, the Contractor is responsible for providing site workers with safe and healthy working conditions and establish an operating system to prevent accidents, injuries, and disease.”</p>
4.18	Protection of the Environment	<p>At the end add the following paragraphs:</p> <p>“ The Contractor shall comply with all applicable national, provincial, and local environmental laws and regulations.</p> <p>The Contractor shall also comply with all reasonable requests of the national and local authorities responsible for enforcing environmental controls.</p> <p>Within 28 days of the Commencement Date the Contractor shall submit a detailed Site Specific Environmental Management Plan (SSEMP) for the Engineer’s no objection showing how he/she intends to comply with environmental laws and regulations and other specific requirements prescribed in the Contract, addressing all the monitoring and mitigation measures set forth in the Environmental Impact Assessment (“EIA”) and the Environmental Management Plan (“EMP”) of the project attached in Section 6- Employer’s Requirements. Work shall not commence on the Site until the no objection of SSEMP has been obtained from the Engineer and is being implemented. Such acceptance by the Engineer shall not relieve the Contractor of any of his obligations or responsibilities under the Contract.</p> <p>The Contractor shall (a) establish an operational system for managing environmental impacts, (b) comply with the approved SSEMP and any corrective or preventative actions set out in safeguards monitoring reports that the Employer will prepare from time to time to monitor the implementation of the project EMP through the SSEMP, (c) allocate the budget required to</p>

		<p>ensure that such measures, requirements and actions are carried out, (d) submit semi-annual reports on the compliance of such measures to the Employer.</p> <p>Where unanticipated environmental risks or impacts become apparent during the Contract, the Contractor is required to update the SSEMP to outline the potential impacts to site works and associated mitigation measures for the Engineer’s approval.”</p>
<p>6.5</p>	<p>Normal working hours</p>	<p>8 hrs per day and 6 days a week (total of 48 hrs per week) as per Labor law of the Country.</p>
<p>6.7</p>	<p>Health and Safety</p>	<p>After the first paragraph, add the following:</p> <p>“ The Contractor is responsible for establishment of preventive and emergency preparedness and response measures to avoid, and where avoidance is not possible, to minimize, adverse impacts and risks of the construction site work to the health and safety of local communities.</p> <p>Within 28 days of the Commencement Date the Contractor shall submit a detailed Site Specific Health and Safety Management Plan (SSHSMP) for the Engineer’s no objection showing how he/she intends to comply with the local Health and Safety laws and regulations and other specific requirements prescribed in the Contract, taking into account the Supplementary Information in Section 6- Employer’s Requirements. Work shall not commence on the Site until the confirmation of no objection of the SSHSMP has been obtained from the Engineer and is being implemented. Such confirmation of no objection by the Engineer shall not relieve the Contractor of any of his/her obligations or responsibilities under the Contract.</p> <p>Where unanticipated health and safety hazards or risks become apparent during the Contract, the Contractor is required to update the SSHSMP to outline the potential impacts to site works and associated mitigation measures for</p>

		<p>the Engineer’s no objection.</p> <p>The Contractor shall comply with the approved SSHSMP and any corrective or preventative actions set out in safeguards monitoring reports that the Employer will prepare from time to time to monitor the implementation of the project EMP through the SSHSMP.</p> <p>In particular, the Contractor is required to provide all personnel on site including Employer’s Personnel and visitors with personal protective equipment, including protection for feet (safety boots), head, eyes, ears (safety helmets) and hands, etc. , in accordance with the Contractor’s SSHSMP. The Contractor should ensure that his Subcontractors comply with the SSHSMP and provide all such necessary equipment to their personnel.</p> <p>The Contractor shall bear the costs to ensure that such measures, requirements and actions are carried out.</p> <p>The Contractor shall submit semi-annual reports on the compliance of such measures to the Employer.”</p> <p>Add after the third paragraph the following:</p> <p>“In the event of a significant injury involving medical treatment or hospitalization and fatal accident the Contractor shall notify the Engineer immediately by verbal communication and submit a formal report as soon as practicable after its occurrence. For all accidents, whether fatal or not, the Contractor shall also notify the appropriate local authorities in accordance with the Laws of the Country.”</p>
<p>6.25</p>	<p>Respectful Work Environment</p>	<p>The following sentence shall apply:</p> <p>The Contractor shall ensure that its employees and Subcontractors observe the highest ethical standards and refrain from any form of bullying, discrimination, misconduct and harassment, including sexual harassment and shall, at all times, behave in a manner that creates an environment free of unethical behavior, bullying, misconduct and</p>

		<p>harassment, including sexual harassment. The Contractor shall take appropriate action against any employees or Subcontractors, including suspension or termination of employment or subcontract, if any form of unethical or inappropriate behavior is identified.</p> <p>The Contractor shall conduct training programs for its employees and Subcontractors to raise awareness on and prevent any form of bullying, discrimination, misconduct and harassment including sexual harassment, and to promote a respectful work environment. The Contractor shall keep an up-to-date record of its employees and Subcontractors who have attended and completed such training programs and provide such records to the Employer or the Engineer at their first written request.</p>
8.3	Programme	Detailed Resource based time Programme be submitted in MS Project/ Primavera / or any Relevant Software within 28 days after receiving notice under subclause 8.1 of GCC. Whenever the previous programme becomes inconsistent with targeted financial progress under Annexure-1, Part-A (PCC), the contractor shall submit a revised Resource based time Programme in MS Project.
8.7 and 14.15(b)	Delay damages for the Works	<p>0.05 % of the Accepted Contract Amount per day, in the currencies and proportions in which the Contract Price is payable.</p> <p>Delay damage imposed on the account of contractor's default shall be non-refundable.</p>
8.7	Maximum amount of delay damages	10 % of the Accepted Contract Amount.
11.1	Completion of Outstanding Work and Remedying Defects	Notified Outstanding work shall be completed within 84 days after issuing of Taking Over Certificate by the Engineer.
13.5(b)(ii)	Provisional Sums	13%
13.8	Adjustments for Changes in Cost	The Contract Price shall be adjustable during Contract Execution.

14.1	The Contract Price	The following sentence under Clause 14.1 shall <u>not</u> apply: <i>“Notwithstanding the provisions of sub-paragraph (b), Contractor’s Equipment, including essential spare parts therefore, imported by the Contractor for the sole purpose of executing the Contract shall be exempt from the payment of import duties and taxes upon importation.”</i>
14.2	Total advance payment	10 (Ten)% , Percentage of the Accepted Contract Amount payable in the currencies and proportions in which the Accepted Contract Amount is payable An interest free advance of 10 % (ten Percentage) in two equal installment of the Accepted Contract Amount in local currency, for mobilization. Second installment of the mobilization shall be released only after the submission of proof of full utilization of earlier received installment.**
14.2(b)	Repayment amortization of advance payment	12.5 % (Twelve and Half %) . This payment will be totally adjusted prior to 90% of financial achievement or before the original completion time , otherwise it shall be charged along with the applicable bank rate + 3%.
14.3(c)	Percentage of retention	6 (Six) % of IPC
14.3(c)	Limit of Retention Money	5 (Five) % of the Accepted Contract Amount.
14.5(b)(i)	Plant and Materials	Not applicable
14.5(c)(i)		Plant and Materials for payment when delivered to the Site: Materials Comprising of Steel, Cement, Aggregates, Sand, Bitumen and RCC Hume Pipes shall <u>only</u> be applicable.
14.6	Minimum Amount of Interim Payment Certificates	0.5% of Accepted Contract Amount

****** *Acceptable documents as a proof of full utilization of 1st installment shall be the purchase invoices of new equipments/machineries/plants and expenditure made towards establishment of camp and laboratory*

15.2	Termination by Employer	<p>This sentence will apply as Subclause 15.2(g):</p> <p>(g) the Engineer gives two consecutive Notices to update the Program and accelerate the works to ensure compliance with Subclause 8.2 (Time for Completion) and the Contractor fails to update the Program and demonstrate acceleration of the works within a reasonable period of time determined by the Engineer;</p>
15.6	Corrupt and Fraudulent Practices	<p>The following sentence shall apply:</p> <p>For the purposes of this Subclause:</p> <p>ADB's Anticorruption Policy (1998, as amended to date) requires Borrowers (including beneficiaries of ADB-financed activity), as well as Contractors, Subcontractors, manufacturers, and Consultants under ADB-financed contracts, observe the highest standard of ethics during the procurement and execution of such contracts. In pursuance of this policy, ADB</p> <p>(a) defines, for the purposes of this provision, the terms set forth below as follows:</p> <ul style="list-style-type: none"> (i) "corrupt practice" means the offering, giving, receiving, or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party; (ii) "fraudulent practice" means any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation; (iii) "coercive practice" means impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party; (iv) "collusive practice" means an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party; (v) "abuse" means theft, waste, or improper use of assets related to ADB-related activity, either committed intentionally or through reckless disregard; (vi) "conflict of interest" means any situation in which a party has interests that could improperly influence that party's performance of official duties or responsibilities, contractual obligations, or compliance with applicable laws and regulations;

		<p>(vii) “obstructive practice” means (a) deliberately destroying, falsifying, altering, or concealing of evidence material to an ADB investigation, or deliberately making false statements to investigators, with the intent to impede an ADB investigation; (b) threatening, harassing, or intimidating any party to prevent it from disclosing its knowledge of matters relevant to a Bank investigation or from pursuing the investigation; or (c) deliberate acts intended to impede the exercise of ADB’s contractual rights of audit or inspection or access to information; and</p> <p>(viii) “integrity violation” is any act, as defined under ADB’s Integrity Principles and Guidelines (2015, as amended from time to time), which violates ADB’s Anticorruption Policy, including (i) to (vii) above and the following: violations of ADB sanctions, retaliation against whistleblowers or witnesses, and other violations of ADB’s Anticorruption Policy, including failure to adhere to the highest ethical standard.</p> <p>(b) will reject a proposal for award if it determines that the Bidder recommended for award has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices or other integrity violations in competing for the Contract;</p> <p>(c) will cancel the portion of the financing allocated to a contract if it determines at any time that representatives of the borrower or of a beneficiary of ADB-financing engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices or other integrity violations during the procurement or the execution of that contract, without the borrower having taken timely and appropriate action satisfactory to ADB to remedy the situation; and</p> <p>(d) will impose remedial actions on a firm or an individual, at any time, in accordance with ADB’s Anticorruption Policy and Integrity Principles and Guidelines, including declaring ineligible, either indefinitely or for a stated period of time, to participate¹ in ADB-financed, -administered, or -supported activities or to benefit from an ADB-financed, -administered, or -supported contract, financially or otherwise, if it at any time determines that the firm or individual has, directly or through an agent,</p>
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¹ Whether as a Contractor, Subcontractor, Consultant, Manufacturer or Supplier, or Service Provider; or in any other capacity (different names are used depending on the particular Bidding Document).

		<p>engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices or other integrity violations.</p> <p>All Bidders, consultants, contractors, suppliers and other third parties engaged or involved in ADB-related activities have a duty to cooperate fully in any screening or investigation when requested by ADB to do so. Such cooperation includes, but is not limited to, the following:</p> <ul style="list-style-type: none"> (a) being available to be interviewed and replying fully and truthfully to all questions asked; (b) providing ADB with any items requested that are within the party's control including, but not limited to, documents and other physical objects; (c) upon written request by ADB, authorizing other related entities to release directly to ADB such information that is specifically and materially related, directly or indirectly, to the said entities or issues which are the subject of the investigation; (d) cooperating with all reasonable requests to search or physically inspect their person and/or work areas, including files, electronic databases, and personal property used on ADB activities, or that utilizes ADB's Information and Communications Technology (ICT) resources or systems (including mobile phones, personal electronic devices, and electronic storage devices such as external disk drives); (e) cooperating in any testing requested by ADB, including but not limited to, fingerprint identification, handwriting analysis, and physical examination and analysis; and (f) preserving and protecting confidentiality of all information discussed with, and as required by, ADB. <p>All Bidders, consultants, contractors and suppliers shall ensure that, in its contract with its sub-consultants, Subcontractors, and other third parties engaged or involved in ADB-related activities, such sub-consultants, Subcontractors, and other third parties similarly undertake the foregoing duty to cooperate fully in any screening or investigation when requested by ADB to do so.</p>
17.6	Maximum total liability of the Contractor to the Employer	The product of one time the Accepted Contract Amount.

18.1	Periods for submission of insurance: (a) evidence of insurance. (b) relevant policies	14 days 28 days
18.2(d)	Maximum amount of deductibles for insurance of the Employer's risks	Nil
18.3	Minimum amount of third party insurance	Rs. 500,000 (Five Hundred Thousand) per occurrence, with the no. of occurrences unlimited.
20.2	Date by which the Dispute Board shall be appointed	28 days after the commencement
20.2	The Dispute Board shall be comprised of	Three Members
20.2	List of potential Dispute Board sole members	None
20.3	Appointment (if not agreed) to be made by	Secretary General, Indian Road Congress, New Delhi, India.
20.6	Appointment of Arbitrators	The Arbitrator's appointment will be made by the Secretary General, Indian Road Congress, New Delhi, India.
20.6 (a)	International Arbitration shall be administered by	International arbitration shall be (i) administered by: the Singapore International Arbitration Centre (SIAC) (ii) conducted in accordance with the rules of : SIAC
20.6	Place of Arbitration	The place of arbitration shall be a neutral place mutually agreed by the parties

ANNEXURE – 1 PART – A (PARTICULAR CONDITIONS OF CONTRACT)**Time of Completion of whole stretch – 821 Days****Summary of Sections of the Works**

Improvement/Upgradation, Widening and Strengthening of Manjhway to Ch: 21.88 Km. of Manjhway-Govindpur Road (SH-103) under Civil work contract Package No. BSHP-III(Phase-2)/ Pkg.-6/SH-103

Sl. No.	Section Name/Description (Sub - Clause 1.1.5.6)	Time for access to the site (Sub-Clause2.1)	Time for Completion (Sub - Clause 1.1.3.3)
1	Section-1 KM 0.000 to KM 21.880 (Length- 21.88 km)	Within 28 Days from the date of Signing of the Contract Agreement	821 Days

Summary of Progress targets:

Section or Whole Work	Time from Date of Commencement	Progress Target (Financial)	Amount to be withheld in case of failure to achieve Progress Target
Improvement/Upgradation, Widening and Strengthening of Manjhway to Ch: 21.88 Km. of Manjhway-Govindpur Road (SH-103) under Civil work contract Package No. BSHP-III(Phase-2)/ Pkg.-7/SH-103, Total Length – 21.88 Km	180 Days	5%	10% of the difference in Target and achievement
	240 Days	10%	
	300 Days	15%	
	450 Days	30%	
	540 Days	50%	
	690 Days	75%	
821 Days	100 %		

1. If extension of time (Sub-Clause -8.4) is granted, the summary of progress targets shall be revised in the same proportion for the extended time and balance Financial Target and in case of failure to achieve this revised Progress/Financial Target. Amount to be withheld shall be 10% of the difference in Revised Target and achievement.
2. Resource based time Programme be submitted in MS Project/ Primavera / or any Relevant Software program to be submitted under Sub-Clause- 8.3 shall be vis-a-vis Financial targets with allocated time in summary of progress targets and same shall be applicable in case of extended time of completion. Engineer shall issue the notice to the contractor if the contractor does not comply accordingly.

SECTION 8 - PARTICULAR CONDITIONS OF CONTRACT
PART B – SPECIFIC PROVISIONS

Sub-Clause 1.5: Priority of Documents

Insert “(d) Addenda Nos. if any” after serial no. (c), Correct serial no. “(d)” to “(i)” as serial no. “(e)” to “(j)”.

Sub-Clause 1.6: Contract Agreement

At the end of the Sub-Clause add the following:

“The submission of acceptable Performance Security pursuant to Sub-Clause 4.2 is, inter-alia, a pre-requisite for entering into the Contract Agreement”

Sub-Clause 3.1: Engineer’s Duties and Authority

Add the followings point (E) & (F) after point (D) in Para Four for which Employer's specific approval is also required:

- " (E) Sub-Clause 4.4: approving the subcontracting of the works ; and .
- (F) Sub-Clause 8.4: approving any extension of contractual time limits

Sub-Clause 4.1: Contractor’s General Obligations

Add the following three paras at the end of Sub-Clause 4.1:

The Contractor shall be required to carry out a total station survey, taking 'L' Section and Cross Sections at every 50 m interval and submit the data to the Engineer for finalization of Centre Line and Finished Road Levels (FRL). Once the Centre Line and the FRLs are finalized and approved by the Engineer for a certain part of the road, the Contractor shall carry out the construction activity after doing an OGL survey with the help of Auto Level. The applicable cross section of the road and the details of structures shall be supplied to the Contractor in the form of "Good for construction Drawings", however, if the contractor has any suggestion on that, he may send the same to the Engineer with proper reasoning. The decision of the Engineer as regard to finality of "Good for Construction Drawing" shall be binding on the contractor. The Contractor shall also check the accuracy of all permanent and temporary bench marks available on the site. If any discrepancy is noted by the Contractor, the same shall be reported to the Engineer and shall be corrected in consultation with the Engineer. The cost of all survey work including construction of bench marks, etc. shall be deemed to have been included in the rates/ prices of various items quoted by the Contractor in the Bill of Quantities.

The detailed designs of major/medium bridges shall be done by the contractor or shall be got proof checked from competent consultants/ institutions (in case they are supplied by the Engineer). The Contractor shall also carry out all Investigations for the purpose of Cross Checking the adequacy of founding levels for different structures. The cost of all such investigations shall be deemed to have been included in the respective rates/ prices quoted by the Contractor in the Bill of Quantities. Design of the bridges done by the contractor shall be required to be approved by the Engineer prior to the execution.

On completion of the Works, the Contractor shall arrange to furnish to the Employer two (2) bound sets and two sets in soft copies (CDs) of all "As built" drawings for every component of the Works at his own cost, all such copies being on Polyester film of quality to be approved by the Engineer or his Representative. The Taking Over Certificate of the Works, as per the provisions of Clause 10 herein,

shall not be issued by the Engineer in the event of the Contractor's failure to furnish the aforesaid "As built" drawings for the entire Works.

The Contractor shall deputize at least his Project Manager or Senior Site Representative to attend all the periodic review meetings notified by the Engineer."

Sub Clause 4.4: Subcontractors

Replace the words "the whole" in the first line by the words "more than 50%"

Sub-Clause 4.12: Unforeseeable Physical Conditions

Add the following para at the end

"In addition to notice of any unforeseeable physical conditions, the Contractor shall provide the Engineer with a written notice of any unanticipated environmental or resettlement risks or impacts that arise during construction, implementation or operation of the Plant or Permanent Works, which were not considered in the environmental management plan as provided in Section 6".

Sub-Clause 4.13: Rights of Way and Facilities

Add the following para at the end

"The Contractor shall comply with (i) the measures and requirements relevant to the Contractor which are set forth in the Resettlement Plan ("RP") attached hereto as Appendix-A, to the extent it concerns impacts on affected people during construction; and (ii) any corrective or preventive actions set out in safeguards monitoring reports that the Employer will prepare from time to time to monitor implementation of the resettlement plan.

The Contractor shall allocate a budget for compliance with these measures, requirements and actions."

Sub-Clause 4.16: Transport of Goods

Add the following para at the end as para (d)

"The Contractor shall adequately record the condition of roads, agricultural land and other infrastructure prior to the start of transporting materials, goods and equipment, and construction."

Sub-Clause 4.18: Protection of the Environment

Add the following para at the end of the sub-clause in 4.18:

" The Contractor shall comply with all applicable national, provincial, and local environmental laws and regulations.

The Contractor shall also comply with all reasonable requests of the national and local authorities responsible for enforcing environmental controls.

Within 28 days of the Commencement Date the Contractor shall submit a detailed Site Specific Environmental Management Plan (SSEMP) for the Engineer's no objection showing how he/she intends to comply with environmental laws and regulations and other specific requirements prescribed in the Contract, addressing all the monitoring and mitigation measures set forth in the Environmental Impact Assessment ("EIA") and the Environmental Management Plan ("EMP") of the project attached in Section 6- Employer's Requirements. Work shall not commence on the Site until the no objection of

SSEMP has been obtained from the Engineer and is being implemented. Such acceptance by the Engineer shall not relieve the Contractor of any of his obligations or responsibilities under the Contract.

The Contractor shall (a) establish an operational system for managing environmental impacts, (b) comply with the approved SSEMP and any corrective or preventative actions set out in safeguards monitoring reports that the Employer will prepare from time to time to monitor the implementation of the project EMP through the SSEMP, (c) allocate the budget required to ensure that such measures, requirements and actions are carried out, (d) submit semi-annual reports on the compliance of such measures to the Employer.

Where unanticipated environmental risks or impacts become apparent during the Contract, the Contractor is required to update the SSEMP to outline the potential impacts to site works and associated mitigation measures for the Engineer's approval."

Sub-Clause 4.20: Employer's Equipment and Free-issue Materials.

This sub-Clause is replaced as below: "No Equipment or material shall be issued to the Contractor by the Employer for the execution of works."

Sub-Clause 4.21: Progress Reports.

Add the following at the end of the sub-paragraph as

- (i) Monitoring of the obligations in Sub-Clauses 4.18, 6.1, 6.4, 6.7, 6.20 and 6.21

Sub-Clause 6.1: Engagement of Staff and Labour

Add the following para at the end of Sub-Clause 6.1:

"The Contractor and his Subcontractors shall comply with all the relevant labour Laws applicable to the Contractor's Personnel, including Laws relating to their employment, health, safety, welfare, immigration and emigration, and shall allow them all their legal rights, including without limiting the foregoing, the laws and regulations set forth in Annexure A and A-1.

The Contractor shall require his employees to obey all applicable Laws, including those concerning safety at work.

The Contractor shall be responsible for observance by his Subcontractors of the provisions of the sub-clause 6.4.

Sub Clause 6.7 Health and Safety

Add the following para after First para:

The Contractor is responsible for establishment of preventive and emergency preparedness and response measures to avoid, and where avoidance is not possible, to minimize, adverse impacts and risks of the construction site work to the health and safety of local communities.

Within 28 days of the Commencement Date the Contractor shall submit a detailed Site Specific Health and Safety Management Plan (SSHSMP) for the Engineer's no objection showing how he/she intends to comply with the local Health and Safety laws and regulations and other specific requirements prescribed in the Contract, taking into account the Supplementary Information in Section 6- Employer's Requirements. Work shall not commence on the Site until the confirmation of no objection of the SSHSMP has been obtained from the Engineer and is being implemented. Such confirmation of no

objection by the Engineer shall not relieve the Contractor of any of his/her obligations or responsibilities under the Contract.

Where unanticipated health and safety hazards or risks become apparent during the Contract, the Contractor is required to update the SSHSMP to outline the potential impacts to site works and associated mitigation measures for the Engineer's no objection.

The Contractor shall comply with the approved SSHSMP and any corrective or preventative actions set out in safeguards monitoring reports that the Employer will prepare from time to time to monitor the implementation of the project EMP through the SSHSMP.

In particular, the Contractor is required to provide all personnel on site including Employer's Personnel and visitors with personal protective equipment, including protection for feet (safety boots), head, eyes, ears (safety helmets) and hands, etc. , in accordance with the Contractor's SSHSMP. The Contractor should ensure that his Subcontractors comply with the SSHSMP and provide all such necessary equipment to their personnel.

The Contractor shall bear the costs to ensure that such measures, requirements and actions are carried out.

The Contractor shall submit semi-annual reports on the compliance of such measures to the Employer."

Add after the third paragraph the following:

"In the event of a significant injury involving medical treatment or hospitalization and fatal accident the Contractor shall notify the Engineer immediately by verbal communication and submit a formal report as soon as practicable after its occurrence. For all accidents, whether fatal or not, the Contractor shall also notify the appropriate local authorities in accordance with the Laws of the Country.

Sub-Clause 6.21: Child labour

Add the following para at the end

"'Child' means a child below the statutory minimum age of 14 years under applicable national, provincial or law of India."

Sub-Clause 8.1: Commencement of Works

Sub-Clause 8.1(d): *Delete subparagraph (d) of GCC 8.1 and replace with:*

receipt by the Contractor of the first instalment of the Advance Payment under Sub-Clause 14.2 [Advance Payment] provided that the corresponding bank guarantee has been delivered by the Contractor. If however the Contractor does not submit the advance payment guarantee for the first instalment in accordance with Sub-Clause 14.2 [Advance Payment] within 28 days after receiving the Letter of Acceptance, the conditions precedent for the Commencement of Works as provided in this sub-paragraph (d) is deemed to have been fulfilled.

Sub-Clause 8.2: Time for Completion

Add the following para at the end of Sub-Clause 8.2

The Contractor shall also meet the Progress Target fixed under Sub-sections defined in the Contract data.

Sub-Clause 8.3: Programme

Add the following new paragraph at the end of Sub-Clause 8.3:

“The Contractor shall, at least 14 days in advance of his programmed commencement of each item of work, furnish for the Engineer's consent, the methodology he intends to adopt for executing the item, providing full details of the method of working, equipment to be deployed, process to be controlled and measures to be adopted for ensuring quality of construction and safety.”

Sub-Clause 11.2: Cost of Remedying Defects

Add the following para at the end

“Upon the completion of construction, the Contractor shall fully reinstate pathways, other local infrastructure, and agricultural land to at least their pre-project condition as recorded by the Contractor in consonance with its obligation in Clause 4.16.”

Sub-Clause 12.3: Evaluation

Replace sub-para a (ii) as follows:

“(a) (ii) the quantity of the item provided for in the Bill of Quantities accounts for more than 2 % of the Accepted Contract Amount.”

Sub-Clause 13.8: Adjustment for changes in Cost

Delete Sub-Clause 13.8 in its entirety and substitute the following:

Sub Clause 13.8.1: Price Adjustment

The amounts payable to the Contractor and valued at base rates and prices pursuant to Sub Clause 14.3 hereof shall be adjusted in respect of the rise or fall in the indexed costs for labour, Contractors Equipment and Plant, materials and other inputs to the Works, by the addition or subtraction of the amounts determined by the formulae prescribed in this Clause.

Sub Clause 13.8.2: Other Changes in Cost

To the extent that full compensation for any rise or fall in the costs to the Contractor is not covered by the provisions of this or other Clauses in the Contract, the unit rates and prices included in the Contract shall be deemed to include amounts to cover the contingency of such other rise or fall in costs.

Sub-Clause 13.8.3: Adjustment For Change in Cost**A) Variation of Price Local Labour**

The Contract Price will be subjected to adjustment on account of variations in the cost of labour. The adjustment will be made according to the formula given below:

$$V1 = \frac{0.85 \text{ RI} \times (C - C_0) \times L}{C_0}$$

Where, V1= Variation in price on account of local labour during the period under consideration.

C₀= Base Cost Index related to the General Consumer Price Index for *industrial workers for the[Munger, Jamalpur) in the State of Bihar]*, published by Labour Bureau, Ministry

of Labour, Government of India, (hereinafter called "CPI") at the time specified in para (F) hereinafter.

C= Current Cost Index related to the General Consumer Price Index for industrial workers for the the[Munger, Jamalpur) in the State of Bihar], released by the above mentioned agency at the time specified in para (F) hereinafter.

L= A factor of 0.2 (zero point two) representing component of all local labour costs in the Contract Price including overheads, benefits, amenities etc.

RI= Value of the work done during the period under consideration and payable in non convertible Indian Rupee Currency at the base rates and prices as applicable under the Contract.

B) Variation of Price General Materials

The Contract Price will be subjected to adjustment on account of general variation of prices of all materials other than specifically provided in Sub Clause 13.10 hereinafter. The adjustment will be made according to the formula given below:

$$V2 = \frac{0.85 \text{ RI} \times (I - I_0) \times G}{I_0}$$

Where, V2= Variation in price on account of general variation of prices of all materials other than specifically provided in Sub Clause 13.10 hereinafter.

I₀= Base Cost Index corresponding to the Wholesale Price in India (for all commodities) (Base latest available) released by the Economic Adviser, Ministry of Industry, Government of India, at the time specified in para (F) hereinafter.

I= Current Cost Index corresponding to the Wholesale Price in India (for all commodities) for the period under consideration (Base latest available) released by the same agency at the time specified in para (F) hereinafter.

G= Factor 0.36 (zero point three six) representing component of all materials other than specifically provided elsewhere in the Contract Price.

RI= Value of the Work done during the period under consideration and payable in non convertible Indian Rupee Currency, at the base rates and prices as applicable under the Contract.

C) Variation of Price POL

The Contract Price will be subjected to adjustment on account of variation of prices of POL (Petroleum, Oil and Lubricants). The adjustment will be made according to the formula given below:

$$V3 = \frac{0.85 \text{ RI} \times (P - P_0) \times Q}{P_0}$$

Where, V3= Variation in price on account of POL during the period under consideration.

P₀= Base Price of HSD (High Speed Diesel) is ex-refinery price excluding all taxes from the nearest refinery of the Works site, at the time specified in para (F) hereinafter.

P= Current Price of HSD is ex-refinery price excluding all taxes from the nearest refinery of the Works site, at the time specified in para (F) hereinafter.

Q= Factor of 0.07 (zero point zero seven) representing the component of POL in the Contract Price.

RI= Value of the Work done during the period under consideration and payable in non convertible Indian Rupee Currency, at the base rates and prices as applicable under the Contract.

D) Price Adjustment for Plant and Equipment:

Price adjustment for increase or decrease in the cost of constructional plant shall be paid in accordance with the following formula:

$$V4 = \frac{0.85 \text{ RI} \times (M - M_0) \times E}{M_0}$$

Where, V4= Increase or decrease in the cost of work price of usage or due to changes in rates of constructional plant, during the quarter under consideration.

M₀= Base Cost Index for *Manufacture of machinery for mining, quarrying and construction* in wholesale price in India (Base latest available) released by the Economic Adviser, Ministry of Industry, Government of India, at the time specified in para (F) hereinafter.

M= Current Cost Index numbers of wholesale prices in India for *Manufacture of machinery for mining, quarrying and construction* in wholesale price in India (Base latest available) released by the Economic Adviser, Ministry of Industry, Government of India, at the time specified in para (F) hereinafter.

RI= Value of Work done during the period under consideration and payable in non convertible India Rupee Currency at the base rates and price as applicable under the Contract.

E= Factor of 0.05 (zero point zero five) representing the aspect of equipment usage in the contract price.

E) Variation of Price - Foreign Inputs, NIL

F) Base, Current and Provisional Indices

The base cost indices or prices shall be those ruling on the date 28 days prior to the closing date for the submission of bids. Current indices or prices shall be those ruling on the date 28 (twenty-eight) days prior to the last day of the period to which a particular Interim Payment Certificate is related. If, at any time the current officially published or relevant proxy indices are not available, provisional indices as determined by the Engineer will be used, subject to subsequent correction of the amounts paid to the Contractor when the current indices become available.

G) Price Adjustment

The Price Adjustment shall be evaluated for the relevant date of each Interim Payment Certificate submitted by the Contractor pursuant to Sub Clause 14.3 using the weighting prescribed in this Sub Clause and the related current and base cost indices, subject to any changes or corrections made in accordance with para (F) of this Sub Clause.

H) The Adjustable Amount

The adjustable amount of each Interim Payment Certificate shall be the difference between (i) the amount which, in the opinion of the Engineer, shall be due to the Contractor pursuant to

Sub Clause 14.3 (before deducting retentions) including the amount at base rates and prices of the scheduled work carried out and Day works (unless otherwise adjusted) but excluding the value of materials on site, and (ii) the amounts calculated in (i) above and included in the last preceding Interim Payment Certificate issued by the Engineer. The adjustable amount shall exclude payments to nominated sub contractors and any other amounts based upon actual cost or current prices.

I) The Adjusted Amount

The adjusted amount of each Payment Certificate shall be determined by applying the Price Adjustment to the adjustable amount, and shall become payable to the Contractor in accordance with the provisions of Clause 14 subject to any deductions there from for retention money, liquidated damages and any other monies due to the Employer from the Contractor including the recovery of mobilization advances, if any.

J) Adjustment after Completion

If the Contractor shall fail to complete the Works within the time for completion under Sub Clause 8.2, adjustment of prices thereafter until the date of completion of the Works shall be made using either the indices or prices relating to the prescribed time for completion, or the current indices or prices, whichever is more favorable to the Employer, provided that if an extension of time is granted pursuant to Clause 8.4 the above provision shall apply only to adjustments made after the expiry of such extension of time.

K) Price Adjustment for Bitumen Component

Price adjustment for increase or decrease in the cost of bitumen shall be paid in accordance with the following formula:

$$V5 = \frac{0.85 \text{ RI} \times (B - B_0) \times C}{B_0}$$

Where, V5= Increase or decrease in the cost of work during the month under consideration due to changes in rates for bitumen.

B₀= Base cost indices is ex-refinery price excluding all taxes for bitumen at the nearest refinery, prevailing on the relevant date applicable for adjustment to the Contract Price, as specified in para (F) hereinabove .

B= Current indices is ex. refinery price excluding all taxes at the nearest refinery, prevailing on the relevant date applicable for adjustment to the Contract Price, as specified in para (F) hereinabove .

RI= Value of Work done during the period under consideration and payable in nonconvertible India Rupee Currency at the base rates and price as applicable under the Contract.

C= Factor of 0.16 (zero point one six) representing the aspect of bitumen usage in the contract price.

L) Price Adjustment for Steel Component

Price adjustment for increase or decrease in the cost of Steel shall be paid in accordance with the following formula:

$$V6 = \frac{0.85 \text{ RI} \times (S - S_0) \times C}{S_0}$$

Where, V6= Increase or decrease in the cost of work during the month under consideration due to changes in rates for steel.

S₀= Base cost index for *MS Bright Bars* correspond to wholesale price in India (Base latest available) released by Ministry of Industrial Development, Govt. of India at the time specified in para (F) hereinabove

S= Current cost index for *MS Bright Bars* correspond to wholesale price in India (Base latest available) released by Ministry of Industrial Development, Govt. of India at the time specified in para (F) hereinabove

RI= Value of Work done during the period under consideration and payable in nonconvertible India Rupee Currency at the base rates and price as applicable under the Contract.

C= Factor of 0.09 (zero point zero nine) representing the aspect of steel usage in the contract price.

M) Price Adjustment of Cement Component

Price adjustment for increase or decrease in the cost of Cement shall be paid in accordance with the following formula:

$$V7 = \frac{0.85 \text{ RI x (C - C}_0\text{) x Q}}{C_0}$$

Where, V7= Increase or decrease in the cost of work during the month under consideration due to changes in rates for Cement.

C₀= Base cost index for *Ordinary Portland Cement* correspond to wholesale price in India (Base latest available) released by Ministry of Industrial Development, Govt. of India at the time specified in para (F) hereinabove

C= Current cost index for *Ordinary Portland Cement* correspond to wholesale price in India (Base latest available) released by Ministry of Industrial Development, Govt. of India at the time specified in para (F) hereinabove

RI= Value of Work done during the period under consideration and payable in nonconvertible India Rupee Currency at the base rates and price as applicable under the Contract.

Q= Factor of 0.07 (zero point zero seven) representing the aspect of cement usage in the contract price.

Add the following new Sub-Clauses 13.9, 13.10, 13.11 and 13.12 after Sub-Clause 13.8

Sub-Clause 13.9: Sources of Indices

The sources of those indices not stated in Sub-Clause 13.8 shall be as listed in the Contract Data, as approved by the Engineer.

Sub Clause 13.12: Exemption from Price Adjustment

The following items shall not be included in the price adjustment calculation:

- (a) Liquidated damages;

- (b) Retention withheld and released;
- (c) Advance payments in the form of loans and their repayments;

Sub-Clause 14.3 (c): Application for Interim Payment Certificates

Add the following text in the last

"Once the limit of retention money is reached, the retention money so deducted from the IPC can be replaced by a Bank Guarantee of an equivalent amount valid for the required period. In case of taking over certificate is issued then it shall be dealt as per clause 14.9 of GCC.

Sub-Clause 15.4: Payment after Termination

The words in the first sentence "After a notice of termination under Sub-Clause 15.2 [Termination by Employer] has taken effect, the Employer may:" may read as "After a notice of termination under Sub-Clause 15.2 [Termination by Employer] has taken effect, the Performance Security of the Contractor shall be forfeited and the Employer may:"

Sub Clause 20.2 Appointment of the Dispute Board

The following text in para one is substituted by

Disputes shall be referred to a DB (Constituted for this purpose by following the Standard stipulated rules including conflict of interest) for decision in accordance with Sub-Clause 20.4 [Obtaining Dispute Board's Decision]. The Parties shall appoint a DB by the date stated in the Contract Data.

Add the following new Clauses 21, 22 and 23:

Clause 21: Taxation

Sub-Clause 21.1: Foreign Taxation

The prices bid by the Contractor shall include all taxes, duties and other charges imposed outside the Employer's country on the production, manufacture, sale and transport of the contractor's equipment, plant, materials and supplies to be used on or furnished under the Contract, and on the services performed under the Contract.

Sub-Clause 21.2: Local Taxation

The Price bid by the Contractor shall be exclusive of Goods & Services Tax (GST) but including all other taxes if any that may be levied in accordance to the laws and regulations in being as of the date 28 days prior to the closing date for submission of bids in India on the Contractor's equipment, plant, materials and supplies (permanent, temporary and consumable) acquired for the purpose of the Contract and on the services performed under the Contract. No excise duties exemption shall be payable. Nothing in the Contract shall relieve the Contractor from his responsibility to pay any tax that may be levied in the Employer's country on profits made by him in respect of the Contract.

Sub-Clause 21.4: Advance Deduction of Taxes

Advance deduction of taxes shall be made from each Interim Payment Certificate in accordance with the relevant provisions of all prevailing Acts and Regulations.

Sub-Clause 22: Maintenance of Right of Way

Throughout the period of the Contract, the Contractor shall at all times maintain public vehicular access along the right-of-way and from the right-of-way to all public and private access and land, as exists immediately prior to his commencement of the works, on the entire stretch of the Project Road. Maintenance shall be all weather proofed quality.

No separate payment for the same shall be given to the contractor.

Sub-Clause 23: Procurement of Materials including Stone Aggregates

It shall be the responsibility of the Contractor to select the source and provide the materials conforming to the specification and approved by the Engineer, its availability and carriage on the site. No claim on account of any lead, whatever may be including mode of transportation for its carriage shall be entertained and payable to the contractor.

NOT TO BE USED AS A BID DOCUMENT, ONLY FOR REFERENCE

ANNEXURE A

(Reference Clause 6)

- (a) The Contractor shall, at all times during the continuance of the Contract, comply fully with all existing Acts, regulations and bylaws including all statutory amendments and re enactment of State and Central Government and other local authorities and any other enactments, notifications and acts that may be passed in future either by the State or the Central Government or local authority, including Indian Workmen's Compensation Act, Contract Labour (Regulation and Abolition) Act 1970 and Equal Remuneration Act 1976, Factories Act, Minimum Wages Act, Provident Fund Regulations, Employees Provident Fund Act, Schemes made under the same Act and also Labour Regulations mentioned in Annexure A to Section III, Health and Sanitary Arrangement for Workmen, insurance and other benefits and shall keep the Employer indemnified in case any action is commenced by competent authorities for contravention by the Contractor. If the Employer is caused to pay or reimburse, such amounts as may be necessary to cause or observe, or for non observance of the provisions stipulated henceforth on the part of the Contractor, the Engineer shall have the right to deduct from any moneys due to the Contractor, his amount of Performance Security or recover from the Contractor personally any sum required or estimated to be required for making good the loss or damage suffered by the Employer. Provided, however, the Employer shall have no other responsibility in connection with the employees of the Contractor, who shall, in no case, be treated as the employees of the Employer at any time.

Fair Wages

- (b) The Contractor shall pay the laborers engaged by him on the Works not less than a fair wage, which expression shall mean, whether for time or piecework, the respective rates of wages fixed by the Public Works Department as fair wages for the area payable to the different categories of laborers or those notified under the Minimum Wages Act for corresponding employees of the Employer, whichever may be higher.
- (c) The Contractor shall, notwithstanding the provisions of a contract to the contrary, cause to be paid a fair wage to laborers indirectly engaged on the Works, including any labour engaged by sub contractors in connection with the said Works as if the laborer had been directly employed by him.

Notices

- (d) The Contractor shall, before he commences the work, display, and correctly maintain, in a clean and legible condition at a conspicuous place on the Site, notices in English and in a language spoken by the majority of the workers, stating therein the rates of wages, which have been fixed as fair wages and the hours of work for which such wages are earned and send a copy of such notices to the Engineer.

Wages Records

- (e) The Contractor shall maintain records of wages and other remuneration paid to his employees in such form as may be convenient and as per the requirements of the Employer/ Engineer and the Conciliation Officer (Central), Ministry of Labour, Government of India, or such other authorized person appointed by the Central or State Government and the same shall include the following particulars of each worker:
- i. *Name, Worker's number and grade;*
 - ii. *Rate of daily or monthly wage;*
 - iii. *Nature of work on which employed;*

- iv. Total number of days worked during each wage period;*
 - v. Total amount payable for the work during each wage period;*
 - vi. All deductions made from the wage with details in each case of the grounds for which the deduction is made; and*
 - vii. Wages actually paid for each wage period.*
- (f) **The Contractor shall provide a Wage Slip for each worker employed on the Works.**
- (g) **The Wage records and Wage Slips shall be preserved for at least 12 months after the last entry.**

Inspection of Wage Records

- (h) The Contractor shall allow inspection of the aforesaid Wage Records and Wage Slips to the Engineer and to any of his employees or to his agent at a convenient time and place after due notice is received, or to the Employer or any other person authorized by him on his behalf.
- (i) The Employer, the Engineer or any other person authorized by them on their behalf shall have power to make enquiries with a view to ascertaining and enforcing due and proper observance of the fair Wages Clause. He shall also have the power to investigate any complaint regarding any default made by the Contractor or sub contractor in regard to such provision.
- (j) The Employer shall have the right to deduct from the moneys due to the Contractor any sum required or estimated to be required for making good the loss suffered by a worker or workers by reason of non payment of the aforesaid fair wage, except on account of any deductions that may be permissible under any law for the time being in force.
- (k) (i) A workman shall be entitled to be represented in any investigation or enquiry under this Clause by:
- (a) An officer of a registered Trade Union of which he is a member.
 - (b) An officer of a federation of Trade Unions to which the Trade Union referred to in the previous sub clause is affiliated.
 - (c)
 - (i) Where the worker is not a member of any registered Trade Union, by an officer of a registered Trade Union connected with or by any other workmen employed in the industry in which the worker is employed.
 - (ii) The Contractor or sub contractor shall be entitled to be represented in any investigation or enquiry under this Clause by an officer of an Association of Employers of which he is member.
 - (iii) No party shall be represented by a legal practitioner in any investigation or enquiry under this Clause, unless all parties agree otherwise.

Safety Provisions

- (l) The Contractor shall comply with all the precautions as required for the safety of the workmen by the I.L.O Convention No. 62 as far as they are applicable to the Contract. The Contractor shall provide all necessary safety appliances such as safety goggles, helmets, masks, etc. to the workmen and the staff.
- (i) Suitable scaffolds shall be provided for workmen for all work that cannot safely be done from the ground, or from solid construction except for such short period work as can be done safely from

ladders. When a ladder is used, an extra labourer shall be engaged for holding the ladder and if the ladder is used for carrying materials as well, suitable foot holds and hand holds shall be provided on the ladder, which shall be given an inclination not steeper than 1/4 to 1 (1/4 horizontal in 1 vertical).

- (ii) Scaffolding or staging more than 3.25 metres above the ground or floor, swung or suspended from an overhead support or erected with stationary support, shall have a guard rail properly attached, bolted, braced and otherwise secured at least 1 metre high above the floor or platform of such scaffolding or staging and extending along the entire length of the outside and ends thereof with only such openings as may be necessary for the delivery of materials. Such scaffolding or staging shall be so fastened as to prevent it from swaying from the support or structure.
- (iii) Working platforms, gangways, and stairways shall be so constructed that they do not sag unduly or unequally, and if the height of any platform or gangway or stairway is more than 3.25 metres above ground level or floor level, it shall have closely spaced boards, have adequate width and be suitably provided with guard rails as described in (ii) above.
- (iv) Every opening in the floor of a structure or in a working platform shall be provided with suitable means to prevent fall of persons or materials by providing suitable fencing or railing with a minimum height of one metre.
- (v) Safe means of access and egress shall be provided to all working platforms and other working places. Every ladder shall be securely fixed. No portable single ladder shall be over 9 metres in length. The width between side rails in a rung ladder shall in no case be less than 30 cm for ladders up to and including 3 metres in length. For longer ladders the width shall be increased at least 6 mm for each additional 30 cm of length. Spacing of steps shall be uniform and shall not exceed 30 cm.
- (vi) Adequate precautions shall be taken to prevent danger from electrical equipment. No materials on any of the sites shall be so stacked or placed as to cause danger or inconvenience to any person or the public. The Contractor shall provide all necessary fencing and lights to protect the public from accidents and shall be bound to bear the expenses of defending every suit, action or other proceedings at law that may be brought by any person for injury sustained owing to neglect of the above precautions and to pay any damages and costs which may be awarded in any such suit, action or proceedings to any such person or which may with the consent of the Contractor be paid to compromise any claim by any such person.
- (vii) Excavation and Trenching: All trenches, 1.5 metres or more in depth, shall at all times be supplied with at least one ladder for each 20 metres in length or fraction thereof. Ladders shall be extended from the bottom of the trench to at least 1 metre above the surface of the ground. The sides of a trench, which is 1.5 metres or more in depth shall be stepped back to provide a suitable slope, or be securely held by timber bracing so as to avoid the danger of side collapse. Excavated material shall not be placed within 1.5 metres of the edge of any trench or half the depth of the trench, whichever is more. Excavation shall be made from the top to the bottom. Under no circumstances shall undermining or undercutting be done.
- (viii) Demolition: Before any demolition work is commenced and also during the process of the work:
 - A. All roads and open areas adjacent to the work site shall either be closed or suitably protected.
 - B. No electric cable or apparatus, which is liable to be a source of danger other than a cable or apparatus used by operators, shall remain electrically charged:
 - C. All practical steps shall be taken to prevent danger to persons employed by the Employer, from risk of fire or explosion, or flooding. No floor, roof or other part of a building shall be so overloaded with debris or materials as to render it unsafe.
- (ix) All necessary personal safety equipment as considered adequate by the Engineer shall be available for use of persons employed on the Site and maintained in a condition suitable for immediate use;

and the Contractor shall take adequate steps to ensure proper use of such equipment by those concerned.

- A. Workers employed on mixing asphaltic materials, cement, lime mortars, concrete etc. shall be provided with protective footwear and protective goggles.
 - B. Those engaged in handling any material, which is injurious to the eyes, shall be provided with protective goggles.
 - C. Those engaged in welding works shall be provided with welder's protective eye shield.
 - D. Stone breakers shall be provided with protective goggles and protective clothing and seated at sufficiently safe intervals.
 - E. When workers are employed in sewers and manholes, which are in use, the Contractor shall ensure that manhole covers are open and manholes are ventilated at least for an hour before workers are allowed to go into them. Manholes so open shall be cordoned off with suitable railing and provide warning signals or boards to prevent accidents to the public.
- (x) The Contractor shall not employ men below the age of 18 years and women, on the work of painting with products containing lead in any form. Whenever men above the age of 18 years are employed on the work of lead painting, the following precautions shall be taken:
- A. No paint containing lead or lead products shall be used except in the form of paste or ready-made paint.
 - B. Suitable face masks shall be supplied for use by workers when paint is applied in the form of spray or a surface having lead paint dry rubbed and scraped.
 - C. Overalls shall be supplied by the Contractor to workmen and adequate facilities shall be provided to enable workers to wash during and at the close of any day's work.
- (xi) When work is performed near any place where there is risk of drowning all necessary equipment shall be provided and kept ready for use and all necessary steps taken for prompt first aid treatment of all injuries likely to be sustained during the course of the work.
- (xii) Use of hoisting machines and tackle including their attachments, anchorage and supports shall conform to the following:
- (A) (i) These shall be of good mechanical construction, sound material and adequate strength and free from patent defects and shall be kept in good working order be regularly inspected and properly maintained.
 - (ii) Every rope used in hoisting or lowering materials or as a means of suspension shall be of durable quality and adequate strength, and free from defects.
 - (B) Every crane driver or hoisting appliance operator shall be properly qualified and no person under the age of 21 shall be in charge of any hoisting machine including scaffold equipment. Only trained men over the age of 21 shall be permitted to give signals to such plant and appliance operators.
 - (C) For every hoisting machine and every chain hook, shackle, swivel and pulley block used in hoisting, lowering or as means of suspension, safe working load shall be ascertained by adequate means. Every hoisting machine and all gear referred to above shall be plainly marked with safe working load. In case of a hoisting machine or a variable safe working load, each safe working load and conditions under which it is applicable shall be clearly indicated. No part of

any machine or any gear referred to in the paragraph above shall be loaded beyond safe working load except for the purpose of testing

(D) In case of the Employer's machine, safe working load shall be notified by the Engineer or his Representative. As regards Contractor's machines, the Contractor shall notify safe working load of each machine to the Engineer or his Representative whenever he brings it to the site of work and get it verified by him.

(xiii) Motors, gearing, transmission, electric wiring and other dangerous parts of hoisting appliances shall be provided with efficient safeguards; hoisting appliances shall be provided with such means as will reduce the facilities shall be provided at or near places of work.

(xv) These safety provisions shall be brought to the notice of all concerned by displaying on a notice board at a prominent place at the work location. Persons responsible for ensuring compliance with the Safety Code shall be named therein by the Contractor.

(xvi) To ensure effective enforcement of the rules and regulations relating to safety precautions, arrangements made by the Contractor shall be open to inspection by the Engineer or his Representative and the Inspecting Officer as defined in the Contractor's Labour Regulation mentioned hereafter in these Documents as Annexure A of Section III.

(xvii) Notwithstanding anything contained in condition (i) to (xvi) above, the Contractor shall remain liable to comply with the provisions of all acts, rules, regulations and bylaws for the time being in force in India and applicable in this matter.

- (a) The Contractor shall be responsible for observance, by his sub contractors, of the foregoing provisions.
- (b) For work carried out in the vicinity of any wharf or quay, the Contractor shall abide by all the provisions of the Dock Workers (Safety, Health and Welfare) Scheme, 1961.

Footwear

The Contractor shall at his own expense provide footwear for all labour engaged on concrete mixing work and all other types of working involving the use of tar, cement, etc., to the satisfaction of the Engineer or his Representative, and on his failure to do so, the Employer shall be entitled to provide the same and recover the cost from the Contractor.

Local Labour

The Contractor is encouraged as far as possible to employ, in the execution of the Contract, qualified Indian citizens as workmen. Employment of expatriate personnel is subject to appropriate Indian laws and regulations. In case the Contractor wishes to employ expatriate personnel in any particular trade or skill required to execute the Contract, the Employer will assist the Contractor in obtaining permission for which the Contractor shall submit requisite data.

Model Rules for Labour Welfare

(i) Definitions:

(A) Workplace means a place at which, on an average, twenty or more workers are employed.

(B) Large workplace means a site at which, on an average, 250 or more workers are employed.

(ii) First Aid:

At every workplace, there shall be maintained in a readily accessible place first aid appliances including an adequate supply of sterilized dressings and sterilized cotton wool as prescribed in the Factory Rules of the State in which the work is carried on. The appliances shall be kept in good order and, in large work places, they shall be placed under the charge of a responsible person who shall be readily available during working hours.

At large workplaces, where hospital facilities are not available within easy distance of the Works, First Aid Posts shall be established and be run by a trained Compounder.

Where large workplaces are remotely situated and far away from regular hospitals, an indoor ward shall be provided with one bed for every 250 employees.

Where large workplaces are situated in cities, towns or in their suburbs and no beds are considered necessary owing to proximity of city or town hospitals, suitable transport shall be provided to facilitate removal of urgent cases to these hospitals. At other workplaces, some conveyance facilities shall be kept readily available to take an injured person or persons suddenly taken seriously ill, to the nearest hospital.

At every large workplace, there shall be provided and maintained an ambulance room containing the prescribed equipment and in the charge of such medical and nursing staff as may be prescribed. For this purpose, the relevant provisions of the Factory Rules of the State Government of the area, where the work is carried on, may be taken as the prescribed standard.

(iii) Accommodation for Labour:

The Contractor shall during the progress of the work provide, erect and maintain necessary temporary living accommodation and ancillary facilities for labour at his own expense to standards and scales approved by the Engineer.

(iv) Drinking Water:

In every workplace, there shall be provided and maintained at suitable places easily accessible to labour, a sufficient supply of cold water fit for drinking.

Where drinking water is obtained from an intermittent public water supply each workplace shall be provided with storage tanks where drinking water shall be stored.

Every water supply storage shall be at a distance of not less than 15 metres from any latrine, drain or other source of pollution. Where water has to be drawn from an existing well, which is within such proximity of any latrine, drain or any other source of pollution, the well shall be properly chlorinated before water is drawn from it for drinking. All such wells shall be entirely closed in and be provided with a trap door, which shall be dust proof and waterproof.

A reliable pump shall be fitted to each covered well. The trap door shall be kept locked and opened only for cleaning or inspection, which shall be done at least once a month.

(v) Washing and Bathing Places:

Adequate washing and bathing places shall be provided separately for men and women. Such places shall be kept in clean and drained condition.

(vi) Scale of Accommodation in Latrines and Urinals:

There shall be provided within the precincts of every workplace, latrines and urinals in an accessible place, and the accommodation, separately for each for these, shall not be less than at the following scale:

No. of Seats

(a) Where number of persons does not exceed 50 2

- | | |
|---|---|
| (b) Where number of persons exceed 50 but does not exceed 100 | 3 |
| (c) For additional persons per 100 or part thereof | 3 |

In particular cases, the Engineer shall have the power to increase the requirement, wherever necessary.

(vii) Latrines and Urinals:

Except in workplaces provided with water flushed latrines connected with a water borne sewage system, all latrines shall be provided with dry earth system (receptacles) which shall be cleaned at least four times daily and at least twice during working hours and kept in a strictly sanitary condition. Receptacles shall be tarred inside and outside at least once a year.

If women are employed, separate latrines and urinals, screened from those for men and marked in the vernacular in conspicuous letters "For women only", shall be provided on the scale laid down in rule (vi). Those for men shall be similarly marked "For men only". A poster showing the figure of a man and a woman shall also be exhibited at the entrance to latrines for each sex. There shall be adequate supply of water, close to latrines and urinals.

(viii) Construction of Latrines:

Inside walls shall be constructed of masonry or other non absorbent material and shall be cement washed inside and outside at least once a year. The dates of cement washing shall be noted in a register maintained for the purpose and kept available for inspection. Latrines shall have at least a thatched roof.

(ix) Disposal of Excreta:

Unless otherwise arranged for by the local sanitary authority, arrangement for proper disposal of excreta by incineration at the workplace shall be made by means of a suitable incinerator approved by the local medical health and municipal or cantonment authorities. Alternatively, excreta may be disposed of by putting a layer of night soils at the bottom of a pucca tank prepared for the purpose and covering it with a 15 cm layer of waste or refuse and then covering it with a layer of earth for a fortnight (when it will turn into manure).

The Contractor shall, at his own expense, carry out all instructions issued to him by the Engineer to effect proper disposal of soil and other conservancy work in respect of Contractor's work-purpose or employees on the site. The Contractor shall be responsible for payment of any charges, which may be levied by municipal or cantonment authority for execution of such work on his behalf.

(x) Provisions of shelters during rest:

At every workplace, there shall be provided, free of cost, four suitable sheds, two for meals and two others for rest, separately for use of men and women labour. The height of each shelter shall not be less than 3 metres from floor level to lowest part of roof. Sheds shall be kept clean and the space provided shall be on the basis of at least 0.5 sq.m. per head.

(xi) Crèches:

At a place at which 20 or more women are ordinarily employed, there shall be provided at least one hut for use of children under the age of 6 years belonging to such women. Huts shall not be constructed to a standard lower than that of thatched roof, mud floor and wall with wooden planks spread over mud floor and covered with matting.

Huts shall be provided with suitable and sufficient openings, for light and ventilation. There shall be adequate provision of sweepers to keep the places clean. There shall be two maidservants in attendance. Sanitary utensils shall be provided to the satisfaction of local medical, health a municipal or cantonment authorities. Use of huts shall be restricted to children, their attendants and mothers of children.

Where the number of women workers is more than 25 but less than 50, the Contractor shall provide at least one hut and one maidservant to look after the children of women workers.

Size of crèche(s) shall vary according to the number of women workers employed.

Crèche(s) shall be properly maintained and necessary equipment like toys, etc. provided.

(xii) Canteen:

A cooked food canteen on a moderate scale shall be provided for the benefit of workers wherever it is considered necessary.

(xiii) Planning, siting and erection of the above mentioned structures shall be approved by the Engineer or his Representative and the whole of such temporary accommodation shall at all times during the progress of the Works be kept tidy and in a clean and sanitary condition to the satisfaction of the Engineer or his Representative and at the Contractor's expense. The Contractor shall conform generally to sanitary requirements of local medical, health and municipal or cantonment authorities and at all times adopt such precautions as may be necessary to prevent soil pollution of the Site.

On completion of the Works, the whole of such temporary structures shall be cleared away, all rubbish burnt, excreta or other disposal pits or trenches filled in and effectively sealed off and the whole of the site left clean and tidy, at the Contractor's expense, to the entire satisfaction of the Engineer.

(xiv) Anti malarial precautions:

The Contractor shall, at his own expense, conform to all anti malarial instructions given to him by the Engineer, including filling up any borrow pits which may have been dug by him.

(xv) Awareness and Education of HIV/AIDS

The civil work contractors employed under the project are required to undertake an information and education campaign on sexually transmitted diseases and HIV/AIDS for construction.

(xvi) Child Labour Prohibition

The contractor shall not use child Labour for the highway construction and ancillary work.

(xvii) Enforcement:

Inspecting Officer mentioned in the Contractor's Labour Regulations or any other officer nominated on his behalf by the Engineer shall report to the Engineer all cases of failure on the part of the Contractor and/or his sub contractor to comply with the provisions of these rules either wholly or in part and the Engineer shall impose such fines and other penalties as are prescribed in the Conditions of Contract.

(xviii) Interpretations, etc.:

On any questions as to the application, interpretation or effect of these Rules, the decision of the Chief Labour Commissioner or Deputy Chief Labour Commissioner (Central) shall be final and binding.

(xix) Amendments:

The Employer may, from time to time, add to, or amend these Rules and issue such directions as it may be considered necessary for the proper implementation of these Rules or for the purpose of removing any difficulty, which may arise in the administration thereof.

Annexure A 1**(Reference Clause 6)****Contractor's Labour Regulations****Regulation 1: Definition**

In these regulations, unless otherwise expressed or indicated, the following words and expressions shall have the meaning hereby assigned to them:

(a) "Labour" means workers employed by a contractor directly, or indirectly, through a sub contractor, or by an agent on his behalf on a payment not less than that as per minimum wages act.

(b) "Wages" means wages, which shall include wages for a weekly day of rest and other allowances, whether for time or piece work, after taking into consideration prevailing market rates for similar employment in the neighbourhood but shall not be less than the minimum rates of wages fixed under the Payment of the Minimum Wages Act;

(c) "Contractor" for the purpose of these regulations shall include an agent or sub contractor employing labour on the work taken on contract;

(d) "Inspecting Officer" means any Labour Enforcement Officer, or Assistant Labour Commissioner of the Chief Labour Commissioner's Organisation; and

(e) "Form" means a form appended to these Regulations.

Regulation 2: Notice of Commencement

The Contractor shall, within SEVEN days of commencement of the Works furnish in writing to the Inspecting Officer of the area concerned the following information.

- a) Name and situation of the work;
- b) Contractor's name and address;
- c) Particulars of the Department for which the work is undertaken;
- d) Name and address of sub contractors as and when they are appointed;
- e) Commencement and probable duration of the work;
- f) Number of workers employed and likely to be employed; and
- g) Fair wages for different categories of workers.

Regulation 3: Hours of Work and Weekly Day of Rest

1. Number of hours of work which shall constitute normal working day; The number of hours which shall constitute a normal working day for an adult shall be EIGHT hours. The working day of an adult worker shall be so arranged that, inclusive of intervals, if any, for rest, it shall not spread over more than twelve hours in one day. When an adult worker is made to work for more than eight hours on any day or for more than FORTY-EIGHT hours in a week, he shall, in respect of overtime work, be paid wages at double the ordinary rate of wages.

2. Weekly day of rest : Every worker shall be given a weekly day of rest which shall be fixed and notified at least TEN days in advance. A worker shall not be required or allowed to work on the weekly rest day unless he has or will have a substituted rest day on one of the five days immediately before or after the rest day. Provided no substitution shall be made which will result in the worker working for more than ten days consecutively without a rest day for a whole day.

Note: The expression "ordinary rate of wages" means the fair wage the worker is entitled to.

Regulation 4: Display of Notice Regarding Wages, Weekly Day of Rest, etc.

The Contractor shall, before he commences the Works, display and correctly maintain and continue to display and correctly maintain in a clean and legible condition in conspicuous places on the Works, notices in English and in the local language, spoken by the majority of workers, stating the rate of fair wages, the hours of work for which such wages are payable, the weekly rest days workers are entitled to and name and address of the Inspecting Officer. The Contractor shall send a copy each of such notice to the Inspecting Officer.

Regulation 5: Fixation of Wage Periods

The Contractor shall fix wage periods in respect of which wages shall be payable. No wage period shall normally exceed one week.

Regulation 6: Payment of Wages

- (i) wages due to every worker shall be paid to him direct. All wages should be paid in current coins or currency or in both.
- (ii) wages of every worker employed on the Contract shall be paid where the wage period is one week, within THREE days from the end of the wage period; and in any other case before the expiry of 7th day or 10th day from the end of the wage period depending on whether the number of workers does not exceed 1,000 or exceeds 1,000.
- (iii) when employment of any worker is terminated by or on behalf of the Contractor, the wages earned by him shall be paid before expiry of the day succeeding the one on which his employment is terminated.
- (iv) payment of wages shall be made at the Work Site on a working day except when the work is completed before expiry of the wage period in which case final payment shall be made at the Work Site within 48 hours of the last working day and during normal time.

Note: The term "Working Day" means a day on which the work on which the labour is employed is in progress.

Regulation 7: Register of Workmen and Women

A register of workmen and women shall be maintained in the Form appended to the regulations and kept at the work site or as near to it as possible, and relevant particulars of every worker shall be entered therein within THREE days of their engagement.

Regulation 8: Employment Card

The Contractor shall issue an employment card in the Form appended to these regulations to each worker on the day of work or entry into his employment. If a worker already has any such card with him issued by a previous employer, the Contractor shall merely endorse that Employment Card with relevant entries. On termination of employment, the Employment card shall again be endorsed by the Contractor and returned to the worker.

Regulation 9: Register of Wages, etc.

- (i) A Register of Wages cum Muster Roll in the Form appended to these regulations shall be maintained and kept at the Work Site or as near to it as possible.
- (ii) A wage slip in the Form appended to these regulations shall be issued to every worker employed by the Contractor at least a day prior to disbursement of wages.

Regulation 10: Fines and Deduction, which may be made from Wages

- (i) Wages of a worker shall be paid to him without any deductions of any kind except the following:
 - (a) fines;
 - (b) deductions for absence from duty; i.e., from the place of his employment where he is required to work. The amount of deduction shall be in proportion to the period for which he was absent;
 - (c) deduction for damage to or loss of goods expressly entrusted to the employed person for custody, or for loss of money which is required to be accounted for, where such damage or loss is directly attributable to his neglect or default; and
 - (d) deduction for recovery of advances or for adjustment of overpayment of wages advance granted, being entered in a register; and
 - (e) any other deductions, which the Employer may from time to time, allow.
- (ii) No fines shall be imposed on any worker save in respect of such acts and omissions on his part which have been approved by the Chief Labour Commissioner.
- (iii) No fine shall be imposed on a worker and no deductions for damage or loss shall be made from his wages until the worker has been given an opportunity of showing cause against such fines or deductions.
- (iv) The total amount of fines which may be imposed in any one wage period of a worker shall not exceed an amount equal to 0.3% of the wages payable to him in respect of that wage period.
- (v) No fine imposed on a worker shall be recovered from him by instalments, or after expiry of sixty days from the date on which it was imposed. Every fine shall be deemed to have been imposed on the day of the act or omission in respect of which it was imposed.
- (vi) The Contractor shall maintain both in English and the Local language a list, approved by the Chief Labour Commissioner, clearly stating the acts and omissions for which penalty or fine may be imposed on a worker and display it in good condition in a conspicuous place on the Work Site.
- (vii) The Contractor shall maintain a register of fines and the register of deduction for damage or loss in the Forms appended to these regulations which should be kept at the place of Work.

Regulation 11 Register of Accidents

The Contractor shall maintain a register of accidents in such form as may be convenient at the work place but the same shall include the following particulars:

- a) Full particulars of any labourers who met with accident;
- b) Rate of Wages;
- c) Sex;
- d) Age;
- e) Nature of accident and cause of accident;

- f) Time and Date of accident;
- g) Date and Time when admitted to hospital;
- h) Date of Discharge from the hospital;
- j) Percentage of loss of earning capacity and disability as assessed by the medical officer;
- k) Claim required to be paid under Workman's Compensation Act;
- l) Date of Payment of compensation;
- m) Amount paid with details of the person to whom the compensation was paid;
- n) Authority by whom the compensation was assessed; and
- o) Remarks.

Regulation 12: Preservation of Register

The Register of workers and the Register of wages cum Master Roll required to be maintained under these regulations shall be preserved for 3 years after the date on which the last entry is made therein.

Regulation 13: Enforcement

The Inspecting Officer shall either on his own volition or on a complaint received by him carry out investigation, and send a report to the Engineer specifying the amounts representing Worker's Dues and amount of penalty to be imposed on the Contractor for breach of these regulations, that have to be recovered from the Contractor, indicating full details of the recoveries proposed and the reason therefore. It shall be obligatory on the part of the Engineer on receipt of such a report to deduct such amounts from payments due to the Contractor.

Regulation 14: Disposal of Amounts Recovered from the Contractor

The Engineer shall arrange payment to workers concerned within FORTY-FIVE days receipt of a report from the Inspecting Officer except in cases where the Contractor had made an appeal under Regulation 16 of these regulations. In cases where there is an appeal, payment of workers dues shall be arranged by the Engineer wherever such payments arise, within THIRTY days from the date of receipt of the decision of the Regional Labour Commissioner (RLC).

Regulation 15: Welfare Fund

All moneys that are recovered by the Engineer by way of worker's dues which could not be disbursed to workers within the time limit prescribed above, due to reasons such as whereabouts of workers not being known, death of workers, etc. and also amounts recovered as penalty, shall be credited to a Fund to be kept under the custody of the Employer for such benefit and welfare of workers employed by the Contractor as the Engineer may deem fit.

Regulation 16: Appeal against decision of Inspecting Officer

Any person aggrieved by a decision of the Inspecting Officer may appeal against such decision of the Regional Labour Commissioner concerned within THIRTY days from the date of the decision, forwarding simultaneously a copy of this appeal to the Engineer.

The decision of the Regional Labour Commissioner shall be final and binding upon the Contractor and the Workmen.

Regulation 17: Representation of Parties

(i) A Worker shall be entitled to be represented in any investigation of enquiry under these regulations by an officer of a registered trade union of which he is a member or by an officer of a Federation of Trade Unions to which the said trade union is affiliated or where the workman is not a member of any registered trade union by an officer of a registered trade union, connected with, or by any other workmen employed in the industry in which the worker is employed.

(ii) A contractor shall be entitled to be represented in any investigation or enquiry under these regulations by an officer of an association of contractors of which he is a member or by an officer of a Federation or association of contractors to which the said association is affiliated or by an officer of an association of employees connected with, or by any other employer engaged in the industry in which the contractor is engaged.

(iii) No party shall be entitled to be represented by a legal practitioner in any investigation or enquiry under these regulations unless all parties agree otherwise.

Regulation 18: Inspecting of Books and other Documents

The Contractor shall allow inspection of the registers and other documents prescribed under these regulations by Inspecting Officers and the Engineer or his authorised Representative at any time and by the worker or his agent on receipt of due notice at a convenient time.

Regulation 19: Interpretation etc.

On any question as to the application, interpretation or effect of these regulations, the decision of the Chief Labour Commissioner or Deputy Chief Labour Commissioner (Central) as the case may be, shall be final and binding.

Regulation 20 :

Contractor shall encourage participation of women worker for work of unskilled labour at construction site.

Contractor shall engage women worker in works like-

"Cleaning drains, Manual loading/unloading embankment, sweeping before black topping and watering afterwards. etc."

Regulation 21: Amendments

The Employer may from time to time, add to or amend these regulations and issue such directions as he may consider necessary for the purpose of removing any difficulty which may arise in the administration thereof.

Sheet No. A 1

**REGISTRATION OF WORKMAN
(Regulation 7)**

- 1) Name and address of the Contractor : _____
- 2) Number and Date of the Contract : _____
- 3) Name and address of the
Department awarding the Contract : _____
- 4) Nature of the Contract and Location
of the work : _____
- 5) Duration of the Contract : _____

Sl. No.	Name and surname of the worker	Age & sex	Father' s/ husband' s name	Nature of employment Designation	Permanent Home Address of Employee (Village, Distt, Thana)	Present Address	Date of commencement of employment	Date of termination or leaving of employment	Signature or thumb impression of the Employee	Remarks
1	2	3	4	5	6	7	8	9	10	11

Sheet No. A-2

**EMPLOYMENT CARD
(Regulation 8)**

- i) Name and Sex of the Worker : _____
- ii) Father's / Husband's Name : _____
- iii) Address : _____
- iv) Age or Date of Birth : _____
- v) Identification Marks : _____

Particulars of next of kin (wife/husband and children, if any, or of dependent next of kin in case the worker has no wife/husband or child):

Name : _____

Full Address of Dependants : _____

(Specify Village, Distt and State) : _____

Sl.No.	Name and address of Employer (Specify whether a contractor or a sub-contractor)	Particulars of location of work site and description of work done	Total period for which the worker is employed (from...to ...)	Actual number of days worked	Leave taken (No. of days should be specified)	Nature of work done by the worker	Wage period	Wage rate with particulars of unit rate in case of piece work	Total wages earned by the worker the period shown under	Remarks	Signature of the employer
1	2	3	4	5	6	7	8	9	10	11	12

N.B : For a worker employed at one time on piece work basis and at another on daily wages, relevant extra in respect of each type of employment should be made separately.

Sheet No. A 3

REGISTER OF WAGES CUM MUSTER ROLL**(Regulation 9 (i))**

- i) Name and Address of the Contractor : _____
- ii) No. & Date of the Contract : _____
- iii) Name and address of the Department
awarding the Contract : _____
- iv) Nature of the Contract and Location of the Work : _____
- v) Duration of the Contract : _____
- vi) Wage Period : _____

Fair Wages Payable	Wages Paid	Overtime worked	Deduction from wages
1	2	3	4

Sheet No. A-4

**WAGE SLIP
(Regulation 9 (ii))**

Name of Contractor:

Place:

1. Name of the Worker with father/Husband's Name
2. Nature of Employment
3. Wage Period
4. Rate of Wages Payable
5. Total attendance/ Unit of work done
6. Date (s) on which overtime worked
7. Overtime Wages
8. Gross Wages Payable
9. Total Deductions (including nature of deductions)
10. Net Wages Payable

Signature/Thumb Impression
of Contractor

Signature/Thumb Impression
of Employee

Sheet No. A 5

**REGISTER OF FINES
(Regulation No.10 (vii))**

Sl. No.	Name	Father's/ Husband's Name	Sex	Depart- ment	Nature and Date of the offence for which fine imposed	Whether workmen showed cause against fine or not, if so enter date	Rate of wages	Date and amount of fine posed	Date on which fine realised	Remarks
1	2	3	4	5	6	7	8	9	10	11

Sheet No. A 6

**REGISTER OF DEDUCTIONS FOR DAMAGES OR LOSS CAUSED TO THE CORPORATION BY THE
NEGLECT OR DEFAULT OF THE EMPLOYED PERSONS**

Sl. No.	Name	Father' s/ Husband' s Name	Sex	Department	Damage or loss caused with date	Whether worker showed cause against deductions if so, enter details	Date of amount of deduction imposed	Number of instalment if any	Date on which total amount realised	Remarks
1	2	3	4	5	6	7	8	9	10	11

Part B – Specific Provisions

- Note -

Part B - Specific Provisions of the Particular Conditions of Contract are intended to address country, project, and contract specific requirements not covered by the General Conditions of Contract. Whoever drafts the specific provisions should be thoroughly familiar with the provisions of the General Conditions of Contract and with any specific requirements of the contract. Legal advice is recommended when amending provisions or drafting new ones.

NOT TO BE USED AS A BID DOCUMENT, ONLY FOR REFERENCE

APPENDIX-A (RESETTLEMENT PLAN)

NOT TO BE USED AS A BID DOCUMENT, ONLY FOR REFERENCE

Resettlement Plan

February 2022

IND: Bihar State Highways Project3 (Phase-2)

Subproject: SH-103(Manjhway-Govindpur Road)

Prepared by Bihar State Roads Development Corporation Limited (BSRDCL), Government of Bihar for the Asian Development Bank.

CURRENCY EQUIVALENTS

(As of 31 December 2021)

Currency Unit	–	Indian Rupee (INR)
INR 1.00	=	0.013 USD
USD 1.00	=	INR 74.35

ABBREVIATIONS

ADB	–	Asian Development Bank
BSR	–	Basic Schedule of Rates
DC	–	District Collector
DP	–	Displaced person
EA	–	Executing Agency
GOI	–	Government of India
GRC	–	Grievance Redressal Committee
IA	–	Implementing Agency
IAY	–	Indira AawasYojana
IPP	–	Indigenous Peoples Plan
LA	–	Land acquisition
DLAO	–	District Land Acquisition Officer
RFCT in LARR Act-2013	–	The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013
LVC	–	Land Valuation Committee
MORTH	–	Ministry of Road Transport and Highways
NGO	–	Nongovernment organization
NRRP	–	National Rehabilitation and Resettlement Policy, 2007
PD	–	Project Director
PIU	–	Project implementation unit
R&R	–	Resettlement and rehabilitation
RO	–	Resettlement Officer
ROW	–	Right-of-way
RP	–	Resettlement plan
SC	–	Scheduled caste
SH	–	State highway
SPS	–	Safeguard Policy Statement
ST	–	Scheduled tribe

This Resettlement Plan(RP) is a document of the borrower. The views expressed herein do not necessarily represent those of ADB's Board of Directors, Management, or staff, and may be preliminary in nature.

In preparing any country program or strategy, financing any project, or by making any designation of or reference to a particular territory or geographic area in this document, the Asian Development Bank does not intend to make any judgments as to the legal or other status of any territory or area.

Glossary

Cut-off Date: For titleholders in case of land acquisition, the date of publication of preliminary notification for acquisition under section 11 of the RFCT in LARR Act – 2013, is treated as the cut-off date. In case of non-titleholders, the date of start of census survey is the cut-off date.

Displaced Persons: In the context of involuntary resettlement, displaced persons are those who are physically displaced (relocation, loss of residential land, or loss of shelter) and/or economically displaced (loss of land, assets, access to assets, income sources, or means of livelihoods) as a result of (i) involuntary acquisition of land, or (ii) involuntary restrictions on land use or on access to legally designated parks and protected areas.

Economic Displacement: Loss of land, assets, access to assets, income sources, or means of livelihoods as a result of (i) involuntary acquisition of land, or (ii) involuntary restrictions on land use or on access to legally designated parks and protected areas.

Insignificant Impact: Where the impact on land is less than 10 percent of the total area or impact on structure is partial and does not required relocation.

Meaningful Consultation: A process that (i) begins early in the project preparation stage and is carried out on an ongoing basis throughout the project cycle; (ii) provides timely disclosure of relevant and adequate information that is understandable and readily accessible to affected people; (iii) is undertaken in an atmosphere free of intimidation or coercion; (iv) is gender inclusive and responsive, and tailored to the needs of disadvantaged and vulnerable groups; and (v) enables the incorporation of all relevant views of affected people and other stakeholders into decision making, such as project design, mitigation measures, the sharing of development benefits and opportunities, and implementation issues.

Physical Displacement: Relocation, loss of residential land, or loss of shelter as a result of (i) involuntary acquisition of land, or (ii) involuntary restrictions on land use or on access to legally designated parks and protected areas.

Vulnerable groups: include below the poverty line, the landless, the elderly, women and children, and Indigenous Peoples, and those without legal title to land.

Significant Impact: Landowners losing shelter and required relocation or losing more than 10% of their productive assets.

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EXECUTIVE SUMMARY

A. Project Description

1. The Bihar State Road Development Corporation Limited (BSRDCL), Government of Bihar is planning to upgrade State Highway number 95(Mansi-Sahrsa-Hardi Chughara Road) from existing single/intermediate lane to double lane with total road length of 28.08 km in Khagaria and Saharsa districts and requested ADB for financing the project. This RP for two-lane road project is prepared based on the detailed design report prepared by BSRDCL. The RP complies with the applicable State Government, Government of India, and ADB policy and legal framework. This project is considered as Category A¹ for Involuntary Resettlement (IR) per ADB's Safeguard Policy Statement (SPS 2009).

2. The proposed 2-lane road, predominantly traverses through plain terrain, starts at the 32nd km of NH-82 (Gaya Hisua Road) at Tri Junction and after traversing a length of 42.069 Km, the road ends at the Tri-junction within Govindpur town. The land use along the project road includes agriculture land, residential use, and commercial areas. The project aims to provide smooth traffic movement for the escalating traffic and enhance capacity and improved services to alleviate the likely capacity constraints to be generated after the future development in the region. The project on its implementation would increase the physical infrastructure and boost the economic growth in the region.

B. Scope of Land Acquisition and Resettlement

3. As per the technical design, the roadway width proposed for 2-lane carriageway with paved shoulder is 12.00 mtr. The existing Right of Way, as per the government records, is 4 to 40 mtr. The proposed centerline is designed such that minimal land acquisition is required. The project impact assessed through project census survey includes loss of land and non-land assets and loss of livelihoods. It was found that 0.65 acre of private land and 1114 structures owned by 1114 households will be affected. The affected households are both titleholders and non-titleholders i.e encroachers and squatters. A full census survey was carried out to identify the persons who would be displaced by the project and the summary findings are presented in the following Table 1.

Table 1: Summary Project Impacts

Sl. No.	Impacts	Number
1	Area of private land to be acquired (in Acres)	0.65
2	Total number of private structures affected	1102
3	Total number of displaced households	1114
4	Total number of displaced persons	6237
5	Total number of economically displaced households	686
6	Total number of physically displaced households	233
7	Total number of economically and physically displaced household	195
8	Total number of vulnerable households displaced	668
9	Total number of CPR (structure) affected	65

¹ ADB Safeguard Policy Statement Operations Manual Section F1: Involuntary Resettlement Category A: Significant means 200 or more affected people will experience major impacts, which are defined as (i) being physically displaced from housing, or (ii) losing 10% or more of their productive assets (income generating). Involuntary Resettlement Category B: Not Significant include involuntary resettlement impacts that are not deemed significant as per the ADB Operational manual Involuntary Resettlement Category C: No involuntary resettlement impacts. A resettlement plan is required in case of both category A and B project.

C. Socioeconomic Information and Profile

4. The social stratification of the project area shows the dominance of other backward caste (OBC) population with 700 (76%) households. There are 6237 displaced persons in total, which includes 3344 (55%) males and 2793 (45%) females. The average household size is 6.8 and the sex ratio among DPs is 811. According to project census survey there are 668 vulnerable households affected by the project. The educational status of DPs reveals that 38% DPs are still illiterate in the project area. Not a single scheduled tribe (ST) household is found to be affected under this subproject.

D. Stakeholders Consultation and Participation

5. Public consultations were conducted at 4 locations attended by 129 persons (75 male and 54 female) in the project to ensure peoples' participation during the project census survey. The male and females were consulted in separate 4 consultation meetings. Aiming at promotion of public understanding and fruitful solutions of developmental problems such as local needs and problem and prospects of resettlement, various sections of DPs and other stakeholders were consulted through focus group discussions and individual interviews. Several additional rounds of consultations with DPs and communities will form part of the further stages of project preparation and implementation. The RP implementing agency will be entrusted with the task of conducting these consultations during RP implementation, which will involve disclosure on compensation, assistance options, and entitlement package and income restoration measures suggested for the project.

6. To keep more transparency in planning and for further active involvement of DPs and other stakeholders the project information will be disseminated through disclosure of resettlement planning documents. The EA will provide relevant resettlement information, including information from the above-mentioned documents in a timely manner, in an accessible place and in a form and language(s) understandable to displaced persons and other stakeholders.

E. Legal Framework

7. The legal framework and principles adopted for addressing resettlement issues in the Project have been guided by the existing legislation and policies of the GOI, the Government of Bihar and Asian Development Bank. Prior to the preparation of the RP, a detailed analysis of the existing national and state policies was undertaken and an entitlement matrix has been prepared for the project. This RP is prepared based on the review and analysis of all applicable legal and policy frameworks of the country and ADB policy requirements. The gaps between the policies have been identified and addressed to ensure that the RP adheres to the SPS (2009) requirements.

8. All compensation and other assistances will be paid to all DPs prior to commencement of civil works. After payment of compensation, DPs would be allowed to take away the materials salvaged from their dismantled houses and shops and no charges will be levied upon them for the same. The value of salvaged materials will not be deducted from the overall compensation amount due to the DPs. A notice to that effect will be issued intimating that DPs can take away the materials.

F. Entitlements, Assistance and Benefits

9. For titleholders in case of land acquisition, the date of publication of preliminary notification for acquisition under section 11 of the RFCT in LARR Act – 2013 will be treated as the cut-off date. For non-titleholders, the cut-off date will be the start of the census survey which is 11December 2021 in case of SH-103. The structures affected under the project will be compensated at replacement cost. DPs who settle in the affected areas after the cut-off date will not be eligible for compensation. They, however, will be given sufficient advance notice, requested to vacate premises and dismantle affected structures prior to project implementation. Their dismantled structures materials will not be confiscated and they will not pay any fine or suffer any sanction.

G. Relocation of Housing and Settlements

10. There are 233 households will be losing their shelter and therefore, require relocation. The IA will provide adequate and appropriate cash compensation at full replacement cost to the titleholders for their lost land and structures including eligible relocation assistance. The IA will compensate to the non-titleholders for the loss of assets other than land, such as dwellings, and also for other improvements to the land, at full replacement cost with eligible assistance. The entitlements to the non-titleholders will be given only if they occupied the land or structures in the project area prior to the cut-off date.

H. Income Restoration and Rehabilitation

11. The project impact reveals that due to loss of land and commercial structures, 651 households are losing their livelihood under the project. The entitlement proposed for the project has adequate provisions for restoration of livelihood of the affected communities. The focus of restoration of livelihoods is to ensure that the DPs are able to at least achieve national minimum standards. To restore and enhance the economic conditions of the DPs, certain income generation and income restoration programs are incorporated in the RP. To begin with providing employment to the local people during the construction phase will enable them to benefit from the project, reduce the size of intrusive work forces and keep more of the resources spent on the project in the local economy. It will also give the local communities a greater stake and sense of ownership in the project.

I. Resettlement Budget and Financing Plan

12. The resettlement cost estimate for this project includes eligible compensation, resettlement assistance and support cost for RP implementation. The support cost, which includes staffing requirement, monitoring and reporting, involvement of RP implementing agency in project implementation and other administrative expenses are part of the overall project cost. Contingency provisions have also been made to take into account variations from this estimate. The total budget for the proposed project RP is Rs 438.2 million.

J. Grievance Redressal Mechanism

13. A Grievance Redressal Committee (GRC) will be established at the district level with the primary objective of providing a mechanism to mediate conflict and cut down on lengthy litigation. It will also provide people, who might have objections or concerns about their assistance, a public forum to raise their objections and through conflict resolution, address these issues adequately. The GRC will be headed by the District Collector (DC) or his designated representative. The GRC will have representative from the PIU, representative of

APs, particularly of vulnerable DPs, local government representative, representative of local NGOs and other interest groups as felt necessary. All Grievances will be routed through the RP implementing agency to the GRC. The RP implementing agency will act as an in-built grievance redress body. The RP implementing agency will first of all register the grievances and take up with VLC for redress and any grievances not redressed at VLC level will be dealt in by the GRC. Grievances will be redressed within two to four weeks from the date of lodging the complaints, depending on severity of problem. However, an aggrieved person will have access to the country's judiciary at any stage of the project level grievance redress process. Taking grievances to Judiciary will be avoided as far possible and the RP implementing agency will make utmost efforts at reconciliation at the level of GRC.

K. Institutional Arrangement

14. The Executing Agency (EA) for the Project is BSRDC, Government of Bihar. The existing BSRDC has already set up a Project Implementation Unit (PIU) headed by a Deputy General Manager (DGM) assisted by Managers. This office will be functional for the whole Project duration. The PIU will hire an RP implementing agency for supporting it in implementation of R&R activities. The staffs at the PIU level will be provided with the training by the social/ resettlement specialist of the supervision consultant for implementation of the RP. Many of the BSRDCL staffs are already having prior experience of implementing RP under previous projects and further to enhance their capacity, a training/workshop will be conducted under the project involving other implementing support agencies.

L. Implementation Schedule

15. Implementation of RP mainly consists of compensation to be paid for affected structures and rehabilitation and resettlement activities. The time for implementation of resettlement plan will be scheduled as per the overall project implementation. The civil works contract for each project will only be awarded after all compensation and relocation has been completed for project and rehabilitation measures are in place. The proposed project R&R activities are divided in to three broad categories based on the stages of work and process of implementation such as Project Preparation phase, RP Implementation phase and Monitoring and Reporting phase.

M. Monitoring and Reporting

16. RP implementation for the project by the RP implementing agency will be closely monitored by the EA. Keeping in view the significance of resettlement impacts of the overall project, the monitoring mechanism for this project will have both internal monitoring by PIU and external monitoring by an external expert. PIU responsible for supervision and implementation of the RP will prepare monthly progress reports on resettlement activities and submit to PIU. PIU will submit semi-annual RP monitoring reports to ADB. The external monitoring expert responsible for monitoring of the RP implementation will submit a semi-annual review report to EA and ADB to determine whether resettlement goals have been achieved, more importantly whether livelihoods and living standards have been restored/ enhanced and suggest suitable recommendations for improvement.

1. PROJECT DESCRIPTION

A. Introduction

1. Bihar has experienced consistent socio-economic development over the last decade with an economic growth rate of 15.01 % at current prices in year 2018-19 which is higher than the growth rate for the Indian economy.² Significant improvement in road infrastructure has led to a cumulative growth in all sectors like agriculture, labor, employment, trade and manufacturing resulting in an increased per capita income from Rs. 21,750 in 2011-12 to Rs 30,617 in 2018-19. However, Bihar remains as 5th low-income state of India along with 34% of population living below poverty line³

2. The aim of Sustainable Development Goal-9 (SDG 9) is to develop quality and resilient infrastructure at the regional and transborder levels. The available and accessible infrastructure is an important driver for economic development. Infrastructure complements economic growth and vice versa. For instance, the development of transport infrastructure expands the scope and size of the market and also improves productivity significantly; on the other hand, economic growth enables the state to create more infrastructure. Apart from ensuring better economic growth prospect, integration of local markets with the global market, technological innovation, and the progress in infrastructure also help in reducing poverty.

3. The economy of Bihar is mainly based on agricultural and trading activities. The industrial and agricultural developments have led to higher transport demand. With the higher transport demand and the expansion of the existing business, there is a growing mismatch between the vehicular population and availability of road infrastructure, which has resulted in traffic congestions, deteriorated level of traffic efficiency and road safety. As a result of the aforementioned growth and need to fulfill the mismatch, various new infrastructure development projects have been planned across the state. The Government of Bihar acting through Bihar State Road Development Corporation Limited (BSRDCL) has taken the needful action.

4. The road master plan⁴ prepared by State Government of Bihar under ADB-supported TA-8170 estimates that \$15.8 billion is required in capital expenditure for road improvements by 2035. Following this plan, BSRDC through the Government of Bihar, posed a proposal to ADB to take up a set of state roads for upgrading into two-lanes with paved shoulders. For the proposed sub project road, State Government of Bihar will be the Executing Agency (EA) and the Implementing Agency (IA) will be the BSRDCL. A Project Implementation Unit (PIU) is established for the project, which is responsible for conducting the social assessment and formulating Resettlement Plan (RP) for the project.

B. Project Description

5. The SH-103 (Manjhway-Govindpur) Road Project proposed under Phase-2 of Bihar State Highways Project-3 (BSHP-3) is located in the Nawada district of Bihar. The Project Road predominantly traverses through plain terrain, starts at the 32nd km of NH-82 (Gaya Hisua Road) at Tri Junction and after traversing a length of 42.069 Km, the road ends at the Tri-junction within Govindpur town. There is no clear physical demarcation of the existing right of

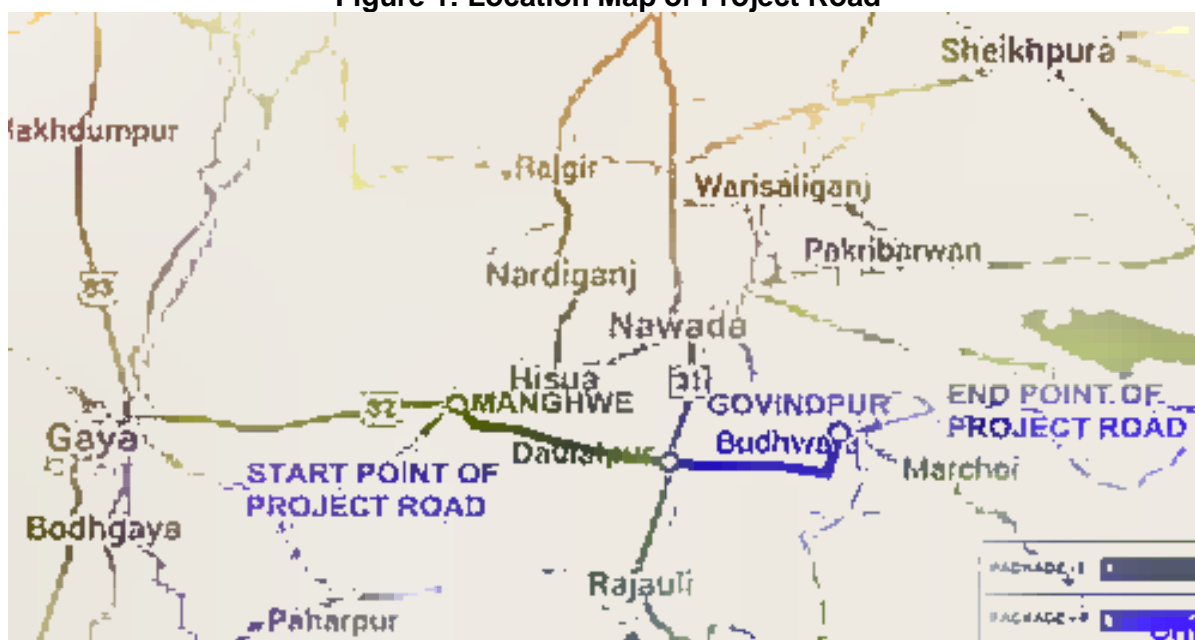
² Bihar Economic Survey 2019 – 20, Finance Department, Government of Bihar

³ Bihar: Poverty, Growth & Inequality, World Bank Group, May 2016

⁴ Road Master Plan for Bihar's State Highway Development (2015-2035). Prepared under TA-8170 with Loan 2894-IND "India: Bihar State Highways II Project — Additional Financing."

way at site. As per information provided by BSRDC, the existing RoW varies from 4 mtr to 40 mtr. The project location map is presented in **Figure 1**.

Figure 1: Location Map of Project Road



6. The total road length is 42.069kms with single lane (width-3.75 mtr) specification. The sub project road starts at km 32 of NH 82 at Manjhwara and ends near Govindpur village in Nawada district. The land use along the project road is predominantly agricultural and villages with residential and commercial areas. Project road passes through 46 settlement/villages as presented in following **Table 2**.

Table 2: List of Project Affected Villages

S. N.	Project Villages/ Settlements	Name of District	Name of Block	Chainage (km)
1	Manjhwara	Nawada	Hisua	0+000 - 1+845
2	Khatgharwa	Nawada	Narhat	1+845 - 4+155
3	Milki	Nawada	Narhat	2+140 - 3+700
4	Murehta Chak	Nawada	Narhat	4+155 - 5+000
5	Niman	Nawada	Narhat	5+000 - 5+320
6	Sarai (Shahbazpur)	Nawada	Narhat	5+500 - 5+675
7	Lakhaura Changezpur	Nawada	Narhat	5+320 - 5+500 & 5+675 - 6+550
8	Mahugain	Nawada	Akbarpur	6+550 - 7+300
9	Nadsena	Nawada	Narhat	7+300 - 7+655
10	Jarahiya	Nawada	Meskaur	7+655 - 8+300
11	Jalalpur	Nawada	Narhat	8+300 - 9+235
12	Abgil	Nawada	Narhat	9+000 - 9+700
13	Raja Bigha	Nawada	Narhat	9+700 - 10+600
14	Narhat	Nawada	Narhat	10+600 - 12+825
15	Banian Bigha	Nawada	Narhat	12+825 - 13+000
16	Badalpur	Nawada	Narhat	13+000 - 14+125

17	Saidpur Gosai	Nawada	Narhat	13+380 - 15+100 & 15+500 - 15+550
18	Fatehpur	Nawada	Sirdala	15+000 - 15+500 & 15+550 - 15+800
19	Paharpur	Nawada	Narhat	15+800 - 17+608
20	Patrang	Nawada	Akbarpur	17+608 - 18+165
21	Paijwna	Nawada	Akbarpur	18+165 - 19+800
22	Laxmi Bigha	Nawada	Akbarpur	19+800 - 20+620
23	Fatehpur	Nawada	Akbarpur	20+620 - 21+640
24	Guru Chak	Nawada	Akbarpur	21+640 - 22+600
25	Dihi	Nawada	Akbarpur	22+600 - 22+675 & 23+025 - 23+340
26	Rajhat	Nawada	Akbarpur	22+675 - 23+025
27	Baliya Buzurg	Nawada	Akbarpur	23+340 - 23+820 & 24+700 - 24+735
28	Pachrukhi	Nawada	Akbarpur	23+820 - 24+735
29	Panti	Nawada	Akbarpur	24+775 - 26+300
30	Saman Panchrukhi	Nawada	Akbarpur	26+300 - 26+800
31	Sirpat	Nawada	Akbarpur	26+800 - 27+218
32	Kuhila	Nawada	Akbarpur	27+218 - 28+520
33	Khaira Khurd	Nawada	Gobindpur	28+520 - 29+170
34	Daniyar	Nawada	Gobindpur	29+170 - 30+280
35	Koriyauna	Nawada	Gobindpur	30+280 - 30+900
36	Harna	Nawada	Gobindpur	30+900 - 30+300
37	Bela	Nawada	Gobindpur	30+300 - 31+993
38	Mahugain	Nawada	Gobindpur	31+993 - 32+400
39	Sughari	Nawada	Gobindpur	32+400 - 33+300
40	Bahiara	Nawada	Gobindpur	32+600 - 33+000
41	Thali Buzurg	Nawada	Gobindpur	33+250 - 34+150
42	Jatsari	Nawada	Gobindpur	34+150 - 34+838
43	Patandei	Nawada	Gobindpur	34+838 - 35+757
44	Madhopur	Nawada	Gobindpur	35+757 - 38+529
45	Bishunpur	Nawada	Gobindpur	38+529 - 42+069
46	Gobindpur	Nawada	Gobindpur	40+964- 41+275

Source: Census Survey, September- December, 2021

7. The proposed road alignment provides a direct connectivity to the traffic plying between Govindpur to Manjhway and surrounding area. The road aims to provide smooth traffic movement for the escalating traffic and enhance capacity and improved services to alleviate the likely capacity constraints to be generated after the future development in the region. The project on its implementation would increase the physical infrastructure and boost the economic growth in the region.

8. This RP for SH-103 (Manjhway-Govindpur) Road subproject is prepared based on the detailed design report prepared by BSRDCL. The RP complies with the applicable State Government, Government of India and ADB policy and legal framework. This project is considered as Category A⁵ for Involuntary Resettlement (IR) as per the ADB Safeguard Policy Statement (SPS 2009).

⁵ According to ADB Safeguard Policy Statement (SPS-2009), Involuntary Resettlement Category A: Significant means 200 or more affected people will experience major impacts, which are defined as (i) being physically displaced from housing, or (ii) losing 10% or more of their productive assets (income generating). Involuntary Resettlement

C. General Profile of the Project Area

9. Nawada district situated in the southern part in Bihar was carved out from Gaya district and formed a separate district in 1973. Nawada town is the administrative headquarters of the district. It occupies an area of 2,494 square kilometres. Administratively, it has been divided into 2 sub- divisions, 14 blocks, 187 panchayats and 1099 revenue villages. It is surrounded by Nalanda district in the North, Sheikhpura & Jamui district in the east, Gaya district in the west and Koderma & Giridih districts of the state of Jharkhand lie on the south. It is located under Magadh Division.

10. According to census 2011, Nawada district has total population of 2,219,146, out of which 1,144,668 are males while 1,074,478 are females. The population density of was found to be 890 people per square kilometre. There was total 338,247 families and the Average Sex Ratio was 939 females per thousand males. Out of total population, 9.7% people live in Urban areas while 90.3% lives in the Rural areas. The total literacy rate of Nawada district is 59.76%.

11. The area of the district falls in the Zone-III B, South West Alluvial Plain agro climatic zone of Bihar. The district of Nawada does not have any important perennial river. The topography of the district is plain and border area adjoining Jharkhand is rocky terrain & mountains. Agriculture is the mainstay of livelihood and 78% people depend upon agriculture. The principal occupations of the people are rainfed agriculture, animal husbandry and casual labour work. During Kharif period most part of the work mass engaged themselves for about 4 months. Nawada has no functional large industries and only some small and medium enterprises (SME) that are located in the city in addition to a few stone chips factories and rice mills. However, potential of industrial development may be explored. Kadirganj, located 6 km from Nawada, has a very old and famous silk small scale industry where many artisans carry out the activities of cleaning and weaving of silk. It has commercial and trading linkages with Bhagalpur, a city famous for its silk business including export of silk from India.

Table 3: Demographic Indicators of Project District and State

Indicators	Bihar	Nawada
Total Population	104,099,452	2,219,146
Rural Population	88.7%	90.3%
Urban Population	11.3%	9.7%
Area (Sq.km)	94,163	2,494
Population Density/Km ²	1,106	890
Sex Ratio	918	939
Literacy %	61.8	59.76
Schedule Tribe	1.28%	0.1%

Source: Census of India, 2011

D. Project Impacts and Benefits

12. The proposed project can be viewed as boosting economic growth and poverty reduction which will bring substantial social and economic development to the region. The social benefits arising due to the project will be triggered due to improved accessibility to various services such

Category B: Not Significant include involuntary resettlement impacts that are not deemed significant as per the ADB Operational manual Involuntary Resettlement Category C: No involuntary resettlement impacts. A resettlement plan is required in case of both category A and B project.

as to markets, health facilities, schools, and workplace, which in turn increases the income of the local residents, and ultimately elevating their standard of living. The possible direct and indirect positive impacts of the project are listed below.

- The immediate benefits of road construction and improvement will come in the form of direct employment opportunities for the roadside communities and specially those who are engaged as wage laborers, petty contractors and suppliers of raw materials.
- Improved road network will provide for improved linkages between the village communities and urban center, which provides wider marketing facilities.
- Road network will not only link the village communities to better markets, but also open up wider work opportunities in distant places. People can shuttle to distant work sites and towns and engage in construction, factories, business as well as domestic works.
- Improved road network will encourage urban entrepreneurs to invest in far and remote areas in commercial farming and industrial activities.
- Improved road will also help people building strong institutional network with outside agencies. Essential and emergency services like schools, health center, public distribution system etc. can be availed faster.
- Increased frequency of interaction with outsiders will increase the awareness level of the people in the village with regard to their health and nutrition, living style, value of education and proper utilization of available resources.
- Interaction with the government, non-government and other development agents will help people gain new knowledge on improved farming, land development, development and maintenance of natural resources through the formation of various economic and social development groups.

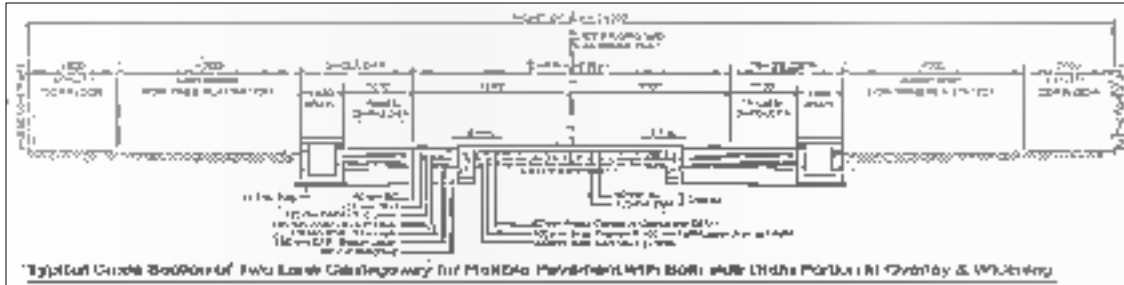
E. Minimizing Resettlement

13. Adequate attention has been given during the feasibility and detailed design phases of the project preparation to minimize the adverse impact on land acquisition and resettlement. However, technical and engineering constraints were one of the major concerns during exploration of various alternatives, especially in relations to road safety and decreasing congestion in key sections.

14. The inventory data and typical cross-sections formed the basis of determining the widening requirement. Based on this information along with presence of buildings, trees, utility services along the project road, the centerline of the alignment is designed so as to cause minimum disturbance to existing features.

15. The pictorial view of the proposed 2-lane typical cross section is given in **Figure 2**. The carriage way width of 7m is proposed with 2×1.5m paved shoulder and 2×1m earthen shoulder. Lined drain of RCC is proposed in urban areas.

Figure 2: Typical Cross Section of The Road



F. Scope and Objective of Resettlement Plan (RP)

16. The aim of this Resettlement Plan (RP) is to mitigate all such unavoidable negative impacts caused due to the project and resettle the displaced persons and restore their livelihoods. This RP has been prepared on the basis of project census survey findings and consultation with various stakeholders. The plan complies with ADB Safeguard Policy Statement, 2009 designed by ADB to protect the rights of the displaced persons and communities. The issues identified and addressed in this document are as follows:

- Type and extent of loss of land and non-land assets, loss of livelihood, loss of common property resources and social infrastructure;
- Impacts on indigenous people, vulnerable groups like poor, women and other disadvantaged sections of society
- Public consultation and peoples' participation in the project;
- Existing legal and administrative framework and formulation of resettlement policy for the project;
- Preparation of entitlement matrix, formulation of relocation strategy and restoration of businesses/income;
- R&R cost estimate including provision for fund and;
- Institutional framework for the implementation of the plan, including grievance redress mechanism and monitoring & reporting.

G. Methodology for Resettlement Plan

17. For preparation of this RP, a detailed social impact assessment of the project road was carried out including resettlement screening, land acquisition planning, project census survey of affected assets and households and public consultation meetings. The details of methodology adopted for the social impact assessment is discussed in the following section.

1. Resettlement Screening

18. A social screening exercise was performed through a reconnaissance survey to gather firsthand information on impact on land acquisition and resettlement with specific attention on land use, presence of legal and/or illegal housing, traffic patterns, cultural resources, urban settlements and other sensitive areas. The aim of reconnaissance survey was to assess the scope of land acquisition and resettlement study and accordingly the detailed plan of action was prepared for the preparation of resettlement plan.

2. Resettlement Planning

19. The alignment was finalized as per the detailed engineering design. Initially, the numbers of affected villages were identified as per the alignment and availability of government land was confirmed from the revenue department. Following finalization of the road alignment, cross-sections design and land acquisition requirements, census of all displaced persons (DPs) was carried out in the project. The objective of the project census survey was to identify the persons who would be displaced by the project and to make an inventory of their assets that would be lost to the project, which would be the basis of calculation of compensation.

20. A structured census questionnaire (**Appendix 1**) was used to collect detailed information on affected households/ properties for a full understanding of impacts in order to develop mitigation measures and resettlement plan for the DPs. The survey team was selected locally including some female familiar with local languages and the team was trained by the resettlement specialist and the survey was closely monitored on a regular basis. Additionally, socio-economic data was also collected from the affected households. The census survey includes the following:

- Inventory of the 100% non-land assets
- Categorization and measurements of potential loss
- Physical measurements of the affected assets/structures
- Identification of trees and crops
- Collection of information on social, economic and demographic profile
- Identification of non-titleholders
- Assessment of potential economic and livelihood impact

3. Public Consultation

21. To ensure peoples' participation in the planning phase and aiming at promotion of public understanding and fruitful solutions of developmental problems such as local needs of road users and problem and prospects of resettlement, various sections of displaced persons (DPs) and other stakeholders were consulted through focus group discussions, individual interviews and formal and informal consultations. The vulnerable sections of DPs and women were also included in this consultation process.

2. SCOPE OF LAND ACQUISITION AND RESETTLEMENT

A. Land Acquisition Requirement

22. It is proposed to develop the existing single lane with missing link road to 2-lane carriageway with paved shoulders. The road formation width proposed for 2-lane carriageway with paved shoulder is only 12.00 m. The existing RoW as verified from the government records varies from 4 to 40 mts. An LAP has been prepared by BSRDCL to acquire additional land and therefore the acquisition of land will impact on titleholder (TH) in addition to non-titleholder (NTH) under this subproject.

23. As per the LAP prepared for the proposed Project and R&R survey conducted, 0.79 acre of land need to be acquired under this project. The analysis of land acquisition requirement for the project shows that out of total land required for the project 0.65 acre (85.22%) of land is private land, 0.12 acre (15.24%) is government land and 0.02 acre (2.54%) is religious land. Acquisition of land will affect a total of 138 households. The land acquisition requirement for the project is presented in the **Table 4**.

Table 4: Land Acquisition Requirements under the Project

Sl. No.	Type of Ownership	DH	Area (in Acre)	%
1	Private Revenue	138	0.65	82.22
2	Government	0	0.12	15.24
3	Religious	0	0.02	2.54
Total		138	0.79	100.00

B. Resettlement Impacts

24. Based on the above requirement, the project impact assessed through project census survey includes loss of land, loss of non-land assets and loss of livelihoods. Other than this, non-land assets known as common properties resources (CPR) including religious, and community ownership are also assessed to be affected by the proposed project.

25. The census survey of proposed SH-103 was carried out in between 11 December 2021 and 20 January 2022. Before start of census survey, a videography was also done on the entire stretch to cover the existing road conditions and structures/buildings within the RoW. For titleholders, the date of publication of preliminary notification for acquisition of land under section 11 of the RFCT in LARR Act – 2013 will be treated as the cut-off date and the start day of project census survey is the cut-off date for non-titleholders to determine eligibility for compensation and assistance under the project. It was found that a total 1114 households (917 losing land, structure or both and 197 tenants and employees losing their livelihood) would be displaced by this subproject. The details are being provided in the **Table 5 and 6**.

Table 5: Loss of Property and Number of Displaced Households

Sl. No.	Category of Loss	No. of Household	%
1	Land with Structure	124	11.13
2	Only Structure	780	70.02
3	Only Land	13	1.17
4	Other DPs (Tenant+Employees)	197	17.68
Total		1114	100.00

26. It was found that a total of 233 households will be physically displaced due to loss of residential structure. Among them 22 are TH and 211 are NTH. Similarly, 686 households will be economically displaced due to loss of land parcel or commercial structures. These include 97 TH and 589 NTH. There are a total 195 household who will be displaced physically and economically include 19 TH and 176 NTH. A summary on category wise displacement of households is given in **Table 6**. The list of DPs is attached as **Appendix-2**, and photo identification of DPs is given in **Appendix 8**. The findings and magnitude of impacts are discussed in the following sections.

Table 6: Category wise Displacement of Households

Sl. No.	Category of Impact	No. of Household	%	TH	NTH
Physically Displaced Households					
1	Owners of Residential Structure	233	100	22	211
Total		233	100	22	211
Economically Displaced Households					
1	Owners of Agricultural Land	33	4.81	33	0
2	Loss of Commercial Structure	259	37.76	35	224
3	Commercial Tenants	188	27.41	0	188
4	Employees in Structures	09	1.31	0	9
5	Other Private	197	28.72	29	168
Total		686	100.00	97	589
Physically and Economically Displaced Households					
1	Owners of Resi+ Commerical Structure	195	100	19	176
Total		195	100	19	176
Grand Total		1114	100	138	976

C. Loss of Private Land in the Project

27. The land acquisition for the project will affect 138 titleholder households and the area of acquisition will be a total of 0.65 acre. Out of total affected land 64.68 is commercial land affecting a total 81 households as shown in the **Table 7**.

Table 7: Type of Affected Private Land

Sl. No.	Type of Land	DH	Area (in Acre)	%
1	Irrigated	19	0.06	9.29
2	No-Irrigated	14	0.07	10.88
3	Residential	24	0.10	15.16
4	Commercial	81	0.42	64.68
Total		138	0.65	100.00

28. The land to be acquired under the Project is under various use. It includes 0.48 acre of land being used by 95 households for commercial activities, 0.11 acre for residential by

24households, 0.05 acre of land being used by 16 households for residential purpose and 0.01 acre of land by 3 householdsfor not any specific purpose as shown in the **Table 8**.

Table 8: Use of Affected Private Land

Sl. No.	Land Use Type	DH	Area (in Acre)	%
1	Cultivation	16	0.05	7.72
2	Orchard	0	0.00	0.00
3	Residential	24	0.11	16.98
4	Commercial	95	0.48	74.44
5	Forestation	0	0.00	0.00
6	No Use/Barren	3	0.01	0.86
7	Other	0	0.00	0.00
Total		138	0.65	100.00

29. The total private land under acquisition belong to titleholders only. The ownership is of both single and joint type. It was found that to a maximum 73.91% displaced households have single ownership on the affected plot. The details of private land ownership areprovided below in **Table 9**.

Table 9: Type of Private Land Ownership

Sl. No.	Type of Ownership	No. of Household	%
1	Single	102	73.91
2	Joint	36	26.09
3	Other	0	0.00
Total		138	100.00

D. Magnitude of Impact on Land in the Project

30. The survey revealed that all households are losing less than 10 % of their land parcel and therefore, the impact is non-significant as per ADB's SPS. The proportion of significantly impacted DPs ishigh mainly due to acquisition of private land in greenfield area of proposed alignment. The details are provided in **Table 10**.

Table 10: Magnitude of Impact and Displaced Households

Sl. No.	Scale of Impact	No. of Household	%
1	Up to 10%	138	100.00
2	Above 10%	0	0.00
Total		138	100.00

E. Loss of Private Structures in the Project

31. Due to the proposed project work, 1002structures, owned by 904displaced households will be affected. Amongthese,113structures belong to 102 legal titleholders, 438structures are owned by 404encroachersand rest 451 structures are owned by 398 squatter households. The details of loss of structures are presented in the **Table 11**.

Table 11: Loss of Private Structures in the Project

Sl. No.	Ownership Status	No. of Structure	No. of DHs	No. of PAPs	%
1	Legal Titleholder	113	102	694	11.28

2	Encroacher	438	404	2748	44.69
3	Squatter	451	398	2707	44.03
Total		1002	904	6149	100.00

32. The magnitude of impacts on private structures shows that out of 1002 affected structures, 311(32.9%) structures are affected up to 25%, 246(24.2%) structures are affected up to 50%, 104(10.3%) structures affected up to 75% and 341(32.6%) structures are affected fully. The site condition suggests that most of the structures getting affected more than 50% will not be viable for living and need relocation. The details of magnitude of impacts on structures are summarized in the **Table 12**. Provisions are also included in the Entitlement Matrix that structures will be compensated at replacement cost fully, and partially if it is viable. Engineer from Building Department will assess the viability of structure during verification and valuation in consultation with the affected households.

Table 12: Magnitude of Impacts on Structures

Sl. No.	Scale of Impact	No. Structure	HH	%
1	Below 25%	311	302	32.9
2	Up to 50%	246	222	24.2
3	Up to 75%	104	94	10.3
4	100%	341	299	32.6
Total		1002	917	100.0

F. Type of Private Structure in the Project

33. As per census survey, out of 866 households losing their structures in the project, 233 households are losing residential structures, 259 households are losing commercial structures, 195 are losing their residential-cum-commercial structures and 197 are losing other types of structures such as cattle shed, boundary wall, toilet, frontage etc. The details of structures and number of displaced households are given in the **Table 13**.

Table 13: Type of Private Structure affected by the Project

Sl. No.	Type of Structure	No. of Structure	DHs	%
1	Residential Structure	265	233	27.00
2	Commercial Structure	332	259	30.01
3	Resi+Commercial Structure	202	195	22.60
4	Other Private Structure	203	179	20.74
Total		1002	866	100.0

G. Use of Private Structures affected by the Project

34. The structures being affected in the project are of various usages and the details are presented in the **Table 14**.

Table 14: Use of Private Structure affected by the Project

S. No.	Type of Structure	No. of Structure	%	HH	%
Residential					
1	House	238	89.81	209	89.70
2	Hut	4	1.51	4	1.72

3	Other Residential	23	8.68	20	8.58
Total		265	100.00	233	100.0
Commercial					
1	Shops	174	52.41	115	44.40
2	Hotel	2	0.60	1	0.39
3	Small Eatery	17	5.12	14	5.41
4	Kiosk	120	36.14	112	43.24
5	Workshop	2	0.60	2	0.77
6	Other Commercial	17	5.12	15	5.79
Total		332	100.00	259	100.0
Residential cum Commercial					
1	Resi+Com	202	100.00	195	100
Total		202	100.00	195	100.0
Other Private					
1	Boundary Wall	40	19.70	39	21.79
2	Foundation	3	1.48	3	1.68
3	Cattle Shed	106	52.22	93	51.96
4	Other Temporary (Bathroom, toilet etc.)	54	26.60	44	24.58
Total		203	100.00	179	100.0
Grand Total		1002		866	

H. Type of Construction of Affected Structures

35. The structures being affected in the project are of various types by construction such as temporary, semi-permanent and permanent nature. Out of 962 mainstructures, 207(21.51%) structures are of temporary in nature, 290(30.15%) structures are of semi-permanent nature and 465(48.34%) are of permanent nature. Similarly, there are 40 affected boundary walls and all of them are semi-permanent in nature of construction. The details of type of constructions of the affected structures are summarized in the **Table15**.

Table 15: Type of Construction of Affected Structure

Sl. No.	Construction Type	No. of Structure	%
Main Structure			
1	Temporary	207	21.51
2	Semi-Permanent	290	30.15
3	Permanent	465	48.34
Total		962	100.0
Boundary Wall			
1	Semi-Permanent	40	100.0
Total		40	100.0
Grand Total		1002	100.0

I. Age of the Affected Structures

36. As shown in Table 16 below out of total affected structures maximum (38.42%) were constructed within last 5 years followed by 20.66% structured constructed within five to 10 years.

Table 16: Age of Affected Structure

SI. No.	Age of Structure	No. of Structure	%
1	Up to 5 Years	385	38.42
2	Above 5 Years and below 10 Years	207	20.66
3	Above 10 Years and below 15 years	104	10.38
4	Above 15 Years and below 25 years	214	21.36
5	Above 25 Years and below 35 Years	53	5.29
6	Above 35 Years	39	3.89
Total		1002	100.0

J. Loss of Livelihoods in the Project

37. The census survey revealed that out of total 917 displaced DPs 651 are also losing their livelihood due to loss of productive assets. It was found that 651 DPs losing livelihoods includes 259 owners of commercial structures, 195 owners of residential cum commercial structures, 188 tenants in commercial establishments doing business activity in commercial structures and 9 employees working in commercial units. The details of impact on livelihoods in the project are presented in the **Table 17**.

Table 17: Loss of Livelihoods in the Project

SI. No.	Loss	Households	%
1	Owners of Agricultural Land	0	0.00
2	Agricultural Labourer	0	0.00
3	Agricultural Tenants/ Leaseholders	0	0.00
4	Sharecropper	0	0.00
5	Loss of Commercial Structure	259	87.21
6	Loss of Residential cum Commercial Structure	195	65.66
7	Commercial Tenants	188	63.30
8	Employees in Structures	9	3.03
Total		651	100.0

K. Loss of Community Property Resources

38. In terms of community property resources (CPR), 65 structures were reported to be affected. Out of 65 structures, 33 are religious structures (22 temples, 2 mosques and 9 other like sacred *chabutra*) and 28 government structures like school, bus stop, amenities and govt. offices. The types of affected CPRs are presented in the **Table 18**, and the list of CPR affected in the project is presented in **Appendix: 3**. CPRs will be compensated either by cash compensation at replacement cost to the community (registered trust, society or village committee as appropriate) or reconstruction of the community structure in consultation with the affected community.

39. CPR clearing and reconstruction will be undertaken by civil works contractors, and the associated costs are incorporated in their contract document.

Table 18: Type of affected CPR

SI. No.	Type of Structure	No. of Structure	%
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1	Community Structure (Sitting Place etc.)	4	6.15
2	Religious Structure (Temple, Shrine, Mosque, etc.)	33	50.77
3	Government Structure (School and govt. offices etc.)	28	43.08
Total		65	100.0

L. Loss of Private Trees

40. During census survey 13 trees belong to private owners were also reported to be affected. These include 2 fruit-bearing and 11 non-fruit bearing trees. The details are given in **Table 19**. The estimation of loss and compensation of private trees will be done by approved valuers from Horticulture Department.

Table 19 :Type of affected Trees

Sl. No.	Type of Tree	No. of Trees	%
1	Fruit Bearing	2	15.38
2	Non-fruit Bearing	11	84.62
Total		13	100.0

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4. SOCIOECONOMIC INFORMATION AND PROFILE

A. General Socio-economic Profile of DPs

41. There are 1114 household (917 owners of land and structures, 188 tenant and 9 employees households) who will be affected under the subproject. The socio-economic information and findings of 917 households collected through the census survey are presented in the following sections.

B. Number of DPs

42. There are 6237 DPs in total being affected by the project which includes 3444 (55.22%) males and 2793 (44.78%) females. The average household size is 7 and the sex ratio among the DPs is 742. The average household size is quite large because of many joint families and joint ownership. The details of DPs being affected in the project are presented in the **Table 20**.

Table 20: Number of Displaced Persons

SI. No.	Categories of APs	No. of DPs	%
1	Male	3444	55.22
2	Female	2793	44.78
Total		6237	100.0

C. Social Categories of the DPs

43. The social stratification of the project area shows dominance of other backward caste (OBC) population with 700 (76.34%) households followed by schedule caste with 142 (15.49%) households and higher caste with 75 (8.18%). The detail of social grouping in the project area is presented in the **Table 21**.

Table 21: Social Categories of the DPs

SI. No.	Description of the Caste	No. of Households	%
1	Scheduled Caste	142	15.49
2	Scheduled Tribe	0	0.00
3	Other Backward Caste	700	76.34
4	Higher Caste	75	8.18
Total		917	100.00

D. Religious Categories of the DPs

44. Majority of displaced person (91.71%) belong to Hindu religion followed by Muslim (8.29%). The religious categories of DPs are given below in **Table 22**.

Table 22: Religious Categories of the DPs

SI. No.	Religious Categories	No. of Households	%
1	Hindu	841	91.71
2	Muslim	76	8.29
3	Others/No Response	0	0.00
Total		917	100.00

E. Number of DPs considered as Separate family as per LA Act

45. There are various categories of DPs as summarized in the **Table 23** are treated as separate family under Right to Fair Compensation in Land Acquisition and Resettlement Act-2013.

Table 23: Number of DPs considered as Separate family as per LA Act

Sl. No.	Categories of DPs	No. of DPs	%
1	Unmarried Son > 30 years	112	61.88
2	Unmarried Daughter/Sister > 30 years	39	21.55
3	Divorcee/Widow	29	16.02
4	Minor Orphan	1	0.55
Total		181	100.00

F. Educational Status of DPs

46. The educational status of DPs reveals that around 38.18% DPs are illiterate. Among the literate DPs, 56.35% are upto matric, 28.67% are graduate and only 2.67% are above graduate. This data excludes the children below 0 to 6 years. The gender segregated details of educational status of DPs are presented in the **Table 24**.

Table 24: Educational Status of DPs

S. N.	Educational status	Male	%	Female	%	Total	%
1	Illiterate	386	13.96	702	26.67	1088	38.18
2	Literate	349	12.62	391	14.86	740	25.96
3	Up to middle	0	0.00	336	12.77	336	11.79
4	Below metric	398	14.39	337	12.80	735	25.79
5	Metric	998	36.08	608	23.10	1606	56.35
6	Graduate	573	20.72	244	9.27	817	28.67
7	Above graduate	62	2.24	14	0.53	76	2.67
Total		2766	100.00	2632	100.00	5398	100.0

G. Occupational Status of DPs

47. The occupational pattern of DPs excluding children below 6 years, old/inactive, students, housewife reveals that to a maximum 42.29% DPs are earning from labour activities, around 9.48% are in service, 20.41% are involved in agriculture activities and 26.03 % are in business. Among other categories, 1.79% DPs are active in professional services. The details of occupational status of DPs are summarized in the **Table 25**. As per ADB SPS, income will be restored, at least to the pre-project level. Additional information can be found in Chapter VII.

Table 25 : Occupational Status of DPs

S. N.	Occupational status	Male	%	Female	%	Total	%
1	Service	164	8.34	37	23.87	201	9.48
2	Business	527	26.81	25	16.13	552	26.03
3	Agriculture	397	20.19	36	23.23	433	20.41
4	Labor	845	42.98	52	33.55	897	42.29
5	Professional	33	1.68	5	3.23	38	1.79
Total		1966	100.00	155	100	2121	100.0

H. Annual Income Level of the Affected Households

48. There is no households earning less than the official poverty level i.e. Rs. 46,680/- per year. There are 396 households (43.18%) having an average monthly income of above Rs. 46,680 and up to Rs. 1,00,000. The survey reveals that 376 (41%) households are earning above Rs. 1,00,000 and 124 (13.52%) households are earning above Rs. 2,00,000 which is a good economic indicator of their standard of living. The average income level of households in the project area is summarized in the **Table 26**.

Table 26: Annual Income Level of the Affected Households

Sl. No.	Annual Income Categories in (Rs)	No. of Households	%
1	Upto 46,680	0	0.00
2	Above 46,680 and up to 100,000	396	43.18
2	Above 100,000- Below 200,000	376	41.00
4	Above 200,000	124	13.52
5	Not Responded/ Found	21	2.29
Total		917	100.00

I. Vulnerable Households being Affected in the Project

49. According to project census survey there are 668 households enumerated as vulnerable households. In this project vulnerable group includes 142 SC households, 88 women headed households, 6 households headed by physically handicapped persons, 307 other poor households who are living below the government poverty line and the 125 non-titleholders (squatters only) not falling under any other category of vulnerability. As per the latest Planning Commission, Government of India estimate, any person having monthly per capita consumption and expenditure (MPCE) of Rs. 778⁶ in rural area and Rs. 923 in urban area of Bihar is considered to be living below poverty line. Based on this calculation of poverty line figure, average annual household MPCE in rural Bihar is Rs. 46,680. There is one household not falling under any other category but earning less than the average MPCE also enumerated as vulnerable household in the project. The vulnerable household details are presented in the **Table 27**.

Table 27: Vulnerable Households being affected

Sl. No.	Vulnerable Categories	Households	%
1	Scheduled Caste Households	142	21.26
2	Scheduled Tribe Households	0	0.00
3	Women Headed Households	88	13.17
4	PH Headed Households	6	0.90
5	BPL Cardholders (not falling in other categories)	307	45.96
6	Households below Minimum Per capita Income (not falling under any other category of Vulnerability)	0	0.00
7	NTH not falling under any above Categories	125	18.71
Total		668	100.00

⁶ Source: Press Note on Poverty Estimates, 2011-12, Government of India, Planning Commission, July 2013

J. Project Impact on Indigenous People

50. As per the 2011 census of India survey, total ST population of Bihar is about 1.28% of total and it is 0.04% in Khagaria district and 0.3% in Saharsa district. In this subproject, not a single tribal household is found affected. Any impact on ST household will be reported during RP implementation and they will be treated as vulnerable. Special provision has been made in the entitlement matrix of RP to deal with any impacts on tribal households.

K. Project Impact on Women

51. Improved roads will bring equal benefits to women and girls. Direct benefits include a decrease in travel time and an increase in reliable and convenient transport services. Indirect benefits include improved access to products and services, including social services such as health, education, as well as other government services. During construction, women will also benefit from the increased employment opportunities. However, road construction and improvements may also lead to potential negative impacts such as the spread of STIs (sexually transmitted infections), trafficking, and road safety issues. Potential negative impacts will be addressed through community awareness that will be implemented by the RP implementing agency who will assist the EA (see **Appendix 5** for TOR of Implementing agency). The RP implementing agency will coordinate with relevant organizations or mobilize its own short-term experts in carrying out the activities. In addition, the contractor will also carry out HIV/AIDS awareness program among worker camps and nearby community as mandated in their contract.

1. Status of Women in Subproject Area

52. Out of 665 project affected households surveyed for socio-economic study 881 were found with total 1239 women above 18 years of age. Women in all 881 households were consulted separately through structured questionnaire and an analysis of the same is given in the following section.

2. Decision Making

53. Women were asked about their role in decision making on financial and social matters of the household. It was revealed that in around 40.64% household women responded negatively that they have no role in financial decision and the decision is taken by her male counterpart. Similarly, in case of social decision making also the male members of the households are dominant. The details are given in following **Table 28**.

Table 28 : Role of Women in Financial Decision Making

S.N.	Response	Financial Decision Making (HH)	%	Social Decision Making (HH)	%
1	Yes	523	59.36	571	64.81
2	No	358	40.64	310	35.19
3	No Response	0	0.00	0	0.00
Total		881	100.00	881	100.00

3. Assets owned by the Women

54. Out of total households surveyed around 22.13% have women with land in their name, 22.47% have house, women around 6.92% households have two-wheeler and around 73%

have cell phone. Only around 2% have personal computer and below 1% have four-wheeler. The details of assets possessed by the women in project area is given below.

Table 29 : Number of Households having Women with different Assets

Sl.	Type of Assets	No of Household	%
1	Land (Homestead or Farm Land)	195	22.13
2	House	198	22.47
3	Four-Wheeler (Car/tractor etc.)	8	0.91
4	Two-Wheeler (Scoter/ Cycle etc.)	61	6.92
5	Cell Phone	640	72.64
6	Personal Computer	16	1.82
7	Other assets	0	0.00
Total		881	100.00

4. Bank Account

55. The women were asked about their separate bank account at the household level and it was found that about 97% households have women with their separate bank account. This is largely due to the government policies of empowering poor and girl child for financial securities in particular. The details are provided in the **Table 30**.

Table 30 : Number of Households having Women with Bank Account

Sl.	Bank Account	No of Household	%
1	Yes	851	96.59
2	No	28	3.18
3	No Response	2	0.23
Total		881	100.00

5. Member in Self Help Group

56. The women in affected households were asked about their participation in any self-help group as a member. As shown in **Table 31** it was revealed that women in around 26% households were found member of a self-help group and only around 6% of them had apprehension that relocation due to construction of sub project might affect their working in the SHG.

Table 31 : Number of Households having Women as Member of SHG

S	Response	Member of SHG (HH)	%	Change in Status after Relocation (HH)	%
1	Yes	229	25.99	75	8.51
2	No	650	73.78	154	17.48
3	No Response	2	0.23	0	0.00
Total		881	100.00	229	100.00

57. Women in project area have received benefits under different government schemes. It was revealed that women in around 23% affected households have taken loan for different purposes. Women in around 13% households have benefited under govt's house construction scheme. Among others, women in around 13.5% households have taken training and

assistance for self-employment. In total, women in 9% households have benefited under different government scheme. The details are provided in table below.

Table 32 : Women benefited from Govt. Schemes

Sl.	Type of Benefits	No of Household	%
1	Loan	204	23.16
2	House	113	12.83
3	Employment	28	3.18
4	Training	119	13.51
5	Any Other	340	38.59
6	No Benefits availed	77	8.74
Total		881	100.00

58. As per the findings of consultation with women group, the perceived benefits from the subprojects includes:

- Improved access to social facilities like health, education
- Increase in income generating activities
- Frequent and affordable transport
- Management of emergency situation
- Improved community relations
- Increased frequency of health workers, extension workers visits
- Improved access to market
- Increased Leisure time
- Reduced time spent on transportation of forest produces
- Side pavements will make walking easy

59. During the consultation process the negative impacts could not be easily articulated by the women apart from loss of assets. However, along with the loss of assets the following negative impacts were also recorded:

- Loss of assets as a result of the road construction
- Preference to men as wage labor over women during construction
- Discrimination in wage payment
- More dependence of mechanized techniques in road construction likely to have very little opportunity for labor for women

60. There are 88 women headed households affected in the project. The negative impacts of the sub-project on female-headed households will be taken up on a case-to-case basis and assistance to these households will be treated on a priority basis. During disbursement of compensation and provision of assistance, priority will be given to female-headed households. Additionally, women headed households are considered as vulnerable and provision for additional assistance has been made in the entitlement of the RP. Provision for equal wage and health safety facilities during the construction by the contractor will be ensured by the EA.

4. STAKEHOLDERS CONSULTATION AND PARTICIPATION

A. Stakeholders in the Project

61. Consultations with various stakeholders were carried out during various phases of project preparation. The stakeholders in the project are both primary and secondary. The primary stakeholders are project displaced persons (DPs), project beneficiaries, Executing Agency, Implementing Agency especially the officials in BSRDC. The secondary stakeholder includes district magistrates and the revenue official, village heads, head of Gram Panchayat, village administrative officers, village council, district council, NGO and business communities in the area.

B. Public Consultation in the Project

62. Public consultations were arranged at the stage of project preparation to ensure peoples' participation in the planning phase of this project and to treat public consultation and participation as a continuous two-way process beneficial in projecting planning and implementation. Aiming at promotion of public understanding and fruitful solutions of developmental problems such as local needs and problem and prospects of resettlement, various sections of DPs and other stakeholders were consulted through focus group discussions and individual interviews.

C. Methods of Public Consultation

63. Consultations and discussions were held along the project with the affected families and other stakeholders. All displaced households were consulted while interacting with them during the project census survey. Consultation meetings were organized to get wider public input from both the primary and secondary stakeholders. The consultation methods followed to elicit required information (their views & opinions) are detailed below in **Table33**.

Table 33:Methods of Public Consultations

Stakeholders	Consultation Method
Displaced Persons	Through Census Survey involving head of the household as respondent
Village Head/representative of APs	Through Focus Group Discussions (FGD) at affected villages
Local communities	Through Focus Group Discussions (FGD) at affected villages
Women's groups	Through Census survey and Focus Group Discussions (FGD) at affected villages
Vulnerable groups (SC, ST, BPL)	Through Focus Group Discussions (FGD) at affected villages
Executing Agency, Implementing Agency	Individual interview, discussion, joint field visit
Line Departments/Agencies	Individual meeting/interview, discussion

D. Scope of Consultation and Issues

64. All the survey and consultation meetings were organised with free and prior information to the displaced persons and participants. Women members of the survey team assisted women to present their views on their particular concerns. During the consultation process efforts were made by the survey teams to:

- Ascertain the views of the DPs, with reference to road alignment and minimization of impacts;
- Understand views of the community on land acquisition, resettlement issues and rehabilitation options;
- Identify and assess the major socio-economic characteristics of the villages to enable effective planning and implementation;
- Obtain opinion of the community on issues related to the impacts on community property and relocation of the same;
- Examine APs' opinion on problems and prospects of road related issues;
- Identify people's expectations from project and their absorbing capacity;
- Finally, to establish an understanding for identification of overall developmental goals and benefits of the project.

E. Findings of Focused Group Discussions

65. During the resettlement survey, FGDs were conducted in affected villages along the project road. The participants in these FGDs are not limited to the place of meeting or DPs only but also included the other interested parties from the affected villages as all of them road users and beneficiaries under the Project. Further detailed analysis is included in the report of Poverty and Social Assessment (PSA).

66. In addition to the individual consultation with all displaced households during census survey, a total of 75 male and 44 females were consulted separately in 4 consultation meetings/focused group discussions. Some of the major issues that were discussed and feedback received from the villagers during the course of the consultations and measures taken are summarized in the **Table 34**. A detail of consultation is provided in **Appendix-4** and the list of participants and consultation photographs are presented in the **Appendix-5**. Summary of DP's concerns and preferences toward relocation and resettlement were discussed and are recorded in Chapter VII: Relocation of Housing and Settlements.

Table 34: Summary findings of Consultation

Issue	Discussion/Suggestion	Measures Taken
Existing Road Condition	Existing road condition is bad and not sufficient to bear current traffic load. Road is narrow and accident prone due to heavy traffic and high speed of vehicles	The proposed road will have 2 lane specifications, provide all weather connectivity to people living in village along the corridor.
Transport and communication problem	Existing road is narrow and congested and traffic jam is very common in this area.	The project road will provide better connectivity and a faster transportation to distance places
Positive project impact	The positive project impacts perceived by the local people are all weather road, direct access to many facilities, transportation of their agricultural produce, business and employment opportunities, appreciation of land value etc.	The alignment and widening is planned to provide maximum connectivity to the area and benefits to the local people

Issue	Discussion/Suggestion	Measures Taken
Negative project impacts	Loss of residential/commercial structures, loss of livelihood, increase of accidents, pollution.	All loss of structure will be compensated at replacement cost. Loss of livelihoods will also be compensated and assisted by the project including opportunity for laborer in construction work
Rate of compensation	Compensation at replacement cost.	The rate of compensation will be decided as per market value and replacement cost will be given.
Option for relocation	Willingness for self-relocation and cash compensation. Majority of the DPs want cash compensation.	The affected people will be given cash compensation for loss of their assets. The RP implementing agency will assist the DPs during the process.
Income Restoration	Additional assistance for income restoration	The implementation agency will assist in loan from bank, preference will be given to locals in road construction work
Consultation and participation	People want more consultation during project implementation and want to participate in the project	Public consultation will continue throughout the project cycle. Implementing agency will assist people in participation at various stages.
Road safety	The proposed two-lane road may be concern for safety specifically for women and children, accident risk will increase	Proper road safety measures are incorporated in the project design. Special measures like signage, speed breakers at schools, hospitals and market places will provided by the project.
Transparency in Project Implementation	The project should ensure transparency in implementation and quality control	There are provisions like GRC, VLC and direct access to Implementation Office for any complain or grievances
Any other critical issue	Speed breaker, road crossing point drainage and bus stand should be given in habitation areas.	The features are already included in the road design at appropriate locations.

F. Consultation with Officials and Other Stakeholders

67. Other stakeholders in the project such as Executing Agency especially the officials in BSRDCL, PIU staff and the concerned district administration and the revenue officials were also consulted on various issues. The details of some of such consultations are summarized in the **Table 35**.

Table 35: Details of Consultation with Officials

Sl. N.	Name and Designation	Issue discussed	Contact Information
1	Mr. Sanjay Kumar CGM, BSRDCL	Overall Project planning, Coordination,	9431005710
2	Mr. P.C. Gupta GM, BSRDCL	Project proposal, alignment, detailed design report, LA and R&R issue,	9431005702
3	Mr. Premnath DGM (LA) -	DPR, Land acquisition planning,	9431005716

Sl. N.	Name and Designation	Issue discussed	Contact Information
	BSRDCL	collection of revenue map.	
4	Mithilesh Kumar, LA Expert, BSRDCL-HQ	LAP, LRP, and revenue details of affected properties.	8340644841
5	Mr. Achal Kr Rana, Revenue Expert, BSRDC	Land acquisition planning, collection of revenue map and landholder's details, site visit, coordination with line department Drawing, map, data and site verification. Site visit, siet verification, corrdination with line departments etc.	7979873471
6	Mr. Manoj Kumar, DGM, BSRDCL-PIU-Nawada		9431005727
7	Mr. Prem Shankar, Manager (Tech), BSRDCL-PIU-Nawada		9473191634
8	Mr. Shakeel, Office Executive, BSRDCL-PIU-Nawada		7903328548
9	Mrs.VarshaRani (Circle Officer), Govindpur		8544412718
10	Mr.Rajni Kumari (Circle Officer), Narhat		7462077235
11	Mr. Birbal Varun (Circle Officer), Meskaur		8544412719
12	Mr. Lavkesh Kumar (Circle Officer), Hisua		8544412710
13	Mr. Rohit Kumar, (Circle Officer), Akbarpur		8544412717

G. Plan for further Consultation in the Project

68. The effectiveness of the R&R program is directly related to the degree of continuing involvement of those affected by the Project. Several additional rounds of consultations with DPs will form part of the further stages of project preparation and implementation. The RP implementing agency will be entrusted with the task of conducting these consultations during RP implementation, which will involve disclosure on compensation, assistance options, and entitlement package and income restoration measures suggested for the project. The consultation will continue throughout the project implementation period. The following set of activities will be undertaken for effective implementation of the RP:

- In case of any change in engineering alignment planning the DPs and other stakeholders will be consulted in selection of road alignment for minimization of resettlement impacts, development of mitigation measures etc.
- Together with the RP implementing agency, the PIU will conduct information dissemination sessions in the project area and solicit the help of the local community/ leaders and encourage the participation of the DP's in Plan implementation.
- During the implementation of RP, RP implementing agency will organize public meetings, and will appraise the communities about the progress in the implementation of project works, including awareness regarding road construction.

- Consultation and focus group discussions will be conducted with the vulnerable groups like women, SC, ST, and OBC's to ensure that the vulnerable groups understand the process and their needs are specifically taken into consideration.
- To make reasonable representation of women in the project planning and implementation they will be specifically involved in consultation.

69. A Public Consultation and Disclosure Plan will be prepared by PIU and RP implementing agency for the project as per the format below in **Table 36**.

Table 36 : Future Public Consultation and Disclosure Plan

Activity	Task	Timing/Period	Agencies	Remarks
Public Notification	Notify eligibility cut-off date for NTH	March 2022	PIU/ RP implementing agency	
Disclosure of RP	Translate RP in Hindi and disclose at PIU Office and Panchayat	March 2022	PIU / RP implementing agency	
Distribution of R&R information leaflet	Prepare R&R information leaflet and distribute to DPs	May 2022	PIU/ RP implementing agency	
Internet disclosure of the RP	Post RP on ADB and EA website	May 2022	ADB/ RP implementing agency/PIU	
Consultative meetings during joint measurement survey	Face to face meetings with DPs	June 2022	PIU / RP implementing agency	
Disclosure of updated RP	Disclosure after joint measurement survey	July 2022	PIU / RP implementing agency	
Disclosure of the final or updated RP	RP disclosed on ADB and EA website and to affected households and other stakeholders at PIU and/or Panchayat offices	August 2022	ADB/PIU	

H. Information Disclosure

70. To keep more transparency in planning and for further active involvement of DPs and other stakeholders the project information will be disseminated through disclosure of resettlement planning documents. The EA will submit the following documents to ADB for disclosure on ADB's website:

- the final resettlement plan endorsed by the EA after the census of displaced persons has been completed;
- a new resettlement plan or an updated resettlement plan, and a corrective action plan prepared during project implementation, if required; and
- the resettlement monitoring reports.

71. The EA will translate the RP in Hindi and disclose it at PIU office and panchayat office. A resettlement information leaflet containing information on compensation, entitlement and resettlement management adopted for the project will be made available in Hindi language and

distributed to DPs by the RP implementing agency during initial consultation after verification of DPs. For DPs who are illiterate, appropriate and implementable method will be followed in order for the DPs to be notified and informed. RP implementing agency will disseminate relevant information through public consultations and other channels and will pay specific attention to ensure those who are illiterate receive information on a timely basis.

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5. LEGAL FRAMEWORK

A. Introduction

72. The legal framework and principles adopted for addressing resettlement issues in the project have been guided by the existing legislation and policies of the Government of India (GOI), the Government of Bihar and Asian Development Bank. Prior to the preparation of the RP, a detailed analysis of the existing national and state policies was undertaken and the section below provides details of the various national and state level legislations studied and their applicability for the project. This RP is prepared based on the review and analysis of all applicable legal and policy frameworks of the country and ADB policy requirements.

B. Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act (RFCT in LARR), 2013

73. The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (RFCT in LARR Act - 2013) has been effective from January 1, 2014 after receiving the assent of the President of Republic of India. This Act extends to the whole of India except the state of Jammu and Kashmir. The Act replaced the Land Acquisition Act, 1894.

74. The aims and objectives of the Act include: (i) to ensure, in consultation with institutions of local self-government and Gram Sabhas established under the constitution of India, a humane, participative, informed and transparent process for land acquisition for industrialization, development of essential infrastructural facilities and urbanization with the least disturbance to the owners of the land and other affected families; (ii) provide just and fair compensation to the affected families whose land has been acquired or proposed to be acquired or are affected by such acquisition; (iii) make adequate provisions for such affected persons for their rehabilitation and resettlement; (iv) ensure that the cumulative outcome of compulsory acquisition should be that affected persons become partners in development leading to an improvement in their post-acquisition social and economic status and for matters connected therewith or incidental thereto.

75. Section 27 of the Act defines the method by which market value of the land shall be computed under the proposed law. Schedule I outlines the proposed minimum compensation based on a multiple of market value. Schedule II through VI outline the resettlement and rehabilitation entitlements to land owners and livelihood losers, which shall be in addition to the minimum compensation per Schedule I.

76. The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (Amendment) Second Ordinance, 2015: With an intention to overcome the procedural difficulties in land acquisition for important national projects, President of India has issued an amendment ordinance on 30th May 2015. Three main features of the ordinance among others are as following:

- (i) The Chapter II and III of the RFCT in LARR Act - 2013 regarding *determination of social impact assessment and public purpose and special provision to safeguard food security* shall not apply to the project such as (a) vital to national security or defence of India and every part thereof, including preparation for defence or defence production; (b) rural infrastructure including electrification; (c) affordable housing and housing for the poor people; (d) industrial corridors ; and (e) infrastructure and social infrastructure projects

including projects under public private partnership where the ownership of land continues to vest with the Government.

(ii) The five-year period set by the principal Act in Section 24 under sub-section (2), for lapse of 1894 Act shall exclude the cases where acquisition process is held up on account of any stay or injunction issued by any court or the period specified in the award of a Tribunal for taking possession.

(iii) The five-year period set by the principal Act for any land acquired and unused is now will be *a period specified for the setting up of any project or five years, whichever is later.*

C. Legal and Policy Frameworks of Bihar State

77. The legislations and policy concerning the land acquisition and resettlement by State Government of Bihar are discussed in the following section.

1. **Bihar Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Rules, 2014** (Government of Bihar Department of Revenue and Land Reforms Notification No-1401, Dated-27/10/2014)

78. In exercise of the powers conferred by sub-section (2) of Section 109 of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (30 of 2013), the Governor of the State of Bihar notified the rules to apply for land acquisition in the state where the State Government will be the requiring body as defined by the prime Act.

2. **Appointment of Social Impact Assessment Unit by Government of Bihar** (Government of Bihar Department of Revenue and Land Reforms Notification No-647, Dated-09/05/2014)

79. The Government of Bihar has authorized Lalit Narayan Mishra Institute of Economic Development & Social Change, Patna and A N Sinha Institute of Social Studies, Patna as Social Impact Assessment Unit under the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013.

3. **Bihar Raiyati Land Lease Policy 2014 (No. 14/D.L.A (Lease) – Policy – 69/2014 — 1440/R) with Amendment Rules April-2018.**

80. In exercise of the powers conferred under section 104 of The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013, the State Government of Bihar has announced its state policy for taking land on perpetual lease from the raiyats for the works of public purposes as an option for public projects of infrastructure and public purposes. The subsequent amendment of this policy in April 2018 specifies the limit of purchase of land under this policy by Road Construction Department is up to 25 Acres and empowers the Executive Engineers to register the land in their name.

D. ADB's Safeguard Policy Statement (SPS), 2009

81. The objectives of ADB's SPS (2009) with regard to involuntary resettlement are: (i) to avoid involuntary resettlement wherever possible; (ii) to minimize involuntary resettlement by exploring project and design alternatives; (iii) to enhance, or at least restore, the livelihoods of

all displaced persons in real terms relative to pre-project levels; and (iv) to improve the standards of living of the displaced poor and other vulnerable⁷ groups.

82. ADB's SPS (2009) covers physical displacement (relocation, loss of residential land, or loss of shelter) and economic displacement (loss of land, assets, access to assets, income sources, or means of livelihoods) as a result of; (i) involuntary acquisition of land, or (ii) involuntary restrictions on land use or on access to legally designated parks and protected areas. It covers displaced persons whether such losses and involuntary restrictions are full or partial, permanent or temporary.

83. The three important elements of ADB's SPS (2009) are: (i) compensation at replacement cost for lost assets, livelihood, and income prior to displacement; (ii) assistance for relocation, including provision of relocation sites with appropriate facilities and services; and (iii) assistance for rehabilitation to enhance, or at least restore, the livelihoods of all displaced persons relative to national minimum standard of living.

E. Comparison of Government and ADB Policies

84. The new act 'The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013', which has integrated provisions of National Rehabilitation and Resettlement Policy (2007) with that of The Land Acquisition Act (LAA) of 1894 (as amended in 1984), recognizes titleholders and non-titleholders affected by land acquisition area notified under the Act. Whereby, squatters and encroachers on existing government land are excluded from the purview of the act.

85. RFCT in LARR Act – 2013 has come into effect from January 1, 2014. This Act is both complement the revision of the NRRP (2007) and decrease significantly the gaps between the LAA and ADB's SPS, 2009. The Act also expands compensation coverage of the principal act by requiring that the value of trees, plants, or standing crops damaged must also be included and solatium being 100% of the all amounts inclusive. The Act furthermore has match ADB requirements for all compensation to be paid prior to project taking possession of any land.

86. Therefore, the RFCT in LARR Act – 2013 has established near equivalence of the government's policies with those of ADB's SPS, 2009. Adoption of the below principles for the project has ensured that both are covered in their application to this project. A comparison of ADB and Gol policy and measures to fill the gaps is presented in the Table: 37.

Table 37: Comparison of ADB and Gol Policy

	Aspect	ADB Safeguard Requirement	Fair Compensation and Transference in Land Acquisition, Rehabilitation and Resettlement Act, 2013	Measures to Bridge the GAP
1	Screen the project	Screen the project to identify past, present, and future involuntary resettlement impacts and risks. Conduct survey and/or census of displaced persons, including a gender analysis, specifically	4 (I) it is obligatory for the appropriate Government intends to acquire land for a public purpose to carry out a Social Impact Assessment study in consultation with concern Panchayat, Municipality or Municipal Corporation, as the case may be, at village level or ward level in the affected area. The Social Impact Assessment study report shall be made available to the public	Screening of all sub-projects in line with the IR checklist of ADB, towards enabling identification of the potential resettlement impacts and

⁷vulnerable groups include: especially those below the poverty line, the landless, the elderly, women and children, and Indigenous Peoples, and those without legal title to land

	Aspect	ADB Safeguard Requirement	Fair Compensation and Transference in Land Acquisition, Rehabilitation and Resettlement Act, 2013	Measures to Bridge the GAP
		related to resettlement	in the manner prescribed under section 6.	associated risks.
2	Consultation with stake holders and establish grievance redress mechanism	Carryout consultations with displaced persons, host communities and concerned NGOs. Inform all displaced persons of their entitlements and resettlement options	Whenever a Social Impact Assessment is required to be prepared under section 4, the appropriate Government shall ensure that a public hearing is held at the affected area, after giving adequate publicity about the date, time and venue for the public hearing, to ascertain the views of the affected families to be recorded and included in the Social Impact Assessment Report. The Land Acquisition Rehabilitation and Resettlement Authority shall be established in each State by the concerned State Government to hear disputes arising out of projects where land acquisition has been initiated by the State Government or its agencies.	No gap between SPS and FCTLARR.
3.	Improve, or at least restore, the livelihoods of all displaced, and payment at replacement cost	Improve or restore the livelihoods of all displaced persons through: (i) land-based resettlement strategies; (ii) prompt replacement of assets with access to assets of equal or higher value, (iii) prompt compensation at full replacement cost for assets that cannot be restored, and (iv) additional revenues and services through benefit sharing schemes where possible.	The Collector having determined the market value of the land to be acquired shall calculate the total amount of compensation to be paid to the land owner (whose land has been acquired) by including all assets attached to the land. Livelihood losers are eligible for various rehabilitation grants.	No gap between SPS and FCTLARR. Assets to be compensated at replacement cost without depreciation and other Livelihood assistances and income restoration measures will be included.
4.	Assistance for displaced persons	Provide physically and economically displaced persons with needed assistance	Schedule I, provides market value of the land and value of the assets attached to land. Schedule II provides R&R package for land owners and for livelihood losers including landless and special provisions for Scheduled Tribes.	No gap between SPS and FCTLARR. Entitlement Matrix outlines compensation and assistance for DPs.
5.	Improve standard of living of displaced vulnerable groups	Improve the standards of living of the displaced poor and other vulnerable groups, including women, to at least national minimum standards	FCTLARR only provide special provisions scheduled tribe.	Provisions outlined in ADB SPS will be followed for the project
6.	Negotiated Settlement	Develop procedures in a transparent, consistent, and equitable manner if land acquisition is through negotiated settlement to ensure that those people who enter into negotiated settlements	FCTLARR only apply in case of land acquired/purchased for PPP projects and for Private Companies. Section: 2. (2), and 46.	Provisions outlined in ADB SPS will be followed for the project.

	Aspect	ADB Safeguard Requirement	Fair Compensation and Transference in Land Acquisition, Rehabilitation and Resettlement Act, 2013	Measures to Bridge the GAP
		will maintain the same or better income and livelihood status		
7.	Compensation For non-title holders	Ensure that displaced persons without titles to land or any recognizable legal rights to land are eligible for resettlement assistance and compensation for loss of non-land assets.	Non-titleholders on acquired land area is only included but not clear about non-titleholders in existing govt. land	Provisions outlined in ADB SPS will be followed for the project.
8.	Requirement of RP	Prepare a resettlement plan / indigenous peoples plan elaborating on displaced persons' entitlements, the income and livelihood restoration strategy, institutional arrangements, monitoring and reporting framework, budget, and time-bound implementation schedule.	Preparation of Rehabilitation and Resettlement Scheme including time line for implementation. <i>Section: 16. (1) and (2).</i> Separate development plans to be prepared. <i>Section 41</i>	No gap between SPS and FCTLARR. RP will be prepared for project with impact.
9.	Public disclosure	Disclose a draft resettlement plan, including documentation of the consultation process in a timely manner, before project appraisal, in an accessible place and a form and language(s) understandable to displaced persons and other stakeholders. Disclose the final resettlement plan and its updates to displaced persons and other stakeholders	Under clause 18, the Commissioner shall cause the approved Rehabilitation and Resettlement Scheme to be made available in the local language to the <i>Panchayat</i> , Municipality or Municipal Corporation. As the case may be, and the offices of the District Collector, the Sub-Divisional Magistrate and the <i>Tehsil</i> , and shall be published in the affected areas, in such manner as may be prescribed and uploaded on the website of the appropriate Government.	In addition to the publishing of the approved resettlement plan, the RF includes provision for disclosure of the various documents pertaining to RP implementation.
10.	Cost of resettlement	Include the full costs of measures proposed in the resettlement plan and indigenous peoples plan as part of project's costs and benefits. For a project with significant involuntary resettlement impacts and / or indigenous peoples plan, consider the involuntary resettlement component of the project as a stand-alone operation.	16. (l) Upon the publication of the preliminary notification under sub-section (/) of section 11 by the Collector, the Administrator for Rehabilitation and Resettlement shall conduct a survey and undertake a census of the affected families, in such manner and within such time as may be Prescribed, which shall include: (a) particulars of lands and immovable properties being acquired of each affected family; (b) livelihoods lost in respect of land losers and landless whose livelihoods are primarily dependent on the lands being acquired; (c) a list of public utilities and Government buildings which are affected or likely to be affected, where	No gap between SPS and FCTLARR. Cost of resettlement will be covered by the EA.

	Aspect	ADB Safeguard Requirement	Fair Compensation and Transference in Land Acquisition, Rehabilitation and Resettlement Act, 2013	Measures to Bridge the GAP
			resettlement of affected families is involved; (d) details of the amenities and infrastructural facilities which are affected or likely to be affected, where resettlement of affected families is involved; and (e) details of any common property resources being acquired'	
11.	Taking over possession before Payment of compensation	Pay compensation and provide other resettlement entitlements before physical or economic displacement. Implement the resettlement plan under close supervision throughout project implementation.	38 (I) The Collector shall take possession of land after ensuring that full payment of compensation as well as rehabilitation and resettlement entitlements are paid or tendered to the entitled persons within a period of three months for the compensation and a period of six months for the monetary part of rehabilitation and resettlement entitlements listed in the Second Schedule commencing from the date of the award made under section 30.	No gap between SPS and FCTLARR.
12.	Monitoring	Monitor and assess resettlement outcomes, their impacts on the standards of living of displaced persons, and whether the objectives of the resettlement plan have been achieved by taking into account the baseline conditions and the results of resettlement monitoring. Disclose monitoring reports.	48 (I)The Central Government may, whenever necessary for national or inter-State projects, constitute a National Monitoring Committee for reviewing and monitoring the implementation of rehabilitation and resettlement schemes or plans under this Act.	For project, monitoring mechanism and frequency will follow ADB SPS based on categorization.

F. R&R Policy Framework for the Project

87. Based on the above analysis of government provisions and ADB policy, the following resettlement principles are adopted for this Project:

- (i) Screen the project early on to identify past, present, and future involuntary resettlement impacts and risks. Determine the scope of resettlement planning through a survey and/or census of displaced persons, including a gender analysis, specifically related to resettlement impacts and risks. Measures to avoid and minimize involuntary resettlement impacts include the following: (i) explore alternative alignments or locations which are less impacting, (ii) ensure the appropriate technology is used to reduce land requirements, (iii) modify the designs, cross sections, and geometrics of components to minimize the ROW and ensure involuntary resettlement is avoided or minimized.
- (ii) Carry out meaningful consultations with displaced persons, host communities, and concerned nongovernment organizations. Inform all displaced persons of their entitlements and resettlement options. Ensure their participation in planning, implementation, and monitoring and evaluation of resettlement programs. Pay particular attention to the needs of vulnerable groups, especially those below the poverty line, the landless, the elderly, women and children, and indigenous peoples, and those without legal title to land, and ensure their participation in

consultations. Establish a grievance redress mechanism to receive and facilitate resolution of the concerns of displaced persons. Support the social and cultural institutions of displaced persons and their host population. Where involuntary resettlement impacts and risks are highly complex and sensitive, compensation and resettlement decisions should be preceded by a social preparation phase.

- (iii) Improve, or at least restore, the livelihoods of all displaced persons through; (i) land-based resettlement strategies when affected livelihoods are land based where possible or cash compensation at replacement cost for land when the loss of land does not undermine livelihoods, (ii) prompt replacement of assets with access to assets of equal or higher value, (iii) prompt compensation at full replacement cost for assets that cannot be restored, and (iv) additional revenues and services through benefit sharing schemes where possible.
- (iv) Provide physically and economically displaced persons with needed assistance, including the following: (i) if there is relocation, secured tenure to relocation land, better housing at resettlement sites with comparable access to employment and production opportunities, integration of resettled persons economically and socially into their host communities, and extension of project benefits to host communities; (ii) transitional support and development assistance, such as land development, credit facilities, training, or employment opportunities; and (iii) civic infrastructure and community services, as required.
- (v) Improve the standards of living of the displaced poor and other vulnerable groups, including women, to at least national minimum standards. In rural areas provide them with legal and affordable access to land and resources, and in urban areas provide them with appropriate income sources and legal and affordable access to adequate housing.
- (vi) Ensure that displaced persons without titles to land or any recognizable legal rights to land are eligible for all compensation, relocation and rehabilitation measures, except land. .
- (vii) Prepare a resettlement plan elaborating on the entitlements of displaced persons, the income and livelihood restoration strategy, institutional arrangements, monitoring and reporting framework, budget, and time-bound implementation schedule. This resettlement plan will be approved by ADB prior to contract award.
- (viii) Disclose a draft resettlement plan, including documentation of the consultation process in a timely manner, before project appraisal, in an accessible place and a form and language(s) understandable to displaced persons and other stakeholders. Disclose the final resettlement plan and its updates to displaced persons and other stakeholders.
- (ix) Conceive and execute involuntary resettlement as part of a development project or program. Include the full costs of resettlement in the presentation of project's costs and benefits. For a project with significant involuntary resettlement impacts, consider implementing the involuntary resettlement component of the project as a stand-alone operation.
- (x) Pay compensation and provide other resettlement entitlements before physical or economic displacement. Implement the resettlement plan under close supervision throughout project implementation.
- (xi) Monitor and assess resettlement outcomes, their impacts on the standard of living of displaced persons, and whether the objectives of the resettlement plan have been achieved by taking into account the baseline conditions and the results of resettlement monitoring. Disclose monitoring reports.

G. Valuation of Assets

88. The valuation of affected land and structures will be governed by the following process:

89. Land surveys for determining the payment of compensation would be conducted on the basis of updated official records and ground facts. The land records containing information like legal title, and classification of land will be updated expeditiously for ensuring adequate cost compensation and allotment of land to the entitled displaced persons. Records as they are on the cut-off date will be taken into consideration while determining the current use of land. The economically unviable residual land remaining after the land acquisition will be acquired as per the provisions of RFCT in LARR Act, 2013. The owner of such land/property if desired so, will have the right to seek acquisition of his entire contiguous holding/ property provided the residual land is economically unviable. However, the Collector will decide on the viability and acquisition of such land under section 94 (1-4) of RFCTLARR Act, 2013 and his decision will be termed as final.

90. The methodology for verifying the replacement cost for each type of loss will be calculated as per the provision made in the RFCT in LARR Act -2013, which take account of market value, additional solatium, transitional value and therefore, equivalent to the replacement cost defined in the SPS 2009.

1. Valuation of Land:

91. The District Collector/Deputy Commissioner shall determine the market value of the land with assessment of (a) the market value, if any, specified in the Indian Stamp Act, 1899 for the registration of sale deeds or agreements to sell, as the case may be, in the area where the land is situated; or (b) the average sale price for similar type of land situated in the nearest village or nearest vicinity area; or (c) consented amount of compensation as agreed upon, whichever is higher.

92. Where the market value as per above section (1) cannot be determined for the reason that: (a) the land is situated in such area where the transactions in land are restricted by or under any other law for the time being in force in that area; or (b) the registered sale deeds or agreements to sell for similar land are not available for the immediately preceding three years; or (c) the market value has not been specified under the Indian Stamp Act, 1899; the appropriate authority, the State Government concerned shall specify the floor price or minimum price per unit area of the said land based on the Price calculated in the manner specified in the above section (1) in respect of similar types of land situated in the immediate adjoining areas.

93. The market value calculated as per above section (1) shall be multiplied by a factor of (a) 1 (one) to 2 (two) in rural areas based on the distance of project from Urban Area as notified by the State Government; and (b) one in urban areas.

94. Solatium amount equivalent to 100% of the market value calculated on the basis of above (1 or 2) x 3.

Hence;

The cost of land in rural areas = $X + 100\%$ of X ,

The cost of land in urban areas = $X + 100\%$ of X

Where X = Market Value as determined above x 1 to 2.

2. Valuation of Building and Structure:

95. The cost of buildings will be estimated based on updated Basic Schedule of Rates (BSR) as on date without depreciation. Since, all the affected structures belong to non-titleholders, no Solatium will be added to the estimated market value of the structure as it is provided to only the titleholders under the provision of RFCT in LARR Act -2013. During valuation of structure/building following parameters should be taken in to account:

- From where they use to buy materials
- Type of shops
- Distance to be traveled
- Sources (local or foreign) and the cost of various materials
- Who will build the structures (owner or contractor) and whether they will use the hired labor or their own labor;
- Obtaining cost estimates by meeting at least three contractors/suppliers in order to identify cost of materials and labor
- Identifying the cost of different types of houses of different categories and compare the same with district level prices.
- Calculation of the labor cost even if the structure is constructed by the household only without hiring any labor.

96. Even after payment of compensation, DPs would be allowed to take away the materials salvaged from their dismantled houses and shops and no charges will be levied upon them for the same. In case of any structures not removed by the DPs in stipulated 60 days period, a notice to that effect will be issued intimating that DPs can take away the materials so salvaged within 48 hours of their demolition; otherwise, the same will be disposed by the project authority without giving any further notice.

3. Valuation of Trees:

97. Compensation for trees will be based on their full replacement cost. The District Collector/Deputy Commissioner for the purpose of determining the market value of trees and plants attached to the land acquired, use the services of experienced persons/agencies in the field of agriculture, forestry, horticulture, sericulture, or any other field, as may be considered necessary by him.

98. Trees standing on the land owned by the government will be disposed off through open auction by the concerned Revenue Department/ Forest Department. DPs will be provided with an advance notice of three months prior to relocation. Further, all compensation and assistance will be paid to DPs at least 60 days prior to displacement or dispossession of assets.

99. For temporary impact on land and common resources, any land required by the project on a temporary basis will be compensated in consultation with landowners and will be restored to previous or better quality. Implementation issues can be found in the Entitlement Matrix.

6. ENTITLEMENTS, ASSISTANCE AND BENEFITS

A. Introduction

100. The project will have three types of displaced persons i.e., (i) persons with formal legal rights to land lost in its entirety or in part; (ii) persons who lost the land they occupy in its entirety or in part who have no formal legal rights to such land, but who have claims to such lands that are recognized or recognizable under national laws; and (iii) persons who lost the land they occupy in its entirety or in part who have neither formal legal rights nor recognized or recognizable claims to such land. The involuntary resettlement requirements apply to all three types of displaced persons. The project involves land acquisition and therefore legal titleholders will be affected, the RP describes provision for all type of DPs and formulated the entitlement matrix.

B. Cut-off-Date for Entitlement

101. For titleholders in case of land acquisition, the date of publication of preliminary notification for acquisition under section 11 of the RFCT in LARR Act – 2013 will be treated as the cut-off date. For non-titleholders, the cut-off date will be the start date of the census survey which is 11December2021. The cut-off date for non-titleholders will be officially declared by the EA/IA along with the disclosure of RP. DPs who settle in the affected areas after the cut-off date will not be eligible for compensation. They, however, will be given sufficient advance notice, requested to vacate premises and dismantle affected structures prior to project implementation. Their dismantled structures materials will not be confiscated and they will not pay any fine or suffer any sanction.

C. Project Entitlement

102. In accordance with the R&R measures outlined in the previous chapter, all displaced households and persons will be entitled to a combination of compensation packages and resettlement assistance depending on the nature of ownership rights on lost assets and scope of the impacts including socio-economic vulnerability of the displaced persons and measures to support livelihood restoration if livelihood impacts are envisaged. The displaced persons will be entitled to the following five types of compensation and assistance packages:

- a) Compensation for structures (residential/ commercial) and other immovable assets at their replacement cost;
- b) Compensation for the loss of land, crops/ trees at their replacement cost;
- c) Assistance in lieu of the loss of business/ wage income and income restoration assistance;
- d) Assistance for shifting and provision for the relocation site (if required), and
- e) Rebuilding and/ or restoration of community resources/facilities.

103. **Loss of land** will be compensated at replacement cost plus refund of transaction cost (land registration cost, stamp duties etc) incurred for purchase of replacement land with in the time frame mentioned in the entitlement matrix. DPs with traditional title/occupancy rights will also be eligible for full compensation for land at replacement value. If the residual plot(s) becomes not viable three options are to be given to th DP, subject to his acceptance which are (i) The DP remains on the plot, and the compensation and assistance paid to the tune of required amount of land to be acquired, (ii) Compensation and assistance are to be provided for the entire plot including residual part, if the owner of such land wishes that his residual plot

should also be acquired by the IA, the IA will acquire the residual plot and pay the compensation for it. The viability of such plot would be certified by concerned subdivisional magistrate (SDM) and concerned building department of the PWD. (iii) If the DP is from vulnerable group, compensation for the entire land by means of land for land will be provided if DP wishes so, provided that land of equal productive value is available. The replacement of land option will be considered by the District Collector/SDM while acquiring land wherever feasible alternate land is available. All fees, stamp duties, taxes and other charges, as applicable under the relevant laws, incurred in the relocation and rehabilitation process, are to be borne by the EA/IA. Each titleholder family losing land will be entitled for following assistances.

- (i) One time resettlement allowance of Rs. 50,000.
- (ii) One time assistance option from: (i) Where jobs are created through the project, employment for at least one member of the affected family with suitable training and skill development in the required field; or (ii) one-time payment of Rs. 500,000.

104. **Loss of Structures** will be compensated at replacement value with other assistance to the non-titleholders. The details of entitlement will be as:

- (i) Compensation for structure at the replacement cost to be calculated as per latest prevailing basic schedules of rates (BSR) without depreciation.
- (ii) Right to salvage materials from structure and other assets with no deductions from replacement value.
- (iii) One-time Resettlement allowance of Rs. 50,000
- (iv) One-time financial assistance of Rs. 25,000 to the families losing cattle sheds for reconstruction
- (v) One time shifting assistance of Rs. 50,000 towards transport costs etc.

105. **Loss of livelihood due to loss of primary source of income** will be compensated through rehabilitation assistances. There are only non-titleholders in this project losing primary source of income. Details of entitlements for the above categories are described below:

- (i) One-time financial assistance of minimum Rs. 25,000, for skill up-gradation training to DPs opted for (one member of the affected family) income restoration.
- (ii) Preference in employment under the project during construction and implementation.
- (iii) Monthly Subsistence allowance of Rs. 3,000 for one year (total Rs. 36,000) from the date of award

106. **Loss trees and crops** will be compensated by cash compensation. The entitlements to the DPs losing trees will be compensated for trees based on timber value at market price, and compensation for perennial crops and fruit trees at annual net product market value multiplied by remaining productive years; to be determined in consultation with the Forest Department for timber trees and the Horticulture Department for other trees/crops. Since there is no land acquisition under the subproject, no loss of trees is envisaged.

107. **Additional assistance to vulnerable households** (Vulnerable households includes BPL, SC, ST, WHH, disabled and elderly and non-titleholders DPs) will be paid with special assistance as detailed below. The following provision in addition to the compensation for lost assets will ensure that the vulnerable people affected under the Project will be able to improve their standard of living or attain at least national minimal level.

- (i) One-time lump sum assistance of Rs. 25,000 to vulnerable households. This will be paid above and over the other.
- (ii) Receive preference in income restoration training program under the project.
- (iii) Preference in employment under the project during construction and implementation according to their acquired skills.
- (iv) Access to basic utilities and public services.

108. **Loss of community infrastructure/common property resources** will be compensated either by cash compensation at replacement cost to the community (registered trust, society or village committee as appropriate) or reconstruction of the community structure in consultation with the affected community. CPR clearing and reconstruction including any ceremonial/religious expenses to relocate such structures will be undertaken by civil works contractors, and the associated costs are incorporated in their contracts.

109. **Temporary Impacts** on agricultural land due to plant site for contractor etc will be eligible for cash compensation for loss of income potential including:

- (i) Any land required by the Project on a temporary basis will be compensated in consultation with the landholders.
- (ii) Rent at market value for the period of occupation
- (iii) Compensation for assets at replacement cost
- (iv) Restoration of land to previous or better quality
- (v) Location of construction camps will be fixed by contractors in consultation with Government and local community.
- (vi) 60 days advance notice regarding construction activities, including duration and type of temporary loss of livelihood.
- (vii) Cash assistance based on the minimum wage/average earnings per month for the loss of income/livelihood for the period of disruption, and contractor's actions to ensure there is no income/access loss consistent with the EMP.
- (viii) Assistance to mobile vendors/hawkers to temporarily shift for continued economic activity.

110. **Any unanticipated impacts** due to the project will be documented during the implementation phase and mitigated based on provision made in the Entitlement Matrix of this RP.

D. Entitlement Matrix

111. An Entitlement Matrix has been developed for the entire Bihar State Highways III Project and is applicable to phase II also. It summarizes the types of losses and the corresponding nature and scope of entitlements; and is in compliance with National/ State Laws and ADB SPS-2009 (refer to Table 38). Appropriate compensation and assistance will be fully paid prior to any physical or economic displacement.

112. All compensation and other assistances⁸ will be paid to all DPs prior to commencement of civil works. After payment of compensation, DPs would be allowed to take away the materials

⁸ While compensation is required prior to dispossession or displacement of affected people from their assets, the full resettlement plan implementation, which may require income rehabilitation measures, might be completed only over a longer period of time after civil works have begun. Displaced people will be provided with certain resettlement entitlements, such as land and asset compensation and transfer allowances, prior to their displacement, dispossession, or restricted access.

salvaged from their dismantled houses and shops and no charges will be levied upon them for the same. The cost of salvaged materials will not be deducted from the overall compensation amount due to the DPs. A notice to that effect will be issued intimating that DPs can take away the materials.

NOT TO BE USED AS A BID DOCUMENT, ONLY FOR REFERENCE

Table 38: Entitlement Matrix

S.N.	Type of Loss	Application	Definition of Entitled Person	Compensation Policy	Implementation Issues	Responsible Agency
Land						
1-a	Loss of private land	Agricultural land ⁹ , homestead land or vacant plot	Legal titleholders/ Family with traditional titleholders ¹⁰	<ul style="list-style-type: none"> • Compensation at replacement cost or land-for-land where feasible.¹¹If land-for-land is offered, titles will be in the name of original landowners. • One time Resettlement allowance¹² of Rs. 50,000 per affected family¹³ • Each affected family shall be eligible for choosing one time assistance option from: (i) Where jobs are created through the project, employment for at least one member of the affected family with suitable training and skill development 	<ul style="list-style-type: none"> • Compensation accounts for all taxes and fees, and does not account for any depreciation. • Vulnerable households will be identified during the census. • Re-titling to be completed prior to project completion • For option of choosing job created through 	The Valuation Committee will determine replacement value as per the procedures outlined in the subsequent sections of this document. PIU will ensure provision of notice. PIU will verify the extent of impacts through a 100% survey of DPs, determine assistance, and identify vulnerable households.

⁹ The LARR, 2013 Act says no irrigated multi cropped land shall be acquired under this Act, except in exceptional circumstances, as a demonstrable last resort. Wherever such land is acquired, an equivalent area of culturable wasteland shall be developed for agricultural purposes or an amount equivalent to the value of land acquired shall be deposited with the appropriate Government for investment in agriculture for enhancing food-security. Such costing shall also reflect while preparing Resettlement Budget.

¹⁰ Traditional land rights refer to households with customary rights to land, and shall be treated equivalent to titleholders. The Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006 defines "Forest Dwelling Scheduled Tribes" as the members or community of the Scheduled Tribes who primarily reside in and who depend on the forests and forest lands for bona fide livelihood needs and includes the Scheduled Tribe pastoralist communities. The act provides right to in situ rehabilitation including alternative land in cases where the Scheduled Tribes and other traditional forest dwellers have been illegally evicted or displaced from forest land of any description without receiving their legal entitlement or rehabilitation prior to the 13th of December 2005.

¹¹ Including option for compensation for non-viable residual portions.

¹² The LARR Act-2013 specifies that each affected family shall be given one time Resettlement Allowance of Rs.50,000/- only. This is to cover transport and shifting.

¹³ 'Family' includes a person, his or her spouse, minor children, minor brothers and minor sisters dependent on him. Widows, divorcees and women deserted by families shall be considered separate family. An adult of either gender with or without spouse or children or dependents shall be considered as a separate family – as defined under LARR Act-2013.

S.N.	Type of Loss	Application	Definition of Entitled Person	Compensation Policy	Implementation Issues	Responsible Agency
				in the required field; or (ii) One-time payment of Rs. 500,000 per affected family. <ul style="list-style-type: none"> Additional assistance to Vulnerable Households 	project, job will be paid at living wage and monitored by CSC.	
1-b	Loss of private land	Agricultural land, homestead land or vacant plot	Tenants and leaseholders (whether having written tenancy/lease documents or not / Sharecroppers	<ul style="list-style-type: none"> Compensation for rental deposit or unexpired lease (such amount will be deducted from the compensation of land owners). Additional assistance to Vulnerable Households 	<ul style="list-style-type: none"> Land owners will reimburse tenants and leaseholders land rental deposit or unexpired lease Vulnerable households will be identified during the census. 	PIU will confirm land rental and ensure tenants and leaseholders receive reimbursement for land rental deposit or unexpired lease, and report to PIU. PIU will ensure provision of notice.
1-c	Loss of Government land	Vacant plot, Agricultural land, homestead land	Leaseholders	<ul style="list-style-type: none"> Compensation for rental deposit or unexpired lease (such amount will be deducted from the compensation of the lessee). Additional assistance to Vulnerable Households 	<ul style="list-style-type: none"> Vulnerable households will be identified during the census. 	PIU will ensure provision of notice and identify vulnerable households.
1-d	Loss of Government land	Vacant plot, Agricultural land, homestead land, RoW of road	Non-Title Holders/Squatters ¹⁴ , Encroachers ¹⁵	<ul style="list-style-type: none"> At least 60 days advance notice to shift from occupied land. Notice to harvest standing seasonal crops and compensation. Additional assistance to Vulnerable Households 	<ul style="list-style-type: none"> Vulnerable households will be identified/verified during the RP implementation. 	PIU will ensure provision of notice. PIU will identify vulnerable households.
Residential Structures¹⁶						

¹⁴ Squatters are those who have no recognizable rights on the land that they are occupying.

¹⁵ Encroachers are those who build a structure which is in whole or is part of an adjacent property to which he/she has no title. The vulnerability of these encroachers will be based on their other criteria except their NTH status.

S.N.	Type of Loss	Application	Definition of Entitled Person	Compensation Policy	Implementation Issues	Responsible Agency
2-a	Loss of residential structure	Residential structure and other assets ¹⁷	Legal titleholders Family with traditional land right	<p>Each affected family shall be eligible for choosing one time assistance option from:</p> <p>(i) Replacement cost of the structure and other assets (or part of the structure and other assets, if remainder is viable);</p> <p>or</p> <p>(ii) In Rural area, the displaced family will be provided with the option of constructed house as per Indira AawasYojana specifications in lieu of cash compensation;</p> <p>(iii) In Urban area, the displaced family will be provided with the option of constructed house of minimum 50 sq. m. plinth area in lieu of cash compensation.</p> <ul style="list-style-type: none"> • Fees, taxes, and other charges related to replacement structure. • Right to salvage materials from structure and other assets with no deductions from replacement value. • One-time Resettlement allowance of Rs. 50,000 per affected household 	<ul style="list-style-type: none"> • Compensation accounts for all taxes and fees, and does not account for any depreciation. • Vulnerable households will be identified/verified during the RP implementation. 	Valuation committee will verify replacement value. PIU will verify the extent of impacts through a 100% survey of DHs determine assistance, verify and identify vulnerable households.

¹⁶Some of the entitlements under section are the same as previous rows as it is structured separately for each affected category and should not be duplicated in reading.

¹⁷Other assets include, but is not limited to walls, fences, sheds, wells, etc.

S.N.	Type of Loss	Application	Definition of Entitled Person	Compensation Policy	Implementation Issues	Responsible Agency
				<ul style="list-style-type: none"> • One-time financial assistance of Rs. 25,000 to the families losing cattle sheds for reconstruction • All displaced families will receive one time Shifting assistance of Rs. 50,000 towards transport costs etc. • Additional assistance to Vulnerable Households 		
2-b	Loss of residential structure	Residential structure and other assets	Tenants and leaseholders	<ul style="list-style-type: none"> • Replacement cost of part/whole of structure constructed by the tenant/leaseholder, and this will be deducted from the compensation amount of the owner. • Compensation for rental deposit or unexpired lease. • Right to salvage materials (of the portion constructed by tenants or leaseholders) from structure and other assets • One time Resettlement allowance of Rs. 50,000 per affected family • One-time financial assistance of Rs. 25,000 to the families losing cattle sheds for reconstruction. • All displaced families will receive one time Shifting assistance of Rs. 50,000 towards transport costs etc. • Additional assistance to 	<p>Land/structure owners will reimburse tenants and leaseholders rental deposit or unexpired lease.</p> <p>Vulnerable households will be identified/verified during the RP implementation.</p>	Valuation committee will verify replacement value. PIU will verify the extent of impacts through 100% surveys of DHs determine assistance, verify and identify vulnerable households.

S.N.	Type of Loss	Application	Definition of Entitled Person	Compensation Policy	Implementation Issues	Responsible Agency
				Vulnerable Households		
2-c	Loss of residential structure	Residential structure and other assets	Non-Title Holders	<ul style="list-style-type: none"> At least 60 days advance notice to shift. Replacement cost¹⁸ of structure without depreciation Right to salvage materials from structure and other assets without any cost One time Resettlement allowance of Rs. 50,000 per affected family All displaced families (squatters only) will receive one time shifting assistance of Rs. 50,000 towards transport costs etc. Additional assistance to Vulnerable Households 	Vulnerable households will be identified/verified during the RP implementation.	PIU will verify the extent of impacts through a 100% survey of DHs determine assistance, verify and identify vulnerable households.
Commercial Structures						
3-a	Loss of commercial structure	Commercial structure and other assets	Legal titleholders Family with traditional land right	<ul style="list-style-type: none"> Replacement cost of the structure and other assets (or part of the structure and other assets, if remainder is viable) Fees, taxes, and other charges related to replacement structure. Right to salvage materials from structure and other assets with no deductions from replacement value. 	<ul style="list-style-type: none"> Compensation accounts for all taxes and fees, and does not account for any depreciation. <p>Vulnerable households will be identified during the census.</p>	Valuation committee will determine replacement value. PIU will verify the extent of impacts through a 100% survey of DHs determine assistance, verify and identify vulnerable households.

¹⁸Replacement cost will be based on the following elements: (i) fair market value; (ii) transaction costs; (iii) interest accrued, (iv) transitional and restoration costs; and (v) other applicable payments, if any. Where market conditions are absent or in a formative stage, the borrower/client will consult with the displaced persons and host populations to obtain adequate information about recent land transactions, land value by types, land titles, land use, cropping patterns and crop production, availability of land in the project area and region, and other related information.

S.N.	Type of Loss	Application	Definition of Entitled Person	Compensation Policy	Implementation Issues	Responsible Agency
				<ul style="list-style-type: none"> • One time Resettlement allowance of Rs. 50,000 per affected family • One-time financial assistance of Rs. 25,000 to the families losing shop for reconstruction of shop. • All physically displaced families will receive one time Shifting assistance of Rs. 50,000 towards transport costs etc. • Additional assistance to Vulnerable Households 		
3-b	Loss of commercial structure	Commercial structure and other assets	Tenants and leaseholders	<ul style="list-style-type: none"> • Replacement cost of part/whole of structure constructed by the tenant/leaseholder, and this will be deducted from the compensation amount of the owner. • Compensation for rental deposit or unexpired lease. • Right to salvage materials (of the portion constructed by tenants or leaseholders) from structure and other assets • One time Resettlement allowance of Rs. 50,000 per affected family • All displaced families will receive both: (i) One time Shifting assistance of Rs. 50,000 towards transport costs etc.; and (ii) monthly Subsistence allowance of Rs. 	<p>Land/structure owners will reimburse tenants and leaseholders land rental deposit or unexpired lease.</p> <p>Vulnerable households will be identified during the census.</p>	Valuation committee will determine replacement value. PIU will verify the extent of impacts through a 100% survey of DHs determine assistance, verify and identify vulnerable households.

S.N.	Type of Loss	Application	Definition of Entitled Person	Compensation Policy	Implementation Issues	Responsible Agency
				3,000 for one year (total Rs. 36,000) from the date of award <ul style="list-style-type: none"> Additional assistance to Vulnerable Households 		
3-c	Loss of commercial structure	Commercial structure and other assets	Non-Title Holders/Squatters, Encroacher	<ul style="list-style-type: none"> Replacement cost of structure constructed by the squatter Right to salvage materials from structure and other assets One time Resettlement allowance of Rs. 50,000 per affected family All displaced families will receive one time Shifting assistance of Rs. 50,000 towards transport costs etc. Displaced families belong to Scheduled Caste (SC) and Scheduled Tribe (ST) will receive additional one-time Rs. 50,000 as subsistence allowance. Additional assistance to Vulnerable Households 	Vulnerable households will be identified during the census.	PIU will verify the extent of impacts through 100% surveys of DHs determine assistance, verify and identify vulnerable households.
Livelihood						
4	Loss of livelihood	Livelihood	<p>Legal titleholder losing business/ commercial establishment</p> <p>Family with traditional land right</p> <p>Commercial tenant</p> <p>Commercial leaseholder</p>	<ul style="list-style-type: none"> One-time financial assistance of minimum Rs. 25,000. Skill up-gradation training to APs opted for (one member of the affected family) income restoration. Preference in employment under the project during construction and implementation. 	Vulnerable households will be identified/verified during the RP implementation.	<p>PIU will verify the extent of impacts through a 100% survey of DHs determine assistance, verify and identify vulnerable households.</p> <p>For Agricultural laborer (long timer) Only those who are in fulltime / permanent employment</p>

S.N.	Type of Loss	Application	Definition of Entitled Person	Compensation Policy	Implementation Issues	Responsible Agency
			<p>Employee in commercial establishment</p> <p>Agricultural laborer (long term)</p> <p>Artisans</p> <p>Commercial Squatters and Encroachers</p>	<ul style="list-style-type: none"> Monthly Subsistence allowance of Rs. 3,000 for one year (total Rs. 36,000) from the date of award Additional assistance to Vulnerable Households 		<p>of the land owner will be eligible for this assistance. Seasonal agricultural laborers will not be entitled for this assistance.</p>
Trees and Crops						
5	Loss of trees and crops	Standing trees and crops	<p>Legal titleholder</p> <p>Family with traditional land right</p> <p>Agricultural tenant/ leaseholder</p> <p>Sharecroppers</p> <p>Non-Title Holders</p> <p>Squatter</p>	<ul style="list-style-type: none"> Advance notice of 60 days to harvest crops, fruits, and timbers. Compensation for standing crops in case of such loss, based on an annual crop cycle at market value Compensation for trees based on timber value at market price, and compensation for perennial crops and fruit trees at annual net product market value multiplied by remaining productive years; to be determined in consultation with the Forest Department for timber trees and the Horticulture Department for other trees/crops. 	<ul style="list-style-type: none"> Harvesting prior to acquisition will be accommodated to the extent possible Work schedules will avoid harvest season. Seasonal crops will be given at least 60 days' notice. If notice cannot be given, compensation for standing crops will be compensated at market value. Market value of trees/crops has to be determined. 	<p>PIU will ensure provision of notice. Valuation Committee will undertake valuation of standing crops, perennial crops and trees, and finalize compensation rates in consultation with DPs.</p>
Vulnerable						
6	Impacts on vulnerable APs	All impacts	Vulnerable APs	<ul style="list-style-type: none"> One-time lump sum assistance of Rs. 25,000 to 	Vulnerable households will be	<p>PIU will verify the extent of impacts through 100% surveys of DHs</p>

S.N.	Type of Loss	Application	Definition of Entitled Person	Compensation Policy	Implementation Issues	Responsible Agency
				<p>vulnerable households. This will be paid above and over the other assistance provided in items 1, 2, 3, 4 and 5.</p> <ul style="list-style-type: none"> • Receive preferential in income restoration training program under the project. • Preference in employment under the project during construction and implementation. • Access to basic utilities and public services 	<p>identified/verified during the RP implementation.</p>	<p>determine assistance, verify and identify vulnerable households.</p> <p>The PIU with support from the PM/AE and RP Implementation agency¹⁹ will conduct a training need assessment in consultations with the displaced persons so as to develop appropriate income restoration schemes.</p> <p>Suitable trainers or local resources will be identified by PIU and RP implementation agency in consultation with local training institutes.</p>
Temporary Loss						
7	Temporary loss of land ²⁰	Land temporarily required for sub-project construction	<p>Legal titleholders</p> <p>Family with traditional land right</p>	<ul style="list-style-type: none"> • Any land required by the Project on a temporary basis will be compensated in consultation with the landholders. • Rent at market value for the period of occupation • Compensation for assets at replacement cost • Restoration of land to previous or better quality²¹. 	<p>Assessment of impacts if any on structures, assets, crops and trees due to temporary occupation.</p> <p>Site restoration.</p>	<p>Valuation Committee will determine rental value and duration of construction survey and consultation with DPs. PIU will ensure compensation is paid prior to site being taken-over by contractor. Contractor will be responsible for site restoration.</p>

¹⁹When suitable agency is not available, the PIU will be staffed with qualified and experienced social workers to assist the IA in RP implementation

²⁰Temporary possession of land for project purpose can be taken only for three years from the date of commencement of such possession/occupation.

S.N.	Type of Loss	Application	Definition of Entitled Person	Compensation Policy	Implementation Issues	Responsible Agency
				<ul style="list-style-type: none"> Location of construction camps will be fixed by contractors in consultation with Government and local community. 		
8	Temporary disruption of livelihood		Legal titleholders, non-titled APs	<ul style="list-style-type: none"> 60 days advance notice regarding construction activities, including duration and type of disruption. Cash assistance based on the average earnings per month for the loss of income/livelihood for the period of disruption, and contractor's actions to ensure there is no income/access loss consistent with the EMP.²² Assistance to mobile vendors/hawkers to temporarily shift for continued economic activity.²³ 	Identification of alternative temporary sites to continue economic activity.	<p>Valuation Committee will determine income lost.</p> <p>Contractors will perform actions to minimize income/access loss.</p>
Common Resources						
9	Loss and temporary impacts on common resources	Common resources	Communities	<ul style="list-style-type: none"> Replacement or restoration of the affected community facilities – including public water stand posts, public utility posts, temples, shrines, 	Follow ADB SPS	PIU and Contractor.

²¹ If the land has become permanently unfit to be used for the purpose for which it was used immediately before the commencement of such term, and if the persons interested shall so require, the appropriate Government shall proceed under the Act to acquire the land as if it was needed permanently for a public purpose.

²² This includes: leaving spaces for access between mounds of soil, providing walkways and metal sheets to maintain access across trenches for people and vehicles where required, increased workforces to finish work in areas with impacts on access, timing of works to reduce disruption during business hours, phased construction schedule and working one segment at a time and one side of the road at a time.

²³For example, assistance to shift to the other side of the road where there is no construction.

S.N.	Type of Loss	Application	Definition of Entitled Person	Compensation Policy	Implementation Issues	Responsible Agency
				etc.		
Other						
10	Any other loss not identified	-	-	<ul style="list-style-type: none"> Unanticipated involuntary impacts will be documented during the implementation phase and mitigated. 	-	PIU will finalize the entitlements in line with ADB's SPS, 2009.

NOT TO BE USED AS A BID DOCUMENT, ONLY FOR REFERENCE

7. RELOCATION OF HOUSING AND SETTLEMENTS

A. Basic Provision for Relocation

113. The EA will provide adequate and appropriate replacement of structures or cash compensation at full replacement cost for lost structures, adequate compensation for partially damaged structures, and relocation assistance, according to the Entitlement Matrix. The EA will compensate to the non-titleholders for the loss of assets other than land, such as dwellings, and also for other improvements to the land, at full replacement cost.

B. Need for Relocation

114. Despite being a linear project and efforts made to minimize the resettlement impacts, the proposed project will affect residential and commercial structures as a result of which both physical and economic displacement will arise and need of relocation in the project. Efforts are made through various provisions in this resettlement plan to mitigate negative social impacts caused up on displaced persons and communities by supporting relocation of affected households and by restoration of income to a minimum standard.

115. In the project, 265 residential structures owned by 233 households, 332 commercial structures owned by 259 households, 202 residential-cum-commercial structures owned by 195 households and 203 other private structures owned by 179 households are being affected as shown in table below.

Table 39: Loss of Private Structure

Sl. No.	Type of Structure	No. of Structure	DHs
1	Residential Structure	265	233
2	Commercial Structure	332	259
3	Resi+Commercial Structure	202	195
4	Other Private Structure	203	179
Total		1002	866

C. Relocation and Compensation Option by DPs

116. To understand and know the relocation options, DPs were consulted during the census survey and out of total 917 households 842 (92%) have opted for self-relocation and 75 (8%) have opted for project-based relocation. The choice of DPs is further supported by their compensation option as maximum (94%) opted cash compensation against loss of their structure. The details are given in **Table 40**.

Table 40: DPs Choice on Relocation and Compensation

Sl. No.	Relocation Options	No. of Households	%	Compensation Option	No. of Households	%
1	Self-Relocation	842	91.82	Structure for Structure loss	58	6.32
2	Project Assisted Relocation	75	8.18	Cash for Structure loss	859	93.68
Total		917	100.0	100.00	917	100.0

D. Relocation Strategy

117. With the scattered nature of resettlement impacts the residential structures affected in the project are spread all along the sub project road. Most of the DPs preferred for cash compensation and self-relocation and during the focused group discussion, while discussing about relocation options people were very much in favour of resettlement within the village to avoid disruption of community life and problem with host community. Therefore, cash compensation at market rate along with relocation assistances is adopted as more practical solution in this case.

118. All the structures affected in the project as per provisions made in the entitlement matrix will be eligible for the following:

- (i) Compensation for structure will be paid at the replacement cost to be calculated as per latest prevailing basic schedules of rates (BSR) without depreciation,
- (ii) One-time Resettlement allowance of Rs. 50,000 per affected household
- (iii) Shifting assistance to all structures at @ of Rs. 50,000 per structure,
- (iv) Right to salvage materials from structure and other assets with no deductions from replacement value, and

119. To help the DPs losing structures in getting all above entitlements and relocating themselves, following relocation strategy will be adopted in the project:

- a) At least 60 days advance notice before demolition of structure.
- b) Their dismantled structures materials will not be confiscated and they will not pay any fine or suffer any sanction.
- c) The RP implementing agency engaged for RP implementation will assist DPs during verification of assets and will provide necessary counseling on payment of compensation and assistance.
- d) The RP implementing agency will assist the project authorities in ensuring a smooth transition (during the part or full relocation of the DPs), helping the DPs to take salvaged materials and shift.
- e) In close consultation with the DPs, the RP implementing agency will fix the shifting dates agreed with the DPs in writing and the arrangements desired by the DPs with respect to their entitlements.
- f) In case of self-relocation also, the RP implementing agency will assist the DPs in finding alternative land within the village if so desired by the DPs in consultation with village committee and other beneficiaries in the villages.

E. Relocation Strategy for CPR

120. There are 29 common property resources reported to be affected under the sub-project as provided in table 18 of this RP. The CPRs will be compensated either by cash compensation at replacement cost to the community (registered trust, society or village committee as appropriate) or reconstruction of the community structure in consultation with the affected community. CPR clearing and reconstruction including any ceremonial/religious expenses to relocate such structures will be undertaken by civil works contractors, and the associated costs are incorporated in their contracts.

8. INCOME RESTORATION AND REHABILITATION

A. Loss of Livelihoods in the Project

121. The project impacts reveal that due to loss of land and commercial structures 651 households will experience loss of their livelihood. As per the findings of census survey, 259 owners of commercial structures, 195 owners of residential-cum-commercial structures, 188 tenants doing business activity and 9 employees in affected commercial units will be losing their livelihood due to the project. The details of impact on livelihoods in the project are summarized in the **Table 41**.

Table 41 : Loss of Livelihoods in the Project

Sl. No.	Loss	Households	Households
1	Owners of Agricultural Land	0	0.00
2	Agricultural Labourer	0	0.00
3	Agricultural Tenants/ Leaseholders	0	0.00
4	Sharecropper	0	0.00
5	Loss of Commercial Structure	259	39.78
6	Loss of Residential cum Commercial Structure	195	29.95
7	Commercial Tenants	188	28.88
8	Employees in Structures	9	1.38
Total		651	100.00

122. The above table shows that out of total DPs about 71% households are losing livelihood under the subproject. Income losses due to loss of commercial structure will be restored in a sustainable manner; in addition to subsistence allowance and livelihood allowance, DPs will be provided with skill up-gradation and training.

B. Provisions for Loss of Livelihood

123. The DPs losing their livelihoods include titleholders losing land and structures, non-titleholders having commercial structures, and commercial tenants in affected commercial structures and land under the project. In the case of economically displaced persons, regardless of whether or not they are physically displaced, the EA will promptly compensate for the loss of income or livelihood sources at full replacement cost. The EA will also provide assistance such as credit facilities, training, and employment opportunities so that they can improve, or at least restore, their income-earning capacity, production levels, and standards of living to national minimum standard. The RP implementing agency will prepare the micro plan with specific income restoration activities for each DPs at such appropriate time to enable the DPs to initiate restore their income in line with the construction schedule.

124. In cases where land acquisition affects commercial structures which are required to be relocated, affected business owners are entitled to:

- (i) the costs of reestablishing commercial activities elsewhere;
- (ii) the subsistence allowance lost during the transition period; and
- (iii) the costs of transferring the plant, machinery, or other equipment.

125. Business owners with legal rights or recognized or recognizable claims to land where they carry out commercial activities are entitled to replacement property of equal or greater value or cash compensation at full replacement cost. Non-titleholder households losing business structure and livelihood will be compensated for the structure loss and receive

transitional assistance as well. The IA will ensure that no physical displacement or economic displacement will occur until:

- (i) compensation at full replacement will be paid to each displaced person for project components or sections that are ready to be constructed;
- (ii) other entitlements listed in the resettlement plan have been provided to displaced persons; and
- (iii) a comprehensive income and livelihood rehabilitation program, supported by an adequate budget, is in place to help displaced persons improve, or at least restore, their incomes and livelihoods.

C. Income Restoration Measures

126. The entitlement proposed for the project has adequate provisions for restoration of livelihood of the affected communities. The focus of restoration of livelihoods is to ensure that the DPs are able to at least regain national minimum standards. To restore and enhance the economic conditions of the DPs, certain income generation and income restoration programs are incorporated in the RP. To begin with providing employment to the local people during the construction phase will enable them to benefit from the project, reduce the size of intrusive work forces and keep more of the resources spent on the project in the local economy. It will also give the local communities a greater stake and sense of ownership in the project.

127. Among specific rehabilitation measures, capacity building of all the economically displaced persons will be carried out by the project authority. The RP implementing agency to be engaged under the Project will identify the eligible and most suitable candidate from the family by carry out training need assessment and prepare micro plan for rehabilitation of DPs. The RP implementing agency will impart training to the selected/eligible DPs for income restoration and skill up-gradation as per the micro plan. The EA will also provide opportunities to displaced persons to derive appropriate development benefits from the project. The vulnerable DPs will be given preference in availing employment opportunities in project construction work. The women headed households also will be taken care of in a case-to-case basis and the RP implementing agency will help them in forming Self-help Groups (SHGs), establish linkages to available credit facilities, special trainings, and linking them with ongoing govt. schemes. Budget for training in terms of assistance is provided to DPs losing livelihoods and the RP implementing agency will either organize training programs by employing appropriate resource persons or link the DPs to various ongoing training schemes. Fund for training is provided in the R&R budget keeping in view the average expenditure for ongoing training programs in the project area.

D. Additional Support from Ongoing Poverty Reduction Programs

128. In addition to project-sponsored programs, the RP implementing agency will play a proactive role to mobilize DPs to get benefits from various government schemes National Farmer Policy, animal husbandry and dairy development, development of inland fisheries and agriculture, providing kishan credit card, agriculture insurance schemes etc. and ensure their accessibility particularly of vulnerable groups. The RP implementing agency will work with the panchayat governments to make available to the DPs benefits of some of the ongoing pro-poor programs for poverty reduction.

9. RESETTLEMENT BUDGET AND FINANCING PLAN

A. Introduction

129. The resettlement cost estimate for this project includes eligible compensation, resettlement assistance and support cost for RP implementation. The support cost, which includes staffing requirement, monitoring and reporting, involvement of RP implementing agency in project implementation and other administrative expenses are part of the overall project cost. The unit cost for structures and other assets in this budget has been derived through field survey, consultation with affected families, relevant local authorities and reference from old practices. Contingency provisions have also been made to take into account variations from this estimate. Some of the major items of this R&R cost estimate are outlined below:

- Compensation for agricultural, residential and commercial land at their replacement value
- Compensation for structures (residential/ commercial) and other immovable assets at their replacement cost
- Compensation for trees
- Subsistence assistance in lieu of the loss of business and livelihood
- Assistance in lieu of the loss of business/ wage income/ employment and livelihood
- Assistance for shifting of the structures
- Resettlement and Rehabilitation Assistance in the form of Training allowance
- Special assistance to vulnerable groups for their livelihood restoration
- Cost for implementation of RP.

B. Compensation

130. **Private Land:** For the purpose of cost estimate, the unit rate for agricultural land has been estimated on the basis of latest official rate and prevailing market value assessment during census survey. However, the actual compensation for land at replacement cost will be determined by District Collector. For cost estimates of land multiplying factor is taken 1 for urban areas while it is considered as 2 in case of rural areas.

131. **Residential/ Commercial and other structures:** For the purpose of cost estimate, average rates of various types of structures are estimated on the basis of latest BSR and market assessment. The average rate for permanent structures without land has been calculated at Rs. 15,000/m², semi-permanent structures have been calculated at Rs. 10,000/m², and temporary structures have been calculated at the rate of Rs. 5,000/m². However, the actual compensation will be calculated by the professional valuer taking into account the latest BSR without depreciation.

132. **Compensation for tree:** For cost estimate the rate for fruit and non-fruit trees are computed as Rs. 15000 and Rs. 8000 per tree. However, the revenue department will calculate the actual cost of trees during field verification.

C. Assistance

133. All title-holder DPs losing land and non-titleholder DPs losing structures will be eligible for onetime resettlement allowance of Rs. 50,000/- (Rupees Fifty Thousand Only) per affected family.

134. Titleholder DPs losing land will be eligible for onetime assistance of Rs. 5,00,000/- (Rupees Five Lakh Only) per affected family.

135. Titleholder DPs losing structure, non-titleholder DPs losing structures (squatters only) and tenants will be eligible for onetime shifting assistance of Rs. 50,000/- (Rupees Fifty Thousand Only) towards transport costs.

136. DPs losing cattle shed will be eligible for Rs. 25,000/- (Rupees Twenty-Five Thousand Only) as assistance for reconstruction of cattle shed.

137. All DPs losing livelihood will be eligible for monthly subsistence allowance of Rs. 3,000/- per month for a period of one year from the date of award i.e., Rs. 36,000/- (Rupees Thirty-Six Thousand Only) per affected family.

138. All DP losing livelihood will be eligible for onetime financial assistance of minimum Rs. 25,000/- (Rupees Twenty-Five Thousand Only) per affected family.

139. Skill up-gradation training to DPs (one member of the affected family) opted for income restoration. Based on the prevailing training expenditure Rs. 10,000/- (Rupees Ten Thousand Only) per families losing livelihood.

140. Additional onetime assistance of Rs. 25,000 (Rupees Twenty-Five Thousand Only) per affected vulnerable family.

D. Compensation for Community and Government Property

141. The inventory of CPR was conducted under the census survey and the list of the affected CPRs are provided in Appendix3. CPR clearing and reconstruction including any ceremonial/religious expenses to relocate such structures will be undertaken by civil works contractors, and the associated costs are incorporated in their contracts.

E. RP Implementation and Support Cost

142. The unit cost for hiring of the RP implementing agency has been calculated on a lump sum basis for Rs. 6,000,000/- (Rupees Sixty Lakhs Only). The service of RP implementing agency will be required for 2 to 3 years period. Costs will be updated during implementation if required. A 5% contingency has been added in order to adjust any cost escalation during project implementation. For grievance redress process and carrying out consultation during project implementation a lump sum of Rs. 1,000,000/- (Rupees TenLakhs only) is provided. The other cost of RP implementation and administrative activities will be a part of existing departmental expenditure. For hiring of an external monitoring agency/expert a lump sum Rs. 1,500,000(Rupees FifteenLakhs only) has been made.

F. R&R Budget

143. The total R&R budget for the proposed project RP works out to Rs438.24 million. A detailed indicative R&R cost is given in **Table42**.

Table 42:R&R Budget

Sl. No.	Item	Unit	Rate	Amount
A	Compensation for Land	in Acre		in Rupees
1	Compensation for Private Land in Rural Area	0.65	Varied	1,06,28,029
			Multiplied by factor 2	2,12,56,058
			100% solatium	2,12,56,058
	Subtotal A			5,31,40,145
B	Compensation for Structure	in Sq. mtr./mtr.	Rupees	
1	Compensation for Permanent Structure	6,011.35	15,000	9,01,70,250
2	Compensation for Semi-Permanent Structure	2,923.40	10,000	2,92,34,000
3	Compensation for Temporary Structure	1,209.22	5,000	60,46,100
4	Compensation for Boundary Wall	368.20	2,000	7,36,400
	Subtotal B			12,61,86,750
C	Compensation for Trees	Number	Rupees	
1	Fruit Bearing Tree	2	15,000	30,000
2	Non-fruit bearing	11	8,000	88,000
	Subtotal C			1,18,000
D	Assistance	Number		
1	One time assistance to land titleholder	138	5,00,000	6,90,00,000
2	Resettlement allowance to all DPs	971	50,000	4,85,50,000
3	Shifting assistance to DPs losing structure & Tenants	1063	50,000	5,31,50,000
4	One time allowance for skill upgradation to DPs losing Livelihood	651	25,000	1,62,75,000
5	Subsistence allowance to DPs losing Livelihood	651	36,000	2,34,36,000
6	Special assistance to Vulnerable DPs	668	25,000	1,67,00,000
7	Assistance for reconstruction of cattle shed	93	25,000	23,25,000
	Subtotal D			22,94,36,000
E	RP Implementation Support Cost	Number		
1	Hiring of RP Implementation Agency	1	60,00,000	60,00,000
2	Grievance Redressal & Consultation Cost	Lump sum	10,00,000	10,00,000
3	Hiring External Monitoring Agency/Expert	1	15,00,000	15,00,000
	Subtotal E			85,00,000
	Total (A+B+C+D+E)			41,73,80,895
	Contingency (5%)			2,08,69,045
	GRAND TOTAL			43,82,49,940

G. Source of Funding and Fund Flow Management

144. The cost related to resettlement will be borne by the EA. The EA will ensure allocation of funds and availability of resources for smooth implementation of the project R&R activities. The EA will, in advance, initiate the process and will try to keep the approval for the R&R budget in the fiscal budget through the ministry of finance. In the case of assistance and other rehabilitation measures, the EA will directly pay the money or any other assistance as stated in the RP to DPs. The RP implementing agency will be involved in facilitating the disbursement process and rehabilitation program.

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10. GRIEVANCE REDRESS MECHANISM

A. Introduction

145. In the project RP implementation, there is a need for an efficient grievance redress mechanism that will assist the DPs in resolving their queries and complaints. Therefore, formation of Grievance Redress Committee (GRC) will be most important for grievance redress and it is anticipated that most, if not all grievances, would be settled by the GRC.

B. Grievance Redress Mechanism

146. A project-specific grievance redress mechanism (GRM) will be established to receive, evaluate and facilitate the resolution of displaced people's concerns, complaints and grievances about the social and environmental performance at the level of the Project. The GRM will aim to provide a time-bound and transparent mechanism to voice and resolve social and environmental concerns linked to the project. The project-specific GRM is not intended to bypass the government's own redress process, rather it is intended to address displaced people's concerns and complaints promptly, making it readily accessible to all segments of the displaced people and is scaled to the risks and impacts of the project.

147. During project preparation, information regarding GRCs will be disclosed as part of the public consultation process. Grievances related to the implementation of the project will be acknowledged, evaluated, and responded to the complainant with corrective action proposed. The outcome shall also form part of the semi-annual monitoring report that will be submitted to ADB. The decision of the GRCs is binding, unless vacated by the court of law. The GRC will continue to function, for the benefit of the DPs, during the entire life of the project including the maintenance period.

C. Constitution and Function of the GRC

148. The GRC will be headed by the District Collector (DC) or his designated representative. The GRC will have representative from the PIU office, representatives of DPs, particularly of vulnerable DPs, local government representatives, representative of local NGOs and other interest groups. The GRC will meet at least once in each 15 days. Other than disputes relating to ownership rights under the court of law, GRC will review grievances involving all resettlement benefits, compensation, relocation, and other assistance. At least one member from each Panchayat will be a woman. The Committee will co-opt a member from each of the affected Panchayat institution when dealing with matters coming from a particular panchayat. Some of the specific functions of the GRC will be as following:

- To provide support for the DPs on problems arising out of land/property acquisition like award of compensation and value of assets;
- To record the grievances of the DPs, categorize and prioritize the grievances that needs to be resolved by the Committee and solve them within a month;
- To inform PIU of serious cases within an appropriate time frame; and
- To report to the aggrieved parties about the development regarding their grievance and decision of PIU.

149. It is proposed that GRC will meet regularly (at least twice in a month) on a pre-fixed date. The committee will look into the grievances of the people and will assign the responsibilities to implement the decisions of the committee. The claims will be reviewed and resolved within 15 days from the date of submission to the committee. All Grievances will be routed through the RP implementing agency to the GRC. Through public consultations, the DPs will be informed that they have a right to grievance redress. The DPs can call upon the

support of the RP implementing agency to assist them in presenting their grievances or queries to the GRC. The RP implementing agency will act as an in-built grievance redress body. The DPs, who would not be satisfied with the decision of the GRC, will have the right to take the grievance to the BSRDC Head Office for its redress. Failing the redressal of grievance at BSRDC, the DPs may take the case to Judiciary. Taking grievances to Judiciary will be avoided as far possible and the RP implementing agency will make utmost efforts at reconciliation at the level of GRC. All grievances received (written or oral) and their redress will be recorded and documented properly. The EA will ensure that, such records will be made available to the external monitor or ADB review mission on request. All the GRC related expenses will be borne by the project.

150. People who are, or may in the future be, adversely affected by the project may submit complaints to ADB's Accountability Mechanism. The Accountability Mechanism provides an independent forum and process whereby people adversely affected by ADB-assisted projects can voice, and seek a resolution of their problems, as well as report alleged violations of ADB's operational policies and procedures. Before submitting a complaint to the Accountability Mechanism, affected people should make a good faith effort to solve their problems by working with the concerned ADB operations department. Only after doing that, and if they are still dissatisfied, should they approach the Accountability Mechanism.²⁴

11. INSTITUTIONAL ARRANGEMENT

A. Institutional Requirement

151. For implementation of RP there will be a set of institutions involve at various levels and stages of the project. For successful implementation of the RP the proposed institutional arrangement with their role and responsibility has been outlined in this section. The primary institutions, who will be involved in this implementation process, are the following:

- Bihar State Road Development Corporation (BSRDC), Government of Bihar
- Project Implementation Unit (PIU)
- RP Implementing Agency
- Village Level Committee (VLC)
- District Grievance Redress Committee (GRC)
- Construction Supervision Consultant (CSC)/Authority Engineer (AE)

B. Executing Agency

152. The Executing Agency (EA) for the Project is BSRDC, Government of Bihar. The EA, headed by MD will have overall responsibility for implementation of loan and will also be responsible for the overall coordination among ADB, Government of Bihar. BSRDC has already set up a Project Implementation Unit (PIU) for implementation for the project which will be functional for the whole Project duration.

C. Resettlement Management at PIU

153. For resettlement activities, PIU will do the overall coordination, planning, implementation, and financing and monitoring. The PIU is headed by Deputy General Manager (DGM) and assisted by two Managers. Each of the Managers will be responsible for looking after the Land Acquisition and R&R activities of respective sections i.e. North and South sections. The PIU will hire an RP implementing agency for supporting implementation of resettlement activities in the project. The PIU will maintain all databases, work closely with DPs and other stakeholders and monitor the day today resettlement activities. Some of the specific functions of the PIU with regards to resettlement management will include:

- Overall responsibility of implementation and monitoring of R&R activities in the Project;
- Ensure availability of budget for R&R activities;
- Liaison lined agencies support for land acquisition and implementation of RP;
- Selection and appointment of the RP implementing agency.
- Coordinating with line Departments, PIU, RP implementing agency and CSC/AE.
- Monitor physical and financial progress on land acquisition and R&R activities;
- Participate in regular meetings in GRC; and
- Organize monthly meetings with the RP implementing agency to review the progress on R&R

D. RP implementing agency

154. Involuntary resettlement is a sensitive issue and strong experience in R&R matters along with community related skills will be required by the PIU in order to build a good rapport with the affected community and facilitate satisfactory R&R of the DPs. To overcome this deficiency, experienced and well-qualified RP implementing agency in this field will be engaged to assist the PIU in the implementation of the RP. The RP implementing agency would play the role of a facilitator and will work as a link between the PIU and the

affected community. RP implementing agency will assist DPs in income restoration by preparing micro plan and guiding to access into various ongoing government development schemes and agencies providing financial assistance and loan. Taking into account the significant role of the RP implementing agency in RP implementation, it is extremely important to select the agency that are capable, genuine and committed to the tasks assigned in order to ensure the success of the Plan. The Terms of Reference for the RP implementing agency is appended as **Appendix:6**.

155. The roles and responsibilities of various agencies to be involved in resettlement planning process and implementation of resettlement activities are summarized in **Table43**.

Table 43 : Agencies Responsible for Resettlement Implementation

Key Agency	Responsibility
EA (BSRDC)	<ul style="list-style-type: none"> • Make final decision on roads to be included under the project • Overall responsibility for project design, feasibility, construction and operation and guide PIU • Ensure that sufficient funds are available to properly implement all agreed social safeguards measures • Ensure that all project comply with the provisions of ADB's SPS 2009 and GoI's policies and regulations • Submit semi-annual safeguards monitoring reports to ADB
Project Implementation Unit (PIU)	<p>(a) District Level</p> <ul style="list-style-type: none"> • Disseminate project information to the project affected community with assistance from DPR Consultants • Ensure establishment of Grievance Redress Committee at the district level for grievance redress with assistance from DPR Consultants <p>(b) Field Level</p> <ul style="list-style-type: none"> • Disclosure of project information in public spaces and through relevant media. • Disseminate project information to the community in coordination with DPR Consultants • Facilitate the socioeconomic survey and census • Facilitate consultation by the civil works contractor with community throughout implementation • Oversee land acquisition and coordinate with Deputy Commissioner • Supervise the mitigation measures during implementation and its progress • Conduct internal monitoring and prepare reports
Detailed Project Report (DPR) Consultants	<ul style="list-style-type: none"> • Undertake consultations involving community and DPs • Prepare due diligence report if no land acquisition • Encourage community/ DPs to voluntarily participate during the implementation
RP Implementing Agency	<ul style="list-style-type: none"> • Assist in the implementation of the RP if involuntary resettlement is identified.
Construction Supervision Consultant (CSC)/ Authority Engineer (AE)	<ul style="list-style-type: none"> • Provide technical support and advise to the IAs in the implementation of the RP specifically for addressing complaints and grievances and participate in resolving issues as a member of the GRC • Monitor and assist the RP implementing agency by providing Technical Support and advice during implementation of RP. • Provide technical advice and on the job training to the contractors as necessary • Preparation of semi-annual monitoring reports based on the monitoring checklists and submission to RDA for further submission to ADB • Act as External Monitor for project with significant impact
Contractor	<ul style="list-style-type: none"> • Consult community and PIU regarding location of construction camps • Sign agreement with titleholder for temporary use of land and restore the land to equal or better condition upon completion

Key Agency	Responsibility
	<ul style="list-style-type: none"> Commence construction only when alignment is free of encumbrance Respond in a timely fashion to recommendations from GRCs
District level officials	<ul style="list-style-type: none"> Provide any existing socioeconomic information, maps and other related information to DPR Consultant prior to the field data/information collection activities. Act as the local focal point of information dissemination Execute land acquisition process
Community Based Organizations	<ul style="list-style-type: none"> Ensure the community participation at various stages of the project Coordination with stakeholder organizations Assist in Monitoring of the project Providing indigenous knowledge as required
Village Level Committee	<ul style="list-style-type: none"> Provide correct and accurate data and information from project formulation stage Assist the project team to implement the project smoothly Arrange proper community participation
ADB	<ul style="list-style-type: none"> Review due diligence report/RP and endorse or modify the project classification Review planning documents and disclose the draft and final reports on the ADB's website as required Monitor implementation through review missions Provide assistance to the EA and IA of project, if required, in carrying out its responsibilities and for building capacity for safeguard compliance Monitor overall compliance of the project to ADB SPS

E. Capacity Building on RP in the EA

156. The BSRDC has already established a PIU headed by a DGM dealing with the land acquisition and resettlement for other projects. These officers have been working closely with the consultant team for the preparation of RP. The designated officials from BSRDC were also actively participated during the preparation of LA Plan and census survey. Capacity building training was also initiated through a series of consultations and informal orientation sessions in the local administration level especially in the local revenue offices. The concerned district collector was also informed about the project and the local revenue officials were consulted for collection of relevant land data and land holders' details. During, the preparation of RP and especially, during the land acquisition and resettlement survey, concerned officials were informed about their role during the implementation of RP particularly during the disbursement of compensation, assistance and relocation etc.

157. To allow an effective execution of all RP related tasks some expansion of the capacity on RP currently available at EA/PIU may be needed. As soon as the project will become effective BSRDC will carry out a capacity need assessment and will define the capacity building activities and if needed the additional experts required. All concerned staff at PIU level involved in land acquisition and resettlement activities will undergo an orientation and training in ADB resettlement policy and management. The ADB's PPTA consultant's resettlement specialist will organize a training workshop and provide training to the PIU staff. Broadly, the training will cover various topics such as (i) Principles and procedures of land acquisition; (ii) Public consultation and participation; (iii) Entitlements and compensation & assistance disbursement mechanisms; Grievance redress; and (iv) Monitoring of resettlement operations. These will be covered through a formal workshop by the consultant under the ongoing technical assistance program. The specific components under the training will cover the following:

- Understanding of the ADB Policy Guidelines and requirements and differences between country policy and laws

- Understanding of the policy and procedure adopted for the Project
- Understanding of the Implementation Schedule activities step-by-step
- Understanding of the Monitoring and reporting mechanism
- Understanding of the economic rehabilitation measures

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12. IMPLEMENTATION SCHEDULE

A. Introduction

158. Implementation of RP mainly consists of compensation to be paid for affected structures and rehabilitation and resettlement activities. The time for implementation of resettlement plan will be scheduled as per the overall project implementation. All activities related to the land acquisition and resettlement must be planned to ensure that compensation is paid prior to displacement and commencement of civil works. The EAs and PIUs will ensure that no physical or economic displacement of displaced households will occur until: (i) compensation at full replacement cost has been paid to each displaced person for project components or sections that are ready to be constructed; (ii) other entitlements listed in the resettlement plan are provided to the displaced persons; and (iii) a comprehensive income and livelihood rehabilitation program, supported by adequate budget, is in place to help displaced persons, improve, or at least restore, their incomes and livelihoods. Furthermore, all RPs will be revised during detailed design, and the updated RPs will be approved by government and ADB and disclosed prior to implementation. Public consultation, monitoring and grievance redress will be undertaken intermittently throughout the project duration. However, the schedule is subject to modification depending on the progress of the project activities. The civil works contract for each project will only be awarded after all compensation and relocation has been completed for project and rehabilitation measures are in place.

B. Schedule for Project Implementation

159. The proposed project R&R activities are divided in to three broad categories based on the stages of work and process of implementation. The details of activities involved in these three phases like Project Preparation phase, RP Implementation phase, Monitoring and Reporting period are discussed in the following paragraphs.

C. Project Preparation Phase

160. The major activities to be performed in this period include establishment of PIU at project level; submission of RP for ADB approval; appointment of RP implementation agency and establishment of GRC etc. The information campaign and community consultation will be a process initiated from this stage and will go on till the end of the project.

D. RP Implementation Phase

161. After the project preparation phase the next stage is implementation of RP which includes issues like compensation of award by EA; payment of all eligible assistance; relocation of DPs; initiation of economic rehabilitation measures; site preparation for delivering the site to contractors for construction and finally starting civil work.

E. Monitoring and Reporting Period

162. As mentioned earlier the monitoring will be the responsibility of PIU and RP implementing agency and will start early during the project when implementation of RP starts and will continue till the complementation of the project. Keeping in view the significant involuntary resettlement impacts, an external monitoring and reporting expert will be hired for the project.

13. MONITORING AND REPORTING

A. Need for Monitoring and Reporting

164. Monitoring and reporting are critical activities in involuntary resettlement management in order to ameliorate problems faced by the DPs and develop solutions immediately. Monitoring is a periodic assessment of planned activities providing midway inputs. It facilitates change and gives necessary feedback of activities and the directions on which they are going. In other words, monitoring apparatus is crucial mechanism for measuring project performance and fulfilment of the project objectives.

B. Monitoring in the Project

165. RP implementation for the project by the RP implementing agency will be closely monitored by the EA. Keeping in view the significance of resettlement impacts of the project and being categorised overall as 'A', the monitoring mechanism for this project will have both internal monitoring by PIU and external monitoring by an external expert.

C. Monitoring by PIU

166. One of the main roles of PIU will be to see proper and timely implementation of all activities in RP. Monitoring will be a regular activity for PIU and Resettlement Officer at this level will see the timely implementation of R&R activities. Monitoring will be carried out by the PIU and RP implementing agency and will prepare monthly reports on the progress of RP Implementation. PIU will collect information from the project site and assimilate in the form of monthly report to assess the progress and results of RP implementation and adjust work program where necessary, in case of delays or any implementation problems as identified. This monitoring will form parts of regular activity and reporting on this will be extremely important in order to undertake mid-way corrective steps. The monitoring by PIU will include:

- (i) **administrative monitoring:** daily planning, implementation, feedback and trouble shooting, individual DP database maintenance, and progress reports;
- (ii) **socio-economic monitoring:** case studies, using baseline information for comparing DP socio-economic conditions, evacuation, demolition, salvaging materials, morbidity and mortality, community relationships, dates for consultations, and number of appeals placed; and
- (iii) **impact monitoring:** Income standards restored/improved, and socioeconomic conditions of the displaced persons. Monitoring reports documenting progress on resettlement implementation and RP completion reports will be provided by the PIU for review and approval from ADB.

D. External Monitoring

167. The monitoring of RP will be undertaken by external monitor hired by the EA. However, as experienced in some of the previous projects the Social Development Monitoring Expert of the CSC/Authority Engineer can also be engaged and in that case the cost mentioned in the R&R budget will be adjusted accordingly. The main objective of this monitoring is to supervise overall monitoring of the project and submit a biannual report to determine whether resettlement goals have been achieved, more importantly whether livelihoods and living standards have been restored/ enhanced and suggest suitable recommendations for improvement. The external monitoring consultant will be mobilized within three months of loan approval and the monitoring will be carried out intermittently during the RP implementation. The external monitor will assess resettlement outcomes, their impacts on the standards of living of displaced persons, and whether the objectives of the