



KINGDOM OF CAMBODIA



Ministry of Mines and Energy (MME)

Electricité du Cambodge (EDC)



**Cambodia Sustainable Energy Transition (CSET) Project
(P510217)**

**Resettlement Policy Framework (RPF)
(Draft Version)**

07 January, 2026

Table of Contents

TABLES	II
FIGURES	II
ABBREVIATIONS AND ACRONYMS.....	III
DEFINITIONS.....	IV
EXECUTIVE SUMMARY.....	1
1. INTRODUCTION	1
1.1 PROJECT BACKGROUND.....	1
1.3 PURPOSE OF LABOR MANAGEMENT PROCEDURES	2
1.2 RATIONALE AND PURPOSE OF THE RESETTLEMENT POLICY FRAMEWORK.....	2
2. ASSESSMENT OF LAND ACQUISITION & RESETTLEMENT IMPACTS.....	3
3. LEGAL FRAMEWORK GOVERNING LAND ACQUISITION & INVOLUNTARY RESETTLEMENT	4
4. SCOPE OF APPLICATION, PRINCIPLES AND PROCESS	9
4.1 SCOPE OF APPLICATION	9
4.2 ELIGIBILITY CRITERIA	10
4.3 PROCESS FOR LAND ACQUISITION	11
4.4 PROCESS OF INVOLUNTARY LAND ACQUISITION/ RESETTLEMENT.....	14
4.5 ENTITLEMENT MATRIX	15
4.6 PROJECT'S COMPENSATION AND SUPPORT POLICY.....	23
5. INSTITUTIONAL AND IMPLEMENTATION ARRANGEMENTS	25
5.1 ELECTRICITÉ DU CAMBODGE	25
5.2 PROJECT MANAGEMENT OFFICE	26
5.3 PROJECT IMPLEMENTATION CONSULTANT	26
5.4 SOCIAL, ENVIRONMENT AND PUBLIC RELATIONS OFFICE	26
5.5 CADASTRAL ADMINISTRATION OFFICE.....	27
5.6 PROVINCIAL REDRESS COMMITTEE	27
6. GRIEVANCE REDRESS MECHANISM	27
7. IMPLEMENTATION ARRANGEMENTS.....	31
7.1 BUDGET AND FINANCING	31
7.2 IMPLEMENTATION SCHEDULE	31
7.3 ESTIMATED COSTS FOR RESETTLEMENT	31
8. INFORMATION DISCLOSURE AND STAKEHOLDER CONSULTATION.....	32
8.1 STAKEHOLDER CONSULTATION.....	32
8.2 INFORMATION DISCLOSURE.....	33
9. MONITORING AND REPORTING	33
9.1 INTERNAL MONITORING	33
9.2 EXTERNAL MONITORING.....	34
9.3 REPORTING	34
10. COSTS AND BUDGET	34
10.1 COSTS	34
10.2 BUDGET.....	34
ANNEX 1: SCREENING FORM FOR LAND ACQUISITION AND RESETTLEMENT	36
ANNEX 2: OUTLINE OF DETAILED RESETTLEMENT PLAN	37
ANNEX 3: INDICATIVE INTERNAL MONITORING INDICATORS FOR LAND ACQUISITION.....	39
ANNEX 4: STRUCTURE OF SUMMARY OF CONSULTATION RESULTS (FOR SUB-PROJECT RESETTLEMENT PLAN)	40
ANNEX 5: EXPROPRIATION PROCEDURES	41

Tables

Table 1. National laws and regulation.....4

Table 2. Summary of Main Gaps Between RGC’s SOP-LAR and WB’s ESS58

Table 3. Summary of Clarifications Between RGC’s SOP-LAR and WB’s ESS5.....8

Table 4. Entitlement Matrix..... 16

Figures

Figure 1. GRM Procedures for EDC.....Error! Bookmark not defined.

Figure 2. GRM Procedures for MMEError! Bookmark not defined.

DRAFT

Abbreviations and Acronyms

AH	Affected Household
BESS	Battery Energy Storage System
COD	Cut-Off Date
COI	Corridor of Impact
CSET	Cambodia Sustainable Energy Transition
C/S	Commune/Sangkat
DED	Detailed Engineering Design
DDIS	Detailed Design Implementation and Supervision
DMS	Detailed Measurement Survey
EDC	Electricité du Cambodge
ESF	Environmental and Social Framework
ESMF	Environmental and Social Management Framework
ESS	Environment and Social Standards
EV	Electric Vehicle
FPIC	Free, Prior and Informed Consent
GRM	Grievance Redress Mechanism
GS	Grid Substation
IOL	Inventory of Loss
IP	Indigenous Peoples
IPP	Indigenous Peoples Plan
IPPF	Indigenous Peoples Planning Framework
Km	Kilometer
LAR	Land Acquisition and Resettlement
MME	Ministry of Mine and Energy
PAP	Project Affected Persons
PRC	Provincial Redress Committee
PIB	Project Information Booklet
PIC	Project Implementation Consultant
PMU	Project Management Unit
RP	Resettlement Plan
RCS	Replacement Cost Study
RPF	Resettlement Policy Framework
RGC	Royal Government of Cambodia
ROW	Right of the Way
SEP	Stakeholder Engagement Plan
SEPRO	Social, Environmental, and Public Relation Office
SEO	Social and Environment Officer
SOP-LAR	Standard Operating Procedures–Acquisition and Resettlement
USD	United States Dollar
WB	World Bank

Definitions

Affected people (AP). In the context of involuntary resettlement, AP are those who are physically displaced (relocation, loss of residential land, or loss of shelter) and/or economically affected (loss of land, assets, access to assets, income sources, or means of livelihood) as a result of (i) land acquisition and involuntary resettlement; or (ii) involuntary restrictions on land use or on access to legally designated parks and protected areas. In the case of AH, it includes all members residing under one roof and operating as a single economic unit who is adversely affected by the project or any of its components.

Assistance. A form of support that includes financial and/or technical support aimed at persons who are physically and/or economically displaced by the project. This aims to assist affected people to recover their livelihoods, including income earning capacity and access to resources (e.g. land, economic opportunity, assets...) to improve, or at least restore, their livelihoods and living standards, in real terms, to the pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher.

Corridor of Impacts (COI). It is the area which is required for construction of the planned civil works under the Project. COI is agreed by the implementing agency and is demarcated by the civil work consultant within which the construction activities will take place.

Cut-Off Date (COD). For this project, the Cut-Off Date is the last day of the first round of consultation that will be held with local people following the disclosure of the project's COI (at public places such as commune/Sangkat public boards, pagodas) to inform the general public of the project area and prevent influx of ineligible persons into project's COI. Any persons who encroach upon the project's COI after the announcement of the Cut-Off Date will not be eligible for any compensation or assistance. Persons not covered in the census result can be eligible for compensation if they can show proof that they have been inadvertently missed during the census survey.

Detailed Measurement Survey (DMS). With the aid of detailed engineering design, this activity involves finalization of the results of the inventory of losses, measurement of affected land and assets attached to land, 100% socioeconomic survey and 100% census of displaced persons.

Disadvantaged individuals/groups. Refers to individuals or groups who, due to certain own circumstances such as their age, gender, disabilities, health, economic and ethnic status, and so forth, are more likely affected adversely by the project impacts and/or more limited in their ability to take advantage of project benefits. Disadvantaged individuals/groups are more likely excluded from, or unable to participate fully in the mainstream consultation process and may require specific assistance to promote inclusion. In this project, disadvantaged individuals/ groups are defined as those who have the following characteristics: i) from an ethnic minority group, (ii) female headed household with dependents, (iii) landless/ limited productive land, (iv) frequent lack of male labor at home (e.g. migrant workers); (v) jobless, or limited economic opportunities; (vi) family member(s) with chronic illness, or disabilities; (vii) elderlies who live on their own; (viii) youth, particularly very young couple with children (early marriage), (ix) live in an especially difficult circumstance, and (x) don't meet above criteria but are concurred by local community as vulnerable to poverty and need project's support to reduce their vulnerability. Disadvantaged individuals are usually from a poor, or a near-poor household.

Economic displacement. Refers to loss of land, assets or access to assets, including those that lead to loss of income sources or other means of livelihood, or both. Economically displaced persons will be provided opportunities to improve, or at least restore, their means of income-earning capacity, production levels, and standards of living.

Eligibility criteria. Criteria that identify the persons who will be affected by the project to determine who will be eligible for compensation, assistance, and to discourage inflow of people ineligible for assistance. Economically displaced persons will be provided opportunities to improve, or at least restore, their means of income-earning capacity, production levels, and standards of living.

Entitlements. Refers to a range of measures comprising compensation payment, financial assistance, and other non-financial support for physical relocation and livelihood restoration to meet the objective of ESS5.

Expropriation process. whereby a public authority, usually in return for compensation, requires a person, household, or community to relinquish rights to land that it occupies or otherwise uses. Expropriation under the Cambodian law refers to the confiscation of ownership or real right to immovable property of a natural person, private legal entity, and legal public entity, which includes land, buildings, and cultivated plants and economically productive crops/trees, for the purpose of constructing, rehabilitating, or expanding public physical infrastructure for the national and public interests with prior and fair compensation.

Grievance Redress Mechanism (GRM). Refers to a mechanism established under the project to receive, resolve, and report back to affected persons the grievance resolution outcome. In the context of the RPF, the GRM aims to address timely and effectively the grievances arising from involuntary land acquisition, physical resettlement, access restrictions as well as economic displacement. The GRM for handling grievances related to environmental and other social aspects arising out of other project activities are specified in project's Stakeholder Engagement Plan.

Indigenous Peoples (IP). According to the World Bank's Environment and Social Framework, the term "Indigenous Peoples/ Sub-Saharan African Historically Underserved Traditional Local Communities" is used in a generic sense to refer exclusively to a distinct social and cultural group possessing all the following characteristics – in varying degrees:

- Self-identification as members of a distinct indigenous social and cultural group and recognition of this identity by others; and
- Collective attachment¹ to geographically distinct habitats, ancestral territories, or areas of seasonal use or occupation, as well as to the natural resources in these areas; and
- Customary cultural, economic, social, or political institutions that are distinct or separate from those of the mainstream society or culture, and
- A distinct language or dialect, often different from the official language or languages of the country or region in which they reside.

Inventory of losses (IOL). A detailed list of affected assets such as a) lands (of various purposes) that are affected by the project, b) assets attached to land such as houses, secondary structures, shops, tombs, trees and cash crops, etc. that support daily livelihood activities of the affected persons. The IOL shows the extent to which land and asset of people are affected, including the land status.

Involuntary resettlement. Refers to project-related land acquisition or restrictions on land use may cause physical displacement (relocation, loss of residential land or of shelter), economic displacement (loss of productive land, assets or access to assets, leading to loss of means of livelihood and/or income. Resettlement is considered involuntary when directly affected persons or communities do not have the right to refuse project related land acquisition or restrictions on land use that result in their displacement.

Land acquisition. Refers to process and methods that are adopted to acquire land for the project purpose. This may include outright purchase, expropriation of property and acquisition of access rights, such as easements or rights of way. Land acquisition may also include: (a) acquisition of unoccupied or unutilized land whether or not the landholder relies upon for income or livelihood purpose; (b) repossession of public

¹ Collective attachment means that for generations there has been a physical presence in and economic ties to land and territories traditionally owned, or customarily used or occupied, by the group concerned, including areas that hold special significance for it, such as sacred sites.

land that is used or occupied by individuals or households; and (c) project impacts that result in land being flooded or otherwise rendered unusable or inaccessible.

Meaningful consultation. Two-way process that (a) begins early in project planning process to gather initial views on project proposal and inform project design; (b) encourages stakeholder feedback, particularly as a way of informing project design and engagement by stakeholders in the identification and mitigation of environmental and social risks and impacts; (c) continues on an ongoing basis, as risks and impacts arise; (d) is based on prior disclosure and dissemination of relevant, transparent, objective, meaningful and easily accessible information in a timeframe that enables meaningful consultation with project stakeholders in a format culturally appropriate, and in relevant local language(s) and is understandable to stakeholders; (e) considers and responds to feedback; (f) supports active and inclusive engagement with project-affected parties; (g) is free of external manipulation, interference, coercion, discrimination, and intimidation; and (h) is documented and disclosed by the Government of Cambodia. Under the RPF, meaningful consultation refers to consultation in respect of land acquisition, economic displacement, and physical resettlement which is clearly stipulated in the Government's Standard Operating Procedures (SOP) for Acquisition and Resettlement (LAR) and incorporates all the above elements.

Negotiated Settlement. Refers to situations where the Borrower needs to acquire specific land or restrict its use for project purposes, the Borrower first tries to arrive at a mutually agreeable negotiated settlement with the landowner/user, rather than doing so through an expropriation proceeding.

Poor individuals/ households. Households who live below the national poverty line – as established by the Royal Government of Cambodia; or as referenced to the poverty line established by the World Bank for Cambodia using at 2019 prices (which is KHR 10,951 per person per day). If the latter is used for the project, the latest national poverty line established by the WB should be used.

Physical resettlement. Physical relocation of residents and/or business that result in loss of residential house(s) or business establishment(s) which cause loss of residence and/or loss of income arise from affected business, respectively. Physical relocation also includes loss of part of existing house that necessitate affected people to repair and/or rebuild an existing/new house in the remaining land at the same location.

Resettlement plan (RP). A plan that is prepared in accordance with the requirements and standards of the World Bank's ESS5.

Replacement cost. A method of valuation that yields compensation sufficient to replace affected assets, plus necessary transaction costs associated with asset replacement. Where markets are active, replacement cost is the market value as established through independent and competent real estate valuation, plus transaction costs. Where functioning markets do not exist, replacement cost may be determined through alternative means, such as calculation of output value for land or productive assets, or the undepreciated value of replacement material and labor for construction of structures or other fixed assets, plus transaction costs. In all instances where physical displacement results in loss of shelter, replacement cost must at least be sufficient to enable purchase or construction of housing that meets acceptable minimum community standards of quality and safety. The valuation method for determining replacement cost should be documented and included in relevant resettlement planning documents. Transaction costs include administrative charges, registration or title fees, reasonable moving expenses, and any similar costs imposed on affected persons. Planned compensation rates may be subject to updating where inflation is high or the period of time between calculation of compensation rates and delivery of compensation is extensive.

Voluntary donation. Defined as the ceding of a property by an owner who is (a) appropriately informed about the project and their right to seek compensation and (b) can refuse to donate. Under WB's ESS5 (paragraph 6), ESS5 does not apply to voluntary, legally recorded market transactions unless such voluntary land transactions may result in displacement of persons other than the seller.

Vulnerable individuals/ households. In this project, vulnerable individuals/ households are defined as those who live just above the national poverty line, including 1) the near-poor (whose daily per capita consumption lies between poverty line and 1.25 times the poverty line), 2) those whose income is marginally above the near-poor line, and 3) those who are from disadvantaged groups (as defined in this project).

DRAFT

Executive Summary

This is an Executive Summary of main points discussed in this Resettlement Planning Framework (RPF). The Executive Summary should not be relied on for full information; the full RPF should be read for this purpose.

This RPF has been prepared by the Electricité du Cambodge (EDC) for the Cambodian Sustainable Energy Transition Project (CSET). This RPF will be applied to all investments to be financed under this CSET. The RPF has been prepared in line with the Royal Government of Cambodia's Standard Operating Procedures on Land Acquisition and Resettlement, and the World Bank's Environmental and Social Standard 5 (WB's ESS5) on Land Acquisition, Restrictions on Land Use and Involuntary Resettlement.

This RPF is considered a living document and shall be modified and updated to the changing situation or scope of the activities. The Detailed Resettlement Plans (DRP) will be developed when and if necessary, in close consultation with the affected households and the World Bank. The DRP is required to submit to the World Bank for review and approval.

The objective of the CSET is to upgrade electricity grids for enhanced capacity, reliability, and efficiency, including integration of renewable energy and clean power imports, enable and promote E-mobility, and drive energy efficiency investments in the industrial sector to support the National Energy Efficiency Program (NEEP). The CSET will be implemented through various activities through three components: (i) Component 1: Grid Strengthening for facilitation of Energy Transition and Regional Power Trade; (ii) Component 2: Industrial Energy Efficiency Investments; and (iii) Component 3: Clean and efficient cooking.

The purpose of this RPF is to guide the preparation of the RPs for subprojects to be identified and confirmed during project implementation. The RPF establish resettlement principles, eligibility criteria, an entitlements matrix, implementation arrangements, a grievance redress mechanism, funding mechanisms, and monitoring and evaluation arrangements.

The key environmental and social risks associated with each project component are as follows:

- Component 1: Grid Strengthening for Energy Transition – Transmission lines and substations may require land acquisition and resettlement, with construction impacts such as noise, dust, and waste generation. Battery Energy Storage Systems (BESS) pose hazardous waste and fire safety risks, while EV infrastructure deployment may affect urban planning and require regulatory updates. Rural electrification under sub-component 1.5 may involve land clearance and disrupt local communities and agriculture.
- Component 2: Industrial Energy Efficiency – Promotes energy-efficient technologies, reducing GHG emissions, but may cause workforce disruptions and OHS risks during equipment installation.
- Component 3: Clean and Efficient Cooking - Promotes energy-efficient technologies, reducing GHG emissions, but may cause workforce disruptions and OHS risks during equipment installation.

Only the Component 1 that may involve land acquisition and physical resettlement. Transmission lines and substations may require land acquisition and resettlement, with construction impacts such as noise, dust, and waste generation. Battery Energy Storage Systems (BESS) pose hazardous waste and fire safety risks, while EV infrastructure deployment may affect urban planning and require regulatory updates. Rural electrification under sub-component 1.5 may involve land clearance and disrupt local communities and agriculture. Component 2 does not involve any land acquisition and physical resettlement.

This RPF is applied to permanent or temporary physical resettlement and economic displacement that are directly caused by the project, and compliant with WB's ESS5. All affected households who have assets in the corridor of impact before the cut-off-date will be eligible for compensation as described in this RPF, regardless of their legal status. The Cut-Off-Date (COD) will be established, documented and disseminated through the subproject area through posting on public board and commune office. The COD for the CSET project is defined as the last day of the first round of consultation that will be held with local people following the disclosure of the project's corridor of impact (COI). The purpose of the COD is to protect the

EDC against any claim by unauthorized persons and minimize the incentive for land speculation and for people to move into the project area in the hope of gaining compensation. The COD needs to be well-documented. Persons not covered may be eligible in case they can show proof that they have inadvertently missed out during the census.

Land acquisition for the Project will be acquired through a negotiated settlement. Where negotiated settlement is not accepted by the AHs, or fails, the EDC will prepare Detailed Resettlement Plan (DRP) in accordance with this RPF for submission to the WB for prior review. The census survey will cover 100% of the Affected People (APs). The Detailed Measurement Survey (DMS) will survey 100% of the APs and be implemented by the Social, Environmental, and Public Relation Office (SEPRO) with the support from the Project Implementation Consultant (PIC) in close cooperation with relevant local authorities. The Replacement Cost Study (RCS) will be conducted in parallel with the DMS by an independent agency hired by the EDC. The WB's ESS5 indicates that in some circumstances, it may be proposed that part or all of the land to be used by the project is donated on a voluntary basis without payment of full compensation. However, the voluntary donation is not applied under the CSET project. EDC will compensate for all losses to all affected people in accordance to this RPF.

The EDC is the project implementation agency, responsible for Component 1, through its Project Management Project (PMU) and Project Management Office (PMO). MME has responsibility for Component 2, which is not related to land acquisition. If there is involuntary resettlement and land acquisition, the EDC will address resettlement and land acquisition in accordance with the policies and procedures in this RPF.

The EDC will set up a Grievance Redress Committee (GRC) as soon as the project commences. GRC will function from construction to operation phase. As practiced, the GRC will include the relevant local commune and/or village chiefs. It will be headed by the PMO and assisted by SEPRO and PIC through the duration of its contract. Other members may include Provincial Officer or their nominee, District Officer from the Cadastral office or their nominee, Contractor and a witness of the affected person; at least one person in the GRC will be female. The SEPRO will maintain a record of all project related grievances and closely and regularly follow up the grievance resolution process to ensure timely resolution.

The cost for all land acquisition, compensation, resettlement assistances, including the cost of any income restoration or support program, if required, for the Project will be financed by EDC. The cost of the preparation of the DRP will also be met from the EDC budget. No financing will be required from the loan proceeds of the Project provided by the WB. The EDC Board will approve DRPs prepared for the Project and based on this will allocate the budget for implementing those DRPs. EDC through SEPRO will pay the compensation and entitlements to the affected persons and make any other relevant transactions, including those related to title adjustments, recruitment of the RCS. The DRP budget will include costs of compensation; assistance; income restoration where/if necessary; recruitment of RCS; administrative costs and contingency. EDC will be responsible for sufficient and timely allocation of funds to ensure smooth DRP implementation.

The EDC will be responsible for monitoring the overall implementation of the CSET project, its process and outcomes of activities set forth in this RPF. EDC will ensure that any negotiations with displaced persons openly address the risks of asymmetry of information and bargaining power of the parties involved in such transactions. The EDC will be to ensure that all compensation payments/arrangements including any negotiated settlements are based on meaningful consultation with affected persons, including those without legal title to assets. A negotiated settlement will offer adequate and fair price for land and/or other assets. The EDC will engage the PIC to assist on documentation the negotiation and settlement processes. EDC remains responsible for the monitoring and reporting of the implementation of the land acquisition activities, if any.

1. INTRODUCTION

1.1 Project Background

1.1.1 Project Context

The Cambodia Sustainable Energy Transition (CSET) Project (P508278) is a World Bank-financed initiative designed to support Cambodia's long-term energy transition by enhancing grid reliability, integrating renewable energy sources, and promoting industrial energy efficiency. The project aligns with Cambodia's Power Development Plan (PDP) and the government's commitment to achieving a 70% renewable energy mix by 2030, while also ensuring energy affordability and security. Through targeted infrastructure investments and policy interventions, the project aims to modernize Cambodia's energy sector, expand electricity access, and improve energy efficiency in key industries.

1.1.2 Project Development Objective and Project Components

- Project Development Objective.

The project aims to support the government's energy sector priorities by:

- strengthening grid reliability and capacity in the Phnom Penh–Kandal corridor.
- deploying grid-scale Battery Energy Storage Systems (BESS) to enable renewable integration and load shifting.
- expanding and reinforcing distribution networks in priority EDC service areas and
- supporting industrial energy-efficiency financing through a simplified credit-line arrangement managed by MME.

These objectives align with the goals of the NEEP and the government's socio-economic development agenda.

- Project Components.

To meet the above PDO, the following project activities will be implemented. These activities are organized into three components, as summarized below:

Component 1: Grid strengthening for Energy Transition (Implemented by EDC – US\$ 115 million IDA)

This component addresses the urgent need to reinforce grid capacity and reliability in support of renewable-energy integration. It includes three sub-components.

- **Sub-Component 1.1 Grid Strengthening (Transmission Lines and Substations) (US\$ 43.5 million)**

Construction of one 230 kV and one 115 kV double-circuit transmission line (approx. 15 km) connecting Lvea Am – Arey Ksat – Chroy Changvar III – Wat Phnom, including two new GIS substations (ARK and CCVIII), extensions of 230kV Line Bays at GS Lvea Am and extensions of 115kV Line Bays at GS Wat Phnom and GS9. Supports Phnom Penh load growth and clean-power imports from Laos.

- **Sub-Component 1.2 Battery Energy Storage System (BESS) (US\$ 35 million)**

Deployment of 100–150 MW grid-scale BESS to enhance system stability and enable load shifting for renewable energy integration.

- **Sub-Component 1.3 Distribution Network Expansion and Strengthening (US\$ 15 million)**

Upgrade and extend distribution lines (MV (underground, overhead lines), poles, transformers) in EDC license areas to reduce losses and improve service quality; prepare for future e-mobility connections and EV infrastructure. Installation of Advanced Meter Infrastructure (AMI) will also be included as part of the component.

Component 2: Industrial Energy Efficiency Improvement (Implemented by MME – US\$ 15 million IDA)

This component promotes the adoption of energy-efficient technologies across Cambodia's industrial sector through concessional credit facilities.

- **Sub-Component 2.1 Industrial Energy Efficiency Credit Line (US\$ 15 million)**
Establishment of a credit line managed by MME and implemented through the SME Bank of Cambodia (as Policy Bank) and the Foreign Trade Bank (FTB) (as Participating Financial Institution). Financing will be provided to industrial enterprises for eligible energy-efficiency technologies. The credit line will support both direct (Type-A) lending model and indirect (Type-B) lending model.

Component 3: Implementation Support and Technical Assistance (US\$ 6.5 million – US\$ 1.5 million IDA + US\$ 5 million Grant)

- **Sub-component 3.1 Implementation Support to MME (US\$ 5 million/Grant)**
Grant support to strengthen MME capacity to manage the energy-efficiency credit line and oversee environmental and social risk management. Covers training, technical consultancy, development of Operational Manual, and ESMS capacity building for policy banks.
- **Sub-component 3.2 Implementation Support to EDC (US\$ 1.5 million/IDA)**
Technical and safeguards support for EDC's PMU on procurement, financial management, engineering supervision, and E&S compliance monitoring through SEPRO.

1.3 Purpose of Labor Management Procedures

This Labor Management Procedures is prepared in accordance with the WB's Environmental and Social Framework (ESF), particularly the ESS2 (Labor and Working Condition), ESS4 (Community Health and Safety), and ESS10 (Stakeholder Engagement and Information Disclosure). The LMP is also in line with relevant laws and regulations of the Royal Government of Cambodia (RGC). The main purpose of the LMP is to identify risks and potential impacts associated with the engagement, use, and management of labor to be engaged under the CSET project. Based on identified risks and potential impacts, mitigation measures, including grievance redress mechanism, and implementation arrangements, are proposed. The LMP is a living document and is subject to update when needed during project implementation.

1.1.3 Project Budget and Implementation Agency**1.2 Rationale and Purpose of the Resettlement Policy Framework****1.2.1 Rationale**

The World Bank's ESS5 on Land Acquisition, Restrictions on Land Use and Involuntary Resettlement requires that the Borrowing country prepares a Resettlement Policy Framework (RPF) in case a project requires land acquisition and/or have restriction on land use, but impact zones of the subprojects cannot be determined during project preparation. Under this CSET project, since the land acquisition and the restriction of land use are anticipated and the number, nature, and scale of subprojects have not been confirmed during project preparation stage, this RPF has been prepared and developed in accordance with the requirements of the World Bank's Environmental and Social Framework (ESF), specifically: ESS5, ESS7, and ESS10; and in compliance with the applicable laws and regulations of the Royal Government of Cambodia.

1.2.2 Purpose

The purpose of this RPF is to guide the preparation of the RPs for subprojects to be identified and confirmed during project implementation. The RPF establish resettlement principles, eligibility criteria, an entitlements

matrix, implementation arrangements, a grievance redress mechanism, funding mechanisms, and monitoring and evaluation arrangements.

2. ASSESSMENT OF LAND ACQUISITION & RESETTLEMENT IMPACTS

2.1 Assessment of land ownership and tenure patterns of the project area

During project preparation, attempt was made to assess the land tenure patterns and land ownership of people who live in and near areas where land acquisition is anticipated for Component 1: Grid Strengthening for Facilitation of Energy Transition and Regional Power Trade. With regards to land tenure pattern, the preliminary assessment which targeted potentially affected area tried to identify whether the land is under: a) public land, b) privately owned land, c) communal or customarily used by Indigenous Peoples, or d) land under dispute for the right of use. Based on the initial screening and discussion with the EDC, it is anticipated that the location for new substations has been proposed on the privately owned land. For the transmission lines, most affected (permanently and temporarily during construction) would be public land under the right of way (ROW). In some cases, community forest land may be affected if the transmission line run across the protected areas, and some tombs where are owned by IP(s). The EDC will acquire privately owned land through negotiated settlement based on meaningful consultation with the Affected Persons. For public land, the EDC will compensate to the land owners 30% of the land value and the full value of trees above 3m in height within the ROW of 30m (15m on each side of the transmission line midline).

2.2 Potential Land Acquisition and Physical Resettlement

The key environmental and social risks associated with each project component are as follows:

- Component 1: Grid Strengthening for Energy Transition – Transmission lines and substations may require land acquisition and resettlement, with construction impacts such as noise, dust, and waste generation. Battery Energy Storage Systems (BESS) pose hazardous waste and fire safety risks, while EV infrastructure deployment may affect urban planning and require regulatory updates. Rural electrification under sub-component 1.5 may involve land clearance and disrupt local communities and agriculture.
- Component 2: Industrial Energy Efficiency – Promotes energy-efficient technologies, reducing GHG emissions, but may cause workforce disruptions and OHS risks during equipment installation and Promotes energy-efficient technologies, reducing GHG emissions, but may cause workforce disruptions and OHS risks during equipment installation.

Component 1 may involve land acquisition and physical resettlement while Component 2 does not involve any land acquisition and physical resettlement.

The potential adverse impacts of activities under Component 1 may include loss of lands, loss of assets affixed to land, loss of value tree, and loss of means of livelihoods, etc., particularly for those whose land are affected/ acquired for the construction activities of 15 km 230 kV double circuit overhead transmission, new 115 kV substations as well as the construction of MV, LV distribution networks to unelectrified villages, the construction of BESS and EV charging station. While the construction of BESS facilities might acquire only a small portion of land (a few hectares) and possibly located on existing EDC land or government land, the acquired land for the 230 kV and 115 kV transmission line may considerably big. It will consist of plots required for the 15m x 15m power towers with 500m interval throughout the 15 kilometers. Even if the line largely follows public roads or existing corridors, there will be a need for tower footing areas and right-of-way (ROW) clearances. This may result in the permanent acquisition of some private lands for tower bases and the establishment of easements where no structures or tall trees are allowed under the lines. The construction of transmission line will not affect houses or other structures, and the physical resettlement is avoided, or minimized through alternative design. EDC will acquire land for new substations through negotiated settlement based on meaningful consultation with affected persons. The EDC will compensate to the land owners 30% of the land value and the full value of trees above 3m in height within the ROW of 30m (15m on each side of the transmission line midline). Given this, the magnitude of land acquisition is anticipated to be site specific and small.

Rural electrification under sub-component 1.3 may involve land clearance and disrupt local communities and agriculture. Potential impacts on land of IP and local communities related to the construction of MV

and LV distribution networks to unelectrified villages. The MV and LV line will pass along the existing roads within the existing right of way of the rural roads and will be strung from concrete poles located approximately 60-80 apart with each pole. The acquire land MV and LV power tower is only 5m x 5m and electric pole of 30cm x 30cm so that the impacts would not significantly affect daily living activities. The construction of MV and LV line will involve mainly manual activities and will be confined to small-scale works including transporting poles to the road side, erection of poles, stringing of conductors and erection of pole mounted transformers where required. No excavation is required other than auguring a hole for the pole footing. Removal or trimming of some roadside trees may be required to ensure appropriate safety clearances for the power lines. Any transformer required will be pole-mounted which will avoid any land requirement. During the final design of the MV and LV line, they will be sited to avoid houses and livelihood assets to the maximum extent possible. Any works that would adversely impact the integrity or productivity of collectively owned IP land would be carefully screened for and excluded. Works maybe undertaken adjacent to collectively owned IP land, but should not impact the integrity or it's productivity. As such FPIC will not be applicable for the project. The construction of Battery Energy Storage Systems (BESS) facilities may require a small portion of land and possibly to locate on the existing land owned by the EDC or the government. The BESS pose hazardous waste and fire safety risks, while EV infrastructure deployment may affect urban planning and require regulatory updates. Extending electrification to floating villages and island communities is challenging and comes with social complexities. These communities do not have formal land, so standard grid extension approaches (like issuing land titles for poles or meters) don't directly apply. There is a risk of exclusion – that the project might find it too difficult to reach these groups and they remain unserved. That would be a missed opportunity and could widen inequality. Conversely, if the project does target them, there are risks around technology use and maintenance (community may not be familiar with solar equipment or batteries, requiring training), and community organization (forming committees to manage a mini-grid, for instance). A specific risk in floating villages is safety: running electricity over water can be dangerous if not done to standard. Low-quality wiring could cause electrocution or fires on wooden houseboats. Community health and safety measures will need to be stringent.

3. LEGAL FRAMEWORK GOVERNING LAND ACQUISITION & INVOLUNTARY RESETTLEMENT

3.1 National Laws and Regulations

The national laws and regulation related to land acquisition and involuntary resettlement is described in Table 1 below.

Table 1. National laws and regulation

Laws/Regulations/ Guidelines/Standards	Responsible Ministry	Key Description
The Land Law (2001)	Ministry of Land Management, Urban Planning, and Construction	<p>This law recognizes the right of the indigenous communities in Cambodia to own immovable property - their land - with collective title.</p> <p>Article 23 of Land Law (2001) defines an indigenous community as a group of people who:</p> <ul style="list-style-type: none"> • Manifest ethnic, social, cultural and economic unity; • Practice a traditional lifestyle; and • Cultivate the lands in their possession according to customary rules of collective use. <p>Article 25 defines the lands of indigenous communities as “those lands where the said communities have established their residencies and where they carry out their traditional agriculture”, and these lands “include not only lands actually cultivated but also includes reserves necessary for the shifting cultivation which is required by the agricultural methods they currently practice”.</p> <p>Article 26 states that ownership of the immovable properties (mentioned in Article 25) is granted by the State to indigenous communities as collective property. This collective property includes all the rights and protections of ownership as are enjoyed by private owners.</p>

The Expropriation Law (2010)	Minister of Economy and Finance	<p>The Expropriation Law (2010) defines land expropriation in the Kingdom of Cambodia by specifying principles, mechanisms, procedures required for land expropriation and for fair and just compensation for affected peoples under any construction, rehabilitation, and public infrastructure projects implemented for public and national interest, and for the development of Cambodia. The law defines the development of public infrastructure as one of its objectives and extends the definition of public infrastructure to any infrastructure “required by the Nation in accordance with the determination made by the government.” Public interest is also understood in a broad manner as “the use of land or property by the public or by public institutions or their agents.” The expropriation of the ownership of immovable property and real right to immovable property can be exercised only if the Expropriation Committee has paid fair and just compensation to the owner and/or holder of real right in advance.</p> <p>The Expropriation Law (2010) has several key Articles relevant to the CSET project:</p> <ul style="list-style-type: none"> • Article 2: The law aims to: (i) ensure just and fair deprivation of legal rights to private property, (ii) ensure prior fair and just compensation, (iii) serve the national and public interest, and (iv) develop public physical infrastructures; • Article 7: Only the State may carry out an expropriation for use in the public and national interests; • Article 22: The amount of compensation to be paid to the owner of and/or holder of real right to the immovable property shall be based on the market prices or replacement costs as of the issuance date of the declaration on the expropriation project. The market prices or replacement costs shall be determined by an independent committee or agent appointed by the Expropriation Committee; • Article 29: A tenant of the immovable property with proper contract shall be entitled to allowance for disturbances as a result of the expropriation including the dismantling of structures, materials, and transportation to the new relocation site. A tenant of the immovable property who is operating a business shall be entitled to compensation for the impact on their business operation and to additional assistance at fair and just compensation to the capital value actually invested for the business operation activities as of the date of the issuance of the declaration on the expropriation project. For the expropriation of a location that is operating business activities, the owner of the immovable property shall be entitled to additional compensation at fair and just compensation against the value of the property actually affected by the expropriation as of the date of the issuance of the declaration on the expropriation project (See Summary of Expropriation Law (2010) in Annex 5).
RGC’s Sub-Decree No.118 ANK/BK (2005) on State Land Management.	Ministry of Land Management, Urban Planning, and Construction	<p>This Sub-Decree defines principle, procedures, mechanisms and institutional arrangement for state land management. In line with key sections of Article 4, public state land has a public interest use and falls within one of the following specific types of property having a public interest use:</p> <p>Properties that have a natural origin, such as</p> <ul style="list-style-type: none"> • Forests • Courses of navigable or floatable water • Natural lakes • Banks of navigable or floatable waters

		<ul style="list-style-type: none"> • Seashores <p>Properties available in its natural state or specifically developed for public use, such as</p> <ul style="list-style-type: none"> • Roads • Tracks • Oxcart ways • Pathways • Gardens and public parks • Reserved land
RGC's Sub-Decree No. 22 ANK/BK (2018) on the Promulgation of the Standard Operating Procedures for Land Acquisition and Involuntary Resettlement (SOP-LAR) for Externally Financed Projects in Cambodia.	Minister of Economy and Finance	The General Department of Resettlement (GDR) of the Ministry of Economic and Finance (MEF) is responsible for providing guidance and clarification to users regarding the SOP-LAR. Given that the proposed CSET project will use counterpart funding for compensation and support, the provisions of SOP-LAR will apply to the proposed CSET and therefore should be read in conjunction with this RPF.
Sub-Decree on Social Land Concession (2003)	Ministry of Land Management, Urban Planning, and Construction	The sub-decree on Social Land Concession (2003) provides for allocations to landless people of state lands for free for residential or family farming purposes, including the provision of replacement land lost in the cases of involuntary resettlement.
Sub-Decree No. 25 on Providing House Ownership (1999)	Ministry of Land Management, Urban Planning, and Construction	<p>Sub-Decree No. 25 on Providing House Ownership (1989) recognize private house ownership including land and confirmed in the 2001 Land Law (Article 4). Cambodians are able to register the land they occupy with the local Cadastral Administration Office (CAO), whereupon a Certificate of Land Title is granted. Issuing a land title is a lengthy process and most offices have major backlogs and pending applications. People are given a receipt and until the official title deed is issued, and the receipt is acceptable proof of real occupants of the land for purposes of sale. The present legal status of land use in Cambodia can be classified as follows:</p> <ol style="list-style-type: none"> Privately-owned land with title: The owner has official title to land and both owners and the CAO have a copy of the deed. Privately-owned land without title: The owner has a pending application for land title and is waiting for the issuance of a title deed. The Cadastral Administration Office recognizes the owner. Land Use Rights Certificate: In this case, a receipt for long-term land use has been issued. This land use right is recognized by CAO. Leased Land: The government or private owners lease the land, usually for a short period. The government can reclaim land if it is needed for a development. Non-legal occupation: The user has no land use rights on land s/he occupies or uses. The CAO does not recognize the use of this land.

3.2 World Bank's Environmental and Social Framework (ESF)

The following World Bank's Environmental and Social Standards (ESSs) are triggered because of its relevance to this RPF. The applied ESSes include:

- **ESS 1: Assessment and Management of Environmental and Social Risks and Impacts**

The objectives of ESS1 are a) Identify, evaluate, and manage environment and social risks and impacts in a manner consistent with the ESSs, b) Adopt a mitigation hierarchy, b) Adopt differentiated measures so that adverse impacts do not fall disproportionately on the disadvantaged or vulnerable, and they are not disadvantaged in sharing development benefits and opportunities, c) Utilize national environmental and social institutions, systems, laws, regulations and procedures where appropriate, b) Promote improved environmental and social performance, in ways which recognize and enhance Government capacity.

- **ESS5: Land acquisition, Restrictions and Land Use and Involuntary Resettlement**

The objectives of ESS5 are a) Avoid or minimize involuntary resettlement by exploring project design alternatives, b) Avoid forced eviction, b) Mitigate unavoidable adverse impacts from land acquisition or restrictions on land use by providing compensation at replacement cost and assisting displaced persons in their efforts to improve, or at least restore, livelihoods and living standards to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher, c) Improve living conditions of poor or vulnerable persons who are physically displaced, through provision of adequate housing, access to services and facilities, and security of tenure, d) Conceive and execute resettlement activities as sustainable development programs, e) Ensure that resettlement activities are planned and implemented as sustainable development programs, with appropriate disclosure of information, meaningful consultation, and informed participation.

- **ESS7: Indigenous Peoples**

The objectives of ESS7 are a) Ensure that the development process fosters full respect for affected parties' human rights, dignity, aspirations, identity, culture, and natural resource-based livelihoods, b) Promote sustainable development benefits and opportunities in a manner that is accessible, culturally appropriate and inclusive, c) Improve project design and promote local support by establishing and maintaining an ongoing relationship based on meaningful consultation with affected parties, d) Obtain the Free, Prior, and Informed Consent (FPIC) of affected parties in three circumstances such as ???, e) Recognize, respect and preserve the culture, knowledge, and practices of Indigenous Peoples, and to provide them with an opportunity to adapt to changing conditions in a manner and in a timeframe acceptable to them

- **ESS10: Stakeholder Engagement and Information Disclosure**

The objectives of this ESS are a) Establish a systematic approach to stakeholder engagement that will help Borrowers identify stakeholders and build and maintain a constructive relationship with them, in particular project-affected parties, b) Assess the level of stakeholder interest and support for the project and to enable stakeholders' views to be taken into account in project design and environmental and social performance, c) Promote and provide means for effective and inclusive engagement with project-affected parties throughout the project life -cycle on issues that could potentially affect them, d) Ensure that appropriate project information on environmental and social risks and impacts is disclosed to stakeholders in a timely, understandable, accessible and appropriate manner and format, and e) Provide project-affected parties with accessible and inclusive means to raise issues and grievances, and allow Borrowers to respond to and manage such grievances.

3.3 Gap Analysis: WB ESF and RGC SOP-LAR

The WB's ESS5 recognizes that land acquisition through projects and land use restrictions can have negative effects on communities and individuals. The WB ESS5 and the RGC's SOP-LAR both have specified its objectives and principles of land acquisition and involuntary resettlement to ensure affected people are not worse off as a result of land acquisition. The principles of the WB's ESS5 and RGC's SOP-LAR are largely similar based on the review/assessment of policy gaps in Table 2 and Table 3. However, in terms of procedures, the SOP-LAR does not have procedures for negotiated settlement and Voluntary Donations (VD). Since the EDC has a lot of experience in acquiring land through a negotiated settlement, particularly under the Asian Development Bank, the negotiated settlement approach could be applied to this project as an overall approach to land acquisition. Approach on VD is not applied under the CSET project because EDC will compensate to all affected households. To assist the EDC in conducting acquisition of land through a negotiated settlement, this RPF spells out the detailed procedures that the EDC will follow in case involuntary acquisition of land through negotiated settlement.

Table 2. Summary of Main Gaps Between RGC's SOP-LAR and WB's ESS5

Items with Difference	RGC's SOP-LAR	WB's ESS5	Measures to Address Differences
Voluntary Donations (VDs)	The SOP deals with land acquisition and <i>involuntary</i> resettlement and therefore does not provide guidance on VDs.	WB ESS5 is also applicable to cases where affected people choose to voluntarily donate land or assets based on conditions set in footnote 10 of ESS5. In some circumstances, and subject to prior Bank approval, VD may be acceptable p[rovided that the Borrower demonstrates that: (a) the potential donor or donors have been appropriately informed and consulted about the project and the choices available to them; (b) potential donors are aware that refusal is an option, and have confirmed in writing their willingness to proceed with the donation; (c) the amount of land being donated is minor and will not reduce the donor's remaining land area below that required to maintain the donor's livelihood at current levels; (d) no household relocation is involved; (e) the donor is expected to benefit directly from the project; and (f) for community or collective land, donation can only occur with the consent of individuals using or occupying the land.	With the current practices of the EDC, VD is not applied. EDC will compensate to all affected households. Therefore, VDs would not be applied under the CEST project. This RPF provides guidance on compensation.

Clarifications on other issues, such as Livelihood Restoration and Assistance, Grievance Redress Mechanism, and Consultations and Stakeholder Engagement, are clarified in Table 3.

Table 3. Summary of Clarifications Between RGC's SOP-LAR and WB's ESS5

Items for Clarification	RGC's SOP-LAR	WB's ESS5	Clarifications
Livelihood Restoration and Assistance	SOP-LAR details specific measures to restore livelihoods which are land-based, employment-based and business-based.	Provision of livelihood restoration and assistance to achieve WB's ESS5 objectives in cases of significant loss of livelihood to assist displaced persons in their efforts to improve, or at least restore, their livelihoods and living standards.	Based on RGC's SOP-LAR, an Income Restoration Program would be provided in order to re-establish sources of livelihoods for those APs who have permanently lost their sources of livelihood. If applicable in CSET project, DRPs will include provisions to ensure livelihood restoration programs are robust and can accurately meet the livelihood restoration objectives in line with WB's ESS5.
Grievance Redress Mechanism	Appendix 8 of the SOP-LAR provides the structure and details on the operating guidelines and procedures of an effective functioning Grievance Redress Mechanism. It provides a three steps process including the registration and recording of complaints and the judicial process if,	Annex 1 of ESS10 includes details of administrative and judicial process on Grievances Redress Mechanisms to handle grievances/complaints under all ESS. Participation in resettlement planning and implementation, including in developing appropriate Grievances Redress	<ul style="list-style-type: none"> • The SOP states that there will be consultations with APs at various stages including during Basic Resettlement Plan and RP preparation. Prior to the preparation of the RP, consultation is carried out to confirm eligibility criteria and discuss entitlement matrix, as well as to introduce GRM. In addition, the copies of the

Items for Clarification	RGC's SOP-LAR	WB's ESS5	Clarifications
	the complaints remain unresolved at the administrative level. The detailed procedures for at each step are also provided in the SOP-LAR.	Mechanisms that are useful and accessible to local people.	Guidelines for GRM are translated in Khmer or/and IPs' language and provided and explained in detail to the APs during the public consultation process. There are clear mechanisms for grievance redress in the SOP. <ul style="list-style-type: none"> While the mechanisms are clearly set out, EDC will ensure it is accessible to all APs, in particular vulnerable APs and women.
Consultations and Stakeholder Engagement	<ul style="list-style-type: none"> The SOP-LAR details out number of steps to carry out consultations at various stages of the land acquisition and resettlement process and compensation. Para 126 mentions that the consultation is undertaken throughout the project cycle. SOP-LAR provides for stakeholder engagement in respect of land acquisition and involuntary resettlement. The SOP-LAR provides for disclosure of the RPF to the stakeholders and public before the approval of the project. Similarly, the DRPs are also disclosed to stakeholders and public after approval by the EDC Boards. 	ESS1 requires that stakeholder engagement with affected and interested stakeholders will be throughout the project cycle in line with the project's Stakeholder Engagement Plan (SEP), including ongoing consultations and document disclosure.	Meaningful consultations, inclusive of all groups and gender including vulnerable persons, as per WB's ESS10 should be conducted, with particular attention to ensuring it is a two-way process, that allows for feedback from APs and they are informed how their feedback was incorporated.

4. SCOPE OF APPLICATION, PRINCIPLES AND PROCESS

4.1 Scope of Application

This RPF is applied to permanent or temporary physical resettlement and economic displacement that are directly caused by the project, and compliance with WB's ESS5.

The RPF is applied also to activities or facilities that, in the judgement of the WB and agreed with the RGC, are associated activities and/or facilities² as defined in the WB' ESS1 (Assessment and Management of Environmental and Social Risks and Impacts). When this is the case, the RPF will be applied to such associated activities and/or facilities – to the extent that EDC has influence over such activities and facilities.

The RPF is not applied to incomes and/or livelihoods that are not directly affected by project's land acquisition or land use restrictions. Such impacts would be addressed under the WB's ESS1 on Assessment

² **Associated facilities or activities** that are not funded as part of the project and are: (a) directly and significantly related to the project; (b) carried out, or planned to be carried out, contemporaneously with the project; and (c) necessary for the project to be viable and would not have been constructed, expanded or conducted if the project did not exist. For facilities or activities to be Associated Facilities, they must meet all three criteria.

and Management of Environmental and Social Risks and Impacts, and under the project's Environmental Code of Practice (ECOP) or, if required, Environmental and Social Management Plan (ESMP) for respective subprojects. The core involuntary resettlement principals are adopted for this CSET project are as follows:

- Land acquisition, and other involuntary resettlement impacts will be avoided or minimized exploring all viable alternative project designs.
- Where unavoidable, a time bound LARP will be prepared and APs will be assisted in improving or at least regaining their pre-project standard of living.
- Consultation with APs on compensation, disclosure of resettlement information to APs, and participation of APs in planning and implementing sub-projects will be ensured.
- Vulnerable and severely affected APs will be provided special assistance.
- Non-titled APs (e.g., informal dwellers or squatters, APs without records/titles) will receive a livelihood allowance in lieu of land compensation and will be fully compensated for losses other than land.
- Legalizable APs will be legalized and fully compensated for land losses.
- Provision of income restoration and rehabilitation will be ensured to all entitled APs.
- EDC will set up transparent, consistent and equitable procedures if land acquisition is through negotiated settlement. It will engage an independent external party to monitor and document the negotiation and to ensure that those people who enter into negotiated settlements maintain the same or better income and livelihood status.
- The LARP will be disclosed to the APs in the local language.
- Payment of compensation, resettlement assistance and rehabilitation measures will be fully provided prior to the contractor taking physical acquisition of the land and prior to the commencement of any construction activities on a particular package.
- Establishment of appropriate grievance redresses mechanisms to solve APs grievance if occurs.

4.2 Measures to Avoid and Minimize Resettlement Impacts

Measures were taken to avoid or at least minimize the resettlement impact by considering potential alternatives and/or adjustment to the design, the route of the transmission line etc. The transmission line alignment and associated substations and the BESS site have been selected to avoid impacts to the greatest extent possible on any residential areas, houses and other structures, and plantation areas. The proposed transmission line alignment has been adjusted accordingly to have only a minimum impact on land, crops and trees. Impact on houses and/or other primary and secondary structures has been avoided.

4.3 Eligibility Criteria

4.3.1 Category of Project Affected Persons

All AHs who have assets in the COI before the COD will be eligible for compensation and resettlement assistance, regardless of their legal status – as follows:

- a) Those who have formal legal rights to land, including customary and traditional rights recognized under the national laws, will be entitled to compensation for the land they lose, all assets affixed to the land, as well as livelihood restoration measures;
- b) Those who do not have formal legal rights to land at the time the census begins but have a claim to such land or assets—provided that such claims are recognized under the national laws or become recognized through a process identified in the resettlement plan, will be entitled to compensation for the land they lose, all assets affixed to the land, as well as income restoration measures; and
- c) Those who have no recognizable legal right or claim to the land they are occupying will be entitled to all assets affixed to the land, as well as income restoration measures. In cases where the remaining portion of land is no longer viable they will be entitled to a replacement plot.

Persons covered under a) and b) are provided with replacement land or cash compensation at full replacement cost for the land they lose, payment for partially or fully affected non-land assets they own and resettlement assistance in cash or in-kind. Persons covered under c) are provided compensation at full replacement cost for loss of assets they own (other than land), and for improvements they made on land,

and resettlement assistance, as necessary, to ensure they could restore those livelihoods to pre-project level, if they occupy the subproject area prior to the established cut-off date.

4.3.2 Cut-Off-Date

The eligibility criteria for compensation and support will be limited to the Cut-Off Date (COD). The COD for the CSET project is defined as the last day of the first round of consultation³ that will be held with local people following the disclosure of the project's corridor of impact (COI) based on a preferred alignment selected by the EDC. The purpose of the COD is to protect the EDC against any claim by unauthorized persons and minimize the incentive for land speculation and for people to move into the project area in the hope of gaining compensation. People whose assets such as houses, structures, business, crops, etc. are located in a subproject area before the COD for the subproject is announced will be eligible for compensation for their affected assets, loss of livelihoods, and livelihood restoration support – regardless of the legal status of the affected land⁴. People who occupy any land portion of the subproject area after the COD is publicly announced will not be eligible for any compensation or any other assistance. People who have been inadvertently missed during the census survey could be eligible if they can show proof of being missed out during the census or loss survey.

4.4. Process for Land Acquisition

4.4.1 Approach for Land Acquisition

4.4.1.1 Socio-economic Survey

Socioeconomic information of APs will be obtained through a SES. The SES will serve as a referenced baseline of DP's living conditions and will form part of the monitoring and evaluation data that will assess the extent to which the measures in the LARP are effective in mitigating land acquisition and resettlement impacts. The SES will be conducted by the EDC's Land acquisition and compensation Unit/ Social and Environmental Public Relations Office (SEPRO) with support from the project management and implementation consultants, and in cooperation with local authorities and village representatives. The sample size of the SES is 100% of the AHs for the Draft LARP.

The SES shall be conducted in parallel with the IOL survey so that the IOL includes gender disaggregated data. The SES should include the socioeconomic data of the AHs and APs and a record of type and level of loss. The following data will be collected through SES:

- i. Data on displaced households. (a) demographic data (household composition by age, gender, relationship, ethnicity, (b) education levels); (c) social data (such as on family, community, ethnic, religious background); (d) income and assets (individual, corporate, or collective incomes as well as ownership of land, livestock, fishing boats, shops, wood lots, among households) as well as expenditures; (e) occupation (farmers, teachers, shopkeepers, artisans, laborers, transporters, students, spiritual leaders, etc.); (f) access to public services (health care, water supply and sanitation, education, transport, etc.); (g) gender roles and issues; and; (h) attitudes and preferences on resettlement.
- ii. Data on Land and Area. (a) Map of the area and villages affected by land acquisition; (b) Total land area acquired for the proposed project; (c) Land type and land use; (d) Ownership, tenure and land-use patterns; (e) Land acquisition procedures and compensation; (f) Existing civic facilities and infrastructures; and (g) Cultural systems and sites.

³ Consultation with potential affected people will be organized at public venues such as commune hall, pagoda. Subproject related information will be posted at the public boards of respective commune/Sangkat, or pagodas to inform the general public of the project area and prevent influx of ineligible persons into project's COI.

⁴ With formal legal rights to land or assets lost in its entirety or in part; without formal legal rights to land or assets lost in its entirety or in part but with recognized or recognizable claim under national law; with no recognizable legal right or claim to land or assets lost in its entirety or in part they occupy and use.

4.4.1.2 Census Survey and Inventory of Loss

Census and IOL need to be undertaken to prepare the draft LARP. Census of the affected persons and their affected assets will be undertaken based on the preliminary design to determine the magnitude of displacement and prospective losses, identify vulnerable groups for targeting, ascertain costs of resettlement, and prepare a rehabilitation program for implementation. The purpose is to: (i) register all the affected/displaced persons; (ii) assess their income and livelihoods; and (iii) carry out inventory of their assets affected due to the project; (iv) provide gender-disaggregated information pertaining to the economic and socio-cultural conditions of the displaced persons; (v) identify the individuals and groups who may be differentially or disproportionately affected by the project. The census and IOL will cover 100% of displaced persons. The data collected during the IOL as well as SES will constitute the formal basis for determining DP entitlements and levels of compensation. Vulnerable households need to be enumerated which include the following: Total number of people living in each household should be listed: households classified as poor through the Identification of Poor Households Project; the landless, the elderly, women and children, and Indigenous Peoples, and those without legal title to land.

For each DP, the scope of the data will include:

- Total and affected areas of land, by type of land assets;
- Total and affected areas of structures, by type of structure (main or secondary);
- Taking of photos of the assets to be affected together with the respective APs;
- Legal status of affected land and structure assets, and duration of tenure and ownership;
- Quantity and types of affected crops and trees;
- Quantity of other losses, e.g., business or other income, jobs or other productive assets; estimated daily net income from informal shops;
- Quantity/area of affected common property, community or public assets, by type;
- Summary data on AP households, by ethnicity, gender of head of household, household size, primary and secondary source of household income vis-à-vis poverty line, income level, whether household is headed by women, elderly, disabled, or poor;
- Identify whether affected land or source of income is primary source of income;
- DP knowledge of the subproject and preferences for compensation and, as required, relocation sites and rehabilitation measures; and
- Information dissemination to APs about the principles of Land Acquisition and compensations according to the WB's ESF and government laws and regulations and explanation about the cut-off date.

4.4.1.3 Detailed Measurement Survey

Upon completion of the detailed engineering design, the draft LARP prepared based on the preliminary design will need to be finalized. To do this, EDC/ SEPRO will complete the census of displaced persons after the Detailed Measurement Survey (DMS). Conducting the DMS is a critical activity in preparing and finalizing/updating the LARP. The DMS will survey 100% of AHs and collect data required to verify the details of AHs for finalizing the LARP. This includes details on:

- Land ownership;
- Total landholdings and tenure;
- Land, structures and other assets entirely or partially affected by land acquisition for the Project;
- Types and conditions of affected structural buildings;
- Number and types of affected trees and crops;
- Income losses and proportion of total productive income lost; and
- Category of affected people and types of assistance that APs are entitled to

4.4.1.4 Replacement Cost Study (RCS) and Asset Valuation

The RCS aims to assess the values of affected assets to propose compensation rates for various affected assets – at full replacement cost in line with the ESS5 of the WB’s ESF. Full replacement compensation means compensation is to be made at a value that is sufficient to replace the affected assets (without depreciation), plus all necessary transaction costs that may incur. Transaction costs may include administrative charges related to new land title, construction permits, reasonable moving (relocation) expenses and any similar costs potentially borne by AHs. The compensation payment for the lost assets is based on replacement cost for affected assets such as lands, houses, structures prevailing at the time of the DMS.

The EDC will recruit one professional independent appraiser/valuator (RCS Consultant) following the detailed engineering design, and during the DMS in order to determine compensation rates reflecting current market prices for (i) agricultural, residential and commercial land; (ii) different types of affected structures; and (iii) crops and trees; business losses; transportation cost; allowance for essential basic infrastructure services; timber/fence trees include under the crops and trees. The RCS will be provided to EDC in the form of a report with detailed calculation of unit rates for all the identified affected assets, including land, and any potential income/employment loss. The RCS will be valid for one year after the completion of DMS.

In case compensation payment to AHs is late and the compensation unit rates are no longer valid before commencing compensation, the RCS results will be updated to reflect the current market prices of the affected assets. The RCS updating will be conducted by the RCS consultant.

- For replacement costs of land, the RCS Consultant will directly interview households that have recently bought or sold land to collect the evidence of the rate of land transaction; and, interview households who are looking for properties to sell or buy within and around the subproject area. The RCS Consultant will also find out from local residents, subject to confirmation/validation through official records of local authorities, the price of various types of land that have been the subject of transactions in the past six (6) months to one (1) year in the community or nearby areas and the prices of various types of land local residents are willing to buy or sell as well as collects data from government offices on recent land transactions and land market assessment.
- For structures, the RCS Consultant will interview owners of structures to determine the construction materials usually used in the locality for each type of building following existing government categories or standards; sources of construction materials used and the unit costs of said materials, including the costs of transporting the same to the locality; and the cost of labor for constructing each type of building found in the locality. In the survey, interviews will also be conducted with building contractors to determine the cost of construction materials for each type of structures in the subproject area following existing government categories; the cost of transporting construction materials to the subproject area (community); the cost of labor for constructing each type of building; and the unit cost per meter square of each type of building in the subproject area following existing government categories. The replacement cost will be based on the latest item rates for construction within the subproject area.
- For the crops and trees, interviews will be conducted with owners, market vendors and seedling suppliers to determine the current selling farm gate price of fruits or crops in the area and compensated accordingly as described above. RCS will collect data from statistics offices on average yields per type of crop and/or tree identified during the DMS.

Compensation payment package proposed for each AH will be calculated based on the results of the DMS and RCS. The agreement of AHs as to the proposed compensation package for them is confirmed in an official and binding contract between the EDC and the AH. Any errors that are found will be corrected during the consultation process.

A binding legal instrument recording all affected assets of each AH which will be signed by the AH and EDC, witnessed by local authority (normally by the Commune or Village Chief). The compensation and support to be provided to the AHs will be based on the entitlement matrix, final DMS and RCS results as outlined in the DRP and agreed with AHs.

4.4.2 Approach for Voluntary Donation

The WB's ESS5 indicates that in some circumstances, it may be proposed that part or all of the land and assets to be used by the project is donated on a voluntary basis without payment of full compensation. Subject to prior Bank approval, this may be acceptable provided that the government implementing agency demonstrates that the voluntary donation meets all setting criteria. However, the voluntary donation is not applied under the CSET project. EDC will compensate for all losses to all affected people in accordance to this RPF.

4.5 Process of Involuntary Land Acquisition/ Resettlement

4.5.1 Principles

The CSET project will take every measure to avoid land acquisition. However, where avoidance is not possible, the need for land acquisition will be minimized through alternative designs and maximized use of public land. Impacts due to acquisition of land are mitigated through compensation payment for affected lands, assets and income generation activities. Livelihood Restoration Program will be designed to assist those who are significantly affected to timely re-establish and stabilize their livelihoods. The Resettlement Plan (RP) will be prepared in accordance with this RPF to guide the compensation payment, physical resettlement (if any), and livelihoods restoration process, including monitoring of livelihood restoration process of those severely affected to ensure the objectives of this RPF are met.

To realize the above, the following mitigation hierarchy is applied to the project:

- Technical design will aim to avoid permanent and temporary impacts on land, assets, and livelihood activities of local people;
- When anticipated impacts cannot be avoided, such impacts will be minimized through exploration of alternative designs;
- Once risks and impacts associated with land acquisition (including restricted access to land for transmission line 15m) has been minimized or reduced through design measures, further mitigation measures will be adopted – through compensation for lands, assets, income generation activities that are affected; and
- Where impacts still remain, including impacts on land use, compensate people as per this RPF.

4.4.2 Process

In addition, the following principles will be applied during involuntary land acquisition preparation and implementation process:

- Avoid forced eviction⁵;
- Mitigate unavoidable adverse social and economic impacts from land acquisition or restrictions on land use by: (a) providing timely compensation for loss of assets at replacement cost and (b) assisting affected persons in their efforts to improve, or at least restore, their livelihoods and living standards, in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher;
- Improve the living conditions of poor or vulnerable persons who are physically displaced, through provision of adequate housing, access to services and facilities, and security of tenure;
- Conceive and execute resettlement activities as sustainable development programs, providing sufficient investment resources to enable displaced persons to benefit directly from the project, as the nature of the project may warrant;
- Ensure that resettlement activities are planned and implemented with appropriate disclosure of information, meaningful consultation, and the informed participation of those affected;

⁵ **Forced Eviction** is defined as the permanent or temporary removal against the will of individuals, families, and/ or communities from the homes and/or land which they occupy without the provision of, and access to, appropriate forms of legal and other protection, including all applicable procedures and principles in WB ESS5.

- Keep the affected persons fully consulted about the process of compensation and other mitigation activities, and their related rights and avenues for redress, in line with consultation procedures outlined in this RPF and the SEP, with particular attention to gender⁶; and
- For acquisition of land belonging to IPs, ESS 7 of the WB's ESF will need to be followed.

In line with the requirements in the ESS1 and ESS5 of the WB's ESF, the proposed CSET project will adopt the following key steps in the resettlement process:

- Anticipate and avoid land acquisition impacts through adjusting designs;
- Where avoidance is not possible, minimize or reduce land acquisition impacts;
- Conduct meaningful consultation with affected people to inform them of their right to compensation and project's compensation entitlements (as described in the detailed Entitlement Matrix in Annex 6 of the SOP-LAR and section 4.5 Entitlement Matrix in this RPF);
- Carry out negotiated settlement for the purpose of the land acquisition as described in this RPF;
- Where negotiated settlement is not accepted by the APs, or fails or results in expropriation, prepare a RP in accordance with this RPF;
- Provide compensation payment to the APs before the constructions begin, ensuring appropriate information is timely disclosed, and grievance redress mechanism (as described in this RPF) is available and understandable to affected peoples; and
- Monitor and report on resettlement process to ensure the resettlement process, including its outcomes, meets the objectives set out in the ESS5.

4.5 Entitlement Matrix

The RPF ensure all people affected by the Project can maintain and, preferably, improve their pre-project living standards and income-earning capacity by providing compensation for the loss of physical and non-physical assets and, as required, other assistance and rehabilitation measures to re-establish their affected livelihood.

An Entitlement Matrix has been developed for the Project considering all possible potential impacts of the Project. This will guide the preparation of the DRP and is based on Cambodian's Laws and the requirements of the WB's ESS5. The Entitlement matrix in this RPF will be specific to and based on the identified affected assets during preparation of the draft RP but the entitlements may not be downgraded. The entitlements for the affected people eligible for compensation and/or at least rehabilitation, are detailed in the following table:

⁶ For instance, any financial compensation for involuntary acquisition of land or other assets should be provided jointly to a husband and wife, rather than just to the husband, even if the husband is the legal owner.

Table 4. Entitlement Matrix

Potential Impacts	Type of loss	Eligible persons	Entitlement	Implementation Issues
Land acquisition	Permanent acquisition of private agricultural land, including animal grazing grassland, fruit tree orchard and plantation forest (required for transmission line power towers and permanent access roads)	<ul style="list-style-type: none"> - Owners with formal legal titles; - Owners/occupiers, eligible for formal legal title under Cambodian law; - Owners/occupiers with other evidence (unofficial land use certificates, applications for land use certificates, etc.) of ownership/use rights; - Others recognized locally as having ownership/use rights. 	<ul style="list-style-type: none"> - Acquisition of the affected land at full replacement cost through cash compensation or land swap of equivalent productive capacity; - Provision of stamp duties, land registration fees and other relevant taxes, if applicable, for acquiring legal rights in case of replacement land; - Includes option of compensation at same replacement cost for affected land that remains after partial acquisition if the remaining land becomes unviable or unusable; - Severely affected farmers eligible for income rehabilitation assistance; - No compensation for state or public land. 	<ul style="list-style-type: none"> - Replacement value to be identified by RCS during the detailed design phase; - If land for land is offered, replacement land with equivalent productivity at location acceptable to APs with registered title or secure tenure title will go to both husband and wife; - No distinction between titled and non- titled land holders; - Payment of all compensation for which APs are entitled to at least 30 days prior to the scheduled start of civil works; - All transfer costs of land ownership to be borne by EDC; - AHs to be notified at least 15 days in advance before the start of civil works in the locality of the actual date that the land will be utilized by the project; - The owner can continue to have use of the land within the ROW for agriculture, animal grazing and trees less than 3m in height.
	Permanent acquisition of residential land (required for transmission line power towers and permanent access roads)	<ul style="list-style-type: none"> - Owners with formal legal titles (Legal users are those with recognized or recognizable land use rights such as registered title, land certificate, survey certificate, tax receipts and including unregistered users as per Land Law) - Owners/occupiers, eligible for formal legal title under Cambodian law; - Owners/occupiers with other evidence (land use certificates, 	Acquisition of the affected land at full replacement cost through cash compensation.	<ul style="list-style-type: none"> - Replacement value to be identified by RCS during the detailed design phase; - If land for land is offered, replacement land with equivalent productivity at location acceptable to APs with registered title or secure tenure title will go to both husband and wife; - Soft title” holders will be treated same as holders of a “hard title. - No distinction between titled and non- titled land holders; - Payment of all compensation for which APs are entitled to at least 30 days prior to the scheduled start of civil works;

		<p>applications for land use certificates, etc.) of ownership/use rights;</p> <ul style="list-style-type: none"> - Others recognized locally as having ownership/use rights. 		<ul style="list-style-type: none"> - All transfer costs of land ownership to be borne by EDC; - APs to be notified at least 15 days in advance before the start of civil works in the locality of the actual date that the land will be utilized by the project;
	<p>Restriction from building structures within the ROW requiring change of land use from residential to agricultural</p>	<ul style="list-style-type: none"> - Owners with formal legal titles (Legal users are those with recognized or recognizable land use rights such as registered title, land certificate, survey certificate, tax receipts and including unregistered users as per Land Law). - Owners/occupiers, eligible for formal legal title under Cambodian law; - Owners/occupiers with other evidence (land use certificates, applications for land use certificates, etc.) of ownership/use rights; - Others recognized locally as having ownership/use rights. 	<ul style="list-style-type: none"> - Easement fee equivalent to 30% of the replacement cost of the residential land; - Full Replacement cost of structures 	<ul style="list-style-type: none"> - Replacement value to be identified by RCS during the detailed design phase; - ROW will not be acquired by EDC but use will be limited. - The DED stage will allow locating towers and adjusting TL alignment to avoid trespassing residential land plots. If avoiding impact on residential house will not possible, and/or if it results in effectively losing residential land permanently, the impact will qualify under permanent loss of land (Item 1.2. of Entitlement matrix), and AH will be compensated for loss of land and structure at full replacement cost in line with provisions of the Entitlement Matrix. - If during the DMS, additional adverse social impacts are identified and/or additional AHs are found, these persons and households are entitled to receive Project entitlements as the others on condition that it can be ascertained that they have actually been in the Project ROW even before the cut-off date for eligibility. New AHs that will emerge due to changes in Project design or alignment prior to or even during construction works are also entitled to the same entitlements as those of the other AHs. All transfer costs of land ownership to be borne by EDC.
	<p>Scrubland and degraded forest (required for the MV and LV transmission)</p>	<ul style="list-style-type: none"> - Owners/occupiers, eligible for formal legal title under Cambodian law; 	<p>Acquisition of the affected land at full replacement cost through cash compensation.</p>	<ul style="list-style-type: none"> - Replacement value to be identified by RCS during the detailed design phase; - No distinction between titled and non- titled land holders;

	line power towers and permanent access roads)	<ul style="list-style-type: none"> - Owners/occupiers with other evidence (land use certificates, applications for land use certificates, etc.) of ownership/use rights; - Others recognized locally as having ownership/use rights. 		<ul style="list-style-type: none"> - Payment of all compensation for which AHs are entitled to at least 30 days prior to the scheduled start of civil works; - All transfer costs of land ownership to be borne by EDC; - AHs to be notified at least 15 days in advance before the start of civil works in the locality of the actual date that the land will be utilized by the project.
Loss of crops and fruit trees	Crops and trees located on private land for power tower poles and trees growing 3m in height within the defined ROW	<ul style="list-style-type: none"> - Owners/occupiers, eligible for formal legal title under Cambodian law; - Owners/occupiers with other evidence (land use certificates, applications for land use certificates, etc.) of ownership/use rights; - Others recognized locally as having ownership/use rights. 	<ul style="list-style-type: none"> - For rice/crop farming: Net annual income x 1 year. In addition, AHs can harvest and retain income from standing crops - For fruit trees, replacement cost of loss based on the following formula: $[(\text{Quantity Harvested per Year}) \times (\text{Market Price}) \times (\text{Number of years it will bear fruit})] + \text{Cost of Seedling}]$ - Perennial trees that have a growth period of more than 5 years are classified as follows: <ul style="list-style-type: none"> - Sapling trees under 1 year- not compensated as it can be replanted. - Young tree (1 to 3 years: valued at 1/3 of its full price as it can be replanted plus cost of seedlings - Young tree (more than 3 to 5 years) bearing some fruits: valued at 2/3 of its full price plus cost of seedlings - Mature tree (more than 5 years) full bearing fruits valued at full price plus cost of seedlings. 	<ul style="list-style-type: none"> - Replacement cost study will determine the amounts - Market price is based on farm-gate price - Full price is amount calculated from the formula as shown below: $[(\text{Quantity Harvested per Year}) \times (\text{Market Price}) \times (\text{Number of years it will bear fruit})]$ - Number of years is up to maximum of 5 - Advance notice to harvest at least 3 months before commencement of civil work, and APs will remove their crops and trees from the subproject areas within one month after receiving compensation.
Loss of houses and other structures (If	Removal of houses and other structures from ROW (required to be removed for safety reasons)	Owners of houses, buildings, and structures (including tenants and leaseholders; illegal occupiers/squatters without legal titles or rights to land)	- Cash compensation equivalent to replacement value of lost portion of the house/ building/ structure. If the owner rents or leases, compensation for any improvements/ construction	<ul style="list-style-type: none"> - Where structure only partly within ROW, but whole structure needs to be moved, then compensation shall be due for whole structure; - Replacement value to be identified by RCS during the detailed design phase;

found during the DMS)			<p>carried out by the renter/ leaseholder will be deducted from the compensation payment to the owners</p> <ul style="list-style-type: none"> - In case of loss of only part of the houses/ buildings/ structures and the remaining portion is not livable or useable, compensation will be paid for the structure at its entirety at same replacement cost - In case houses/ buildings are rented or leased, owners will not be compensated for any improvements or construction added by the renters or leaseholders. 	<ul style="list-style-type: none"> - Materials to be available for salvage by owner, with no reduction in payment; - Payment of compensation to be made before construction begins; - Any required permits for building to be arranged by EDC; - AH retains ownership of the affected land within the ROW, but with restricted use; - If avoiding impact on residential house will not possible, and/or if it results in effectively losing residential land permanently, the impact will qualify under permanent loss of land (Item 1.2. of Entitlement matrix), and AH will be compensated for loss of land and structure at full replacement cost in line with provisions of the Entitlement Matrix.
		Tenants, Leaseholders	<ul style="list-style-type: none"> - Cash compensation at replacement cost for any improvements or construction by the tenants of leaseholders. - In case of no improvements or construction, no compensation is paid. - Transfer/ disturbance allowance equivalent to 1-month rental or lease amount. 	<ul style="list-style-type: none"> - RCS will determine the replacement cost - Documentary evidence is required. - Materials to be available for salvage by owner, with no reduction in payment
		Illegal occupiers/ encroachers/ squatters	<ul style="list-style-type: none"> - Cash compensation equivalent to replacement value of loss of structures constructed by illegal occupiers/squatter - APs can retain materials from their demolished structures 	<ul style="list-style-type: none"> - RCS will determine the replacement cost - Materials to be available for salvage by owner, with no reduction in payment
Transport allowance		AHs (including tenants and leaseholders, illegal occupiers/squatters without legal titles or rights to land)	<ul style="list-style-type: none"> - Fixed lump sum allowance per DH based on average cost of transportation to new relocation place. 	<ul style="list-style-type: none"> - The lump sum amount for the rate will be calculated during the RCS.

Loss of livelihoods and income	Loss of business	All AHs who are engaged in business and have to relocate regardless of businesses' legal status (except for the illegal activities such as gambling, prostitution, drugs and similar types).	<ul style="list-style-type: none"> - For businesses which need to be relocated to a new site, an amount equal to loss of projected net income for 2 months, or based on the actual business disruption period - For business relocated on-site (move back or same area), an amount equal to projected net income for 1 month - For operating of illegal nature of businesses (gambling, prostitution, drugs and similar types), no compensation is paid. 	- RCS will verify and determine the amounts based on supporting documents.
	Loss of incomes during transition period to severely affected households	<ul style="list-style-type: none"> - Farmers losing equal to 10% or more of their total affected productive landholding; - AHs losing business income equal to 10% or more - AHs losing their houses 	<ul style="list-style-type: none"> - Lump sum amount equivalent to 3 months of income based on the official monthly poverty rate established by the Government [Monthly Poverty Rate x Number of Members in DH x 3 months] - In case DH is classified as vulnerable, the above lump sum is doubled. 	<ul style="list-style-type: none"> - Vulnerable AHs will be identified during the DMS (that includes SES and IOL) - If the actual income loss is higher than the amount calculated by the formula, the DP will be compensated based on actual loss.
	Permanent loss of livelihoods and income	- All AHs permanently losing livelihood and/or income source	<ul style="list-style-type: none"> - Entitled to participate in the following livelihood restoration/ support programs at the choices of APs: <ol style="list-style-type: none"> 1. Land Based Livelihood Restoration for AHs engaged in land-based livelihood. (i) facilitate access to other land-based sources of income, if affordable productive land is available, like vegetable gardening, fruit tree, livestock and other similar land-based income generating sources; (ii) provision of training in farming or livestock; and (iii) lump sum cash grant of \$200 to restart land-based livelihood. - In case of unavailability of suitable land, the AHs can opt for either 	<ul style="list-style-type: none"> - Eligible AHs will be identified during the detailed engineering design, following DMS. - The program will be based on the choice of the DP. - Land-based for AHs who lose land-based livelihood.

			<p>employment or business-based livelihood program.</p> <p>2. Employment Based Livelihood Restoration for AHs who lose employment permanently. (i) provision of employment skills training; and (ii) lump sum cash grant equivalent to 3 months of income based on official poverty rate to supplement income support during the training period.</p> <p>3. Business Based Livelihood Restoration for AHs who lose businesses permanently or AHs who opt for this as an alternative livelihood source. (i) provision of business skills; and (ii) a lump sum cash grant to \$200 to assist in starting micro or home-based business.</p> <p>- For Poor and Vulnerable AHs. In addition to skills training, (i) above lump sum cash grant will be doubled; and (ii) priority in any employment opportunity under the project.</p>	<p>- Employment based for AHs who lose employment-based livelihood [3 months of income based on poverty rate = (monthly poverty rate x number of members in DH x 3)]</p> <p>- Business Based for AHs show lose business-based livelihood. This can also be available to AHs who do not want to continue with land or employment-based livelihood at their own choice.</p> <p>- Classification will be carried out during DMS and in accordance with the established criteria and definition of vulnerable group in this RF.</p> <p>- Income Restoration Program will be devised in consultation with the AHs, including the details of the vocational/skills training, its duration and institutional responsibilities</p> <p>- The IRP entitlement is in addition to other compensation and assistance;</p>
--	--	--	--	--

Temporary construction impacts and ongoing impacts due to maintenance activities	Damage to crops during construction (temporary impact)	Owner of crops regardless of legal status	Compensation for lost production in cash at replacement cost (value of lost production within ROW or for access) for the period of construction or maintenance). This will be a minimum of one harvest where damage occurs during growing season.	<ul style="list-style-type: none">- Every effort will be made to schedule construction and maintenance activities not during the growing season (including field preparation, planting, harvesting and other agricultural activity);- Construction and maintenance will be carried out so as to minimize damage. This will include preparation of the Contractor's Environmental and Social Management Plan (CESMP), including social aspects, incorporating environmental and social requirements in the contract, and monitoring to ensure compliance, and financial penalties on the EDC or contractor for non-compliance;- Construction will be required by contract to stay within ROW;- Contractor will be required by contract to pay damages. Bidding Documents/Contract/Bill of Quantities will include provision/allocation for resettlement impact mitigation (repair, restoration to at least pre-project condition or payment for damages at full replacement cost)
	Damage to fields, and associated infrastructure including drains and channels during the construction activities and/or maintenance	Person using the field	Repair of damage, or payment for repair of damage, at replacement cost	
	Damage to any other assets or infrastructure during construction (including communally owned resources such as roads, communication network facilities)	Owners of the assets or infrastructure damaged	Repair of damage, or payment for repair of damage, at replacement cost	
Unanticipated impacts	Any upcoming impacts or damage during the construction on structures, land, crops, trees, people and their livelihoods will be properly assessed and compensated according to the project compensation policy and cost levels. EDC will clarify in the internal monitoring reports. Any such impacts and how these have been mitigated.			

4.6 Project's Compensation and Support Policy

4.6.1 Compensation and other Resettlement Assistance

All persons with assets located within the COI before COD will be eligible for compensation for lost assets regardless of their legal status. If people occupy state-managed land that is reserved for right of way, affected land will not be compensated. However, loss of income due to loss of this land use, loss of businesses, employment, and other income sources associated to land; transportation allowances; subsistence allowances during the transition period; and income/livelihood restoration program will be provided to assist affected household to restore their livelihood. For the vulnerable group, in addition to the above entitlement, cash grant as subsistence allowances and livelihood restoration program are doubled.

Fruit and vegetable crops, rice, other economic trees and standing crops will be compensated according to the principles of replacement cost in the RGC's SOP-LAR and the WB's ESS5. Where possible, AHs will be allowed to harvest crops before acquisition or temporary use of the land.

Cash compensation based on the principles of replacement cost will be paid to AHs who lose structures or parts of structures, such as kiosks, roofs, concrete pavements, fences, shops, house-cum-shops and houses. Transport allowances will be provided where relevant.

For AH losing income during the transition period, allowances will be provided. If applicable, livelihood restoration programs will be provided for AHs who permanently lose their source of livelihoods.

AHs whose land is used temporarily during construction will be compensated for loss of income from crops or other assets during the period of construction.

A tenant of the immovable property who is operating a business shall be entitled to compensation for the impact on their business operation and to additional assistance at fair and just compensation to the capital value actually invested for the business operation activities as of the date of the issuance of the declaration on the expropriation project (Article 29 of the Expropriation Law, 2010).

Regarding the RGC's SOP-LAR, all APs who lose their business from fixed structures whose businesses are relocated to a new site will be compensated with the projected loss of net income for 2 months. For those whose business is relocated on-site (move back or within the same area), the compensation will be projected loss of net income for 1 month. The businesses may be registered or non-registered. The employees of those with loss of business will be provided with a transitional allowance as per the entitlement matrix.

The following types of displaced persons shall be eligible to compensation, but compensation would vary depending on their situation:

- Legal owners and holders of title or rights to land, including customary rights;
- Tenants and leaseholders, including employees, workers and hawkers;
- Those who have no formal title or rights to the land (illegal occupiers) who are engaged in farming or businesses, and
- Poor and vulnerable groups.

However, if the business is engaged in illegal activities like gambling, prostitution, drugs or similar nature, no compensation will be paid.

4.6.2 Poor, Vulnerable, Disadvantaged Individuals/ Groups

In order to assist the poor, vulnerable, and disadvantaged persons who are physically displaced and/or lose permanent land-based livelihood, these persons will be supported through the Livelihood Restoration Program. In addition, APs from this group will be entitled to the following: (a) Doubled financial support rate offered in the three different livelihood support options. (b) Priority access to employment opportunities under the Project.

In cases where Land Acquisition is required from vulnerable groups, the needs of the vulnerable groups need to be assessed and included in the DRPs. Special attention should be paid to gender aspects. In cases where vulnerable groups are Indigenous Peoples, DRPs should be done concurrently and in coordination with the Indigenous Peoples Plans which will be prepared by the EDC.

4.6.3 Livelihood Restoration Program

In the unlikely event that there are APs who lose their source of livelihood permanently, there will be a livelihood restoration support program to assist APs in re-establishing their livelihood.

Under the CSET project, it is highly unlikely that AHs will lose their sources of livelihood permanently. However, in the event of a permanent loss of livelihood, a livelihood restoration support program will be prepared in consultation with the AHs and simultaneously implemented in parallel with the DRP to assist them in re-establishing their livelihoods. Depending upon their existing livelihood, the eligible APs would be entitled to participate in any one of the livelihood support options as outlined in the SOP-LAR: (i) Land-based Livelihood Restoration; (ii) Employment-based Livelihood Restoration; and (iii) Business-based Livelihood Restoration.

Land-based Livelihood Restoration:

APs who depend on and permanently lose land-based sources of livelihood such as agricultural land will be provided with:

- Alternative agricultural land, if available, will be provided. In addition, soft skill trainings will be provided such as introductory trainings on crops of higher value, or trainings that adds values to existing crops, and other related agricultural job skills that APs may need.
- Financial support - as a lump sum grant of \$200, to assist APs in re-establishing their livelihood.

If no alternative agricultural land is available, or if the APs wish to undertake a new type of livelihood, they will be offered the option to participate in either an employment-based or business-based livelihood restoration program.

Employment-based Livelihood Restoration

For APs who rely primarily on employment for their livelihood and have permanently lost that employment as a result of the DRP, or for APs with land-based sources of livelihood who opt for new livelihood, an employment-based livelihood restoration support will be offered, which will provide them with:

- Employment skills training, based on employment opportunities in the community. A survey of the employment opportunities in the proximity of the relocation sites would be carried out as part of the preparation of the DRP which would be analyzed to determine the types of jobs available, and the skills set requirements. The training program would be developed to help build these skills set for the AHs.
- Additional financial support as a form of cash grant equivalent to 3 months income based on the official poverty rate prescribed by the RGC to support the APs during the training period. The amount will be calculated by the monthly poverty rate x number of members in the AH x 3.
- Priority for construction jobs at the subproject site.

Business-based Livelihood Restoration

For APs who rely on business for their livelihood and have permanently lost that business, or for APs who opt for this program, a business-based livelihood program will be offered, which will provide them with:

- Business skills training, focusing on small or home-based businesses, based on business opportunities that may be available in their community. As very few APs would require this training, a cash grant would have provided them to enable them to pursue the skills training of their choice.
- Additional financial support as a lump sum cash grant of \$200, to assist them and their families in re-establishing their micro or home-based businesses.

For the AHs/APs who do not want to participate in the above three categories of livelihood restoration programs under the proposed subprojects, a cash grant for AHs will be provided instead of training. The amount will be determined by the RCS consultant.

4.6.4 Contracts with AHs and Compensation Payments

The agreement on the compensation package is confirmed under a formal and binding contract between the EDC and each of the AH. In case of negotiated settlement, a meeting is held at the commune/Sangkat or village office or community hall where the contracts are offered and explained to the AHs on an individual basis before negotiation and signing. Upon signing, compensation will be paid to AH as a lump sum. If errors are identified during the meeting, they will be corrected on the spot.

In the case of the DRP, a meeting will be held with the AHs and the contracts are offered and explained to the AHs on one-to-one basis. The AH can sign the Contract at that time or within the next three (3) days. The compensation payments are not made at this stage and a separate meeting is scheduled for making the compensation payments at a later date. The AHs will be informed in advance of the date of the meeting for the compensation payments through the Commune/Sangkat and/or Village Offices.

Payment of compensation and restoration assistance to the displaced persons is central to the implementation of SOP-LAR. The EDC shall ensure transparency and integrity of the budget disbursement and compensation payments process which will be governed by the following principles:

- Full payment of the compensation shall be offered and made to all APs prior to land acquisition;
- Payments for all allowances must be completed prior to relocation to the new sites or self-relocation. In case of APs who dispute or refuse to accept the offer or payment, the payment will be deemed to have been made at the same time as payments are made to the other APs;
- Payments will be made in the joint names of both spouses or the single head of the AH, where applicable or a designated adult member of the AH in case where both spouses are unable to receive the payments;
- Payments should preferably be made by cheque. However, where access to banking facilities is not available or difficult, cash payments can be made with the necessary safeguard protection for the APs to verify that payments have been actually received by APs;
- All payments should be made in a public place as far as possible and witnessed by a representative of the local authorities; and
- On completion of the payments, a proper and due notice shall be issued to AHs to vacate the land/occupation within one month from date of issuance of the notice. During this relocation preparation process, the EDC will provide assistance to and monitoring of the relocation of affected households (new housing, transition, maintaining income...) to ensure affected households successfully relocated to their new location to facilitate land handover.

5. INSTITUTIONAL AND IMPLEMENTATION ARRANGEMENTS

The EDC is the project implementation agency, responsible for Component 1, through its Project Management Project (PMU) and Project Management Office (PMO). MEE has responsibility for Component 2 and Component 3, which is not related to land acquisition. If there is involuntary resettlement and land acquisition, the EDC will address resettlement and land acquisition in accordance with the policies and procedures in this RPF.

5.1 Electricité du Cambodge

The EDC is responsible for resettlement operations and management in the Project. To achieve this, EDC will:

- Implement the DRP(s) as approved
- Act as internal monitor to supervise the activities regarding social impacts of the project including:
 - Documentation of impacts and benefits including recording and photographs of assets to avoid potential later grievances.

- Informing the communities APs of their rights under the DRP
- Collect information from the APs to determine level of AP satisfaction
- Ensure all assistance is provided to affected households before any physical impact is created.

5.2 Project Management Office

The Project Management Office (PMO), as the implementing agency for the Project, will provide overall oversight and management support to EDC. It will handle day-to-day project management tasks, including supervision, administration, programming, budgeting, financial planning, accounting, procurement, disbursement, reporting, and ensuring compliance with safeguard requirements. Additionally, the PMO will support SEPRO by ensuring a smooth process and adequate resource allocation for updating and implementing the DRP.

5.3 Project Implementation Consultant

The Project Implementation Consultant (PIC) will assist EDC in applying government laws and regulations and WB's ESF requirements in all procedures and activities related to the updating, implementation and monitoring of the DRP, including consultations, negotiations and payments to APs, potential grievances filed by APs and their settlement. The major tasks and responsibilities of the PIC include:

- Assist EDC in updating the DRP and in consultations with the displaced persons and communities;
- Assist EDC in updating the PIB and formulating its contents, including cut-off date, project impacts and entitlement matrix, GRM, GRC and detailed GRM guidelines;
- Provide training for personnel responsible for conducting a DMS of affected assets based on the detailed engineering designs;
- Prepare the TOR of the specialist that will conduct the RCS for affected land and assets;
- Prepare, implement and monitor SEP, including nominating a focal point for communication with stakeholders, ensuring delivery of relevant project information to stakeholders and obtaining feedback from them, and fostering an understanding and acceptance of the project;
- Prepare guidelines, train and assist SEPRO in conducting consultations with affected households;
- Throughout project implementation, on an ongoing basis, assist EDC with information disclosure, consultations and public participation;
- Assist EDC with the establishment and maintenance of a database of affected households and institutions, including information on the socio-economic situation of the affected households, their affected assets, and their compensation entitlements and payments;
- Assist EDC in implementing the DRP and any corrective actions as relevant and in preparing the DRP implementation compliance monitoring report and overall safeguards monitoring reports; and
- Assist EDC in quarterly monitoring of the DRP implementation and its results, fielding and assessing the grievances and preparing monitoring reports for submission to the Government and the WB.

5.4 Social, Environment and Public Relations Office

The Social, Environment and Public Relations Office (SEPRO) will be responsible for/preparing updating the Detail Resettlement Plan and managing all the land acquisition procedures for the project. SEPRO will work closely with the procurement unit and be responsibilities to:

- Undertake meaningful consultations with all the displaced persons as described in the SEP in the communities affected by the project;
- Conduct separate consultations with vulnerable groups in addition to the public consultations.
- Identify displaced persons in the remaining part of the transmission line, including vulnerable groups, complete the Census and conduct DMS;
- Update the information on the project and its expected impacts, schedule, land acquisition procedures, entitlement policy and GRM, including GRC, and distribute the updated Project Information Booklet to the displaced persons;
- Establish and disclose the cut-off date for eligibility right after the completion of census and DMS;
- Disclose the approved DRP to displaced persons and communities through village, commune, and district offices;
- Document and report all the consultations and compensation procedures and prepare a DRP Implementation Compliance Report as soon as all the procedures have been completed;

- Collect and promptly address complaints and grievances, monitor and document ongoing impacts; and
- Prepare and submit quarterly progress reports to WB throughout the project implementation.

5.5 Cadastral Administration Office

The Cadastral administration office (CAO) under the Ministry of Land Management, Urban Planning and Construction is responsible for issuing titling documents, including the certificate of land use rights, hard titles and social land concession as part of securing tenure for landless and issuing title documents for the land plots acquired in favor of EDC.

5.6 Provincial Redress Committee

The Provincial Redress Committee (PRC) is established by the Provincial Governor and comprises (i) the Provincial Governor or the Deputy Provincial Governor as the Head, (ii) Provincial Department Directors of the Line Ministries, and (iii) the respective chiefs of the Districts and Communes/Sangkats of the locations affected by the project as Members.

The role of the PRC is as follows:

- Provide the coordination and supporting role to the EDC for land acquisition activities at the local level;
- Ensure all relevant provincial and local government authorities provide the necessary support for land acquisition;
- Manage the public consultation meetings at Provincial Level;
- Responsible and accountable for the disbursements of the compensation payments at the provincial level; and

6. GRIEVANCE REDRESS MECHANISM

The Grievance Redress Mechanism (GRM) is established to provide project-affected people (PAPs) and stakeholders with a transparent, accessible, and time-bound process to raise concerns or complaints related to the environmental and social performance of the CSET Project. The GRM ensures that grievances are received, recorded, assessed, and resolved promptly and effectively without fear of retribution.

6.1 EDC's GRM

The GRM follows EDC's existing structure, which enables affected people to submit complaints through the Commune Council, Social, Environment and Public Relations Office (SEPRO), District Office, and Provincial Grievance Redress Committees, before referring unresolved cases to the judicial system if necessary. The grievance procedure includes six stages, as illustrated in Figure 10-1.

Stage 1 – PMU (SEPRO)

- Affected persons or households may submit written or verbal complaints to the PMU (SEPRO) via the Village Leader or Commune Chief, through phone, letter, email, or in-person visit.
- Grievance cases related to land acquisition, the environment issues will be handled by PMU (SEPRO), while other issues (including workers, Indigenous people, agriculture, or others) will be handled by the PMO of the PMU.
- The Village leader /Commune Chief must register the complaint and provide immediate written acknowledgment to the complainant, copying SEPRO.
- SEPRO has 15 days to review and negotiate a solution with the complainant.
If unresolved or if the complainant is unsatisfied, the case is elevated to the District Office and report to PMU (EDC).

Stage 2 – District Office

- The District office has 15 days to investigate and mediate the case through various approaches depending on the type of complaints. PMU (SEPRO) will coordinate with district office along the resolving process.

- If the issue cannot be resolved satisfactorily at this level, the complaint is referred to the Provincial GRC along with all supporting documents.

Stage 3 – Provincial Grievance Redress Committee

- The Provincial GRC is Deputy Governor as a Chairperson, other members include representative from different ministries, different communes and villages chiefs involved. Also, the representatives from SEPRO, and other stakeholders such as the Project Implementation Consultant (PIC) will be involved.
- The Committee must meet with the complainant within 15 days of receiving the case and make a written decision within 30 days.
- Copies of the decision are shared with PMU (SEPRO) and the complainant.
- If the complainant does not receive a decision or remains unsatisfied, they may take the case to the Provincial Court.

Stage 4 – Provincial Court

- The Provincial Court reviews the case and issues a written ruling, with copies provided to EDC and the complainant.
- If either party disagrees with the decision, the case may be appealed to the Higher-Level Court which will serve as the final appellate body and its judgment will be final and binding on all parties.

Grievance redress mechanism and information should be well-publicized in the local language (Khmer, via posters or facebook). All grievances will be recorded in a Grievance Register maintained by PMU (SEPRO), with support from the PMO for grievances related to workers, Indigenous Peoples, agriculture, or other non-environmental issues. The PMU (SEPRO) will involve and assist the process of grievance resolution at all stage. The Register will capture key details including the date of receipt, complainant information (if provided), a description of the issue, actions taken, responsible persons or units, and the resolution status. Anonymous complaints will be accepted and handled with equal seriousness, and complainants will not incur any costs for submitting grievances. To ensure transparency and accountability, SEPRO will compile and report regular summaries of grievances received, resolved, and pending as part of EDC's quarterly environmental and social monitoring reports.

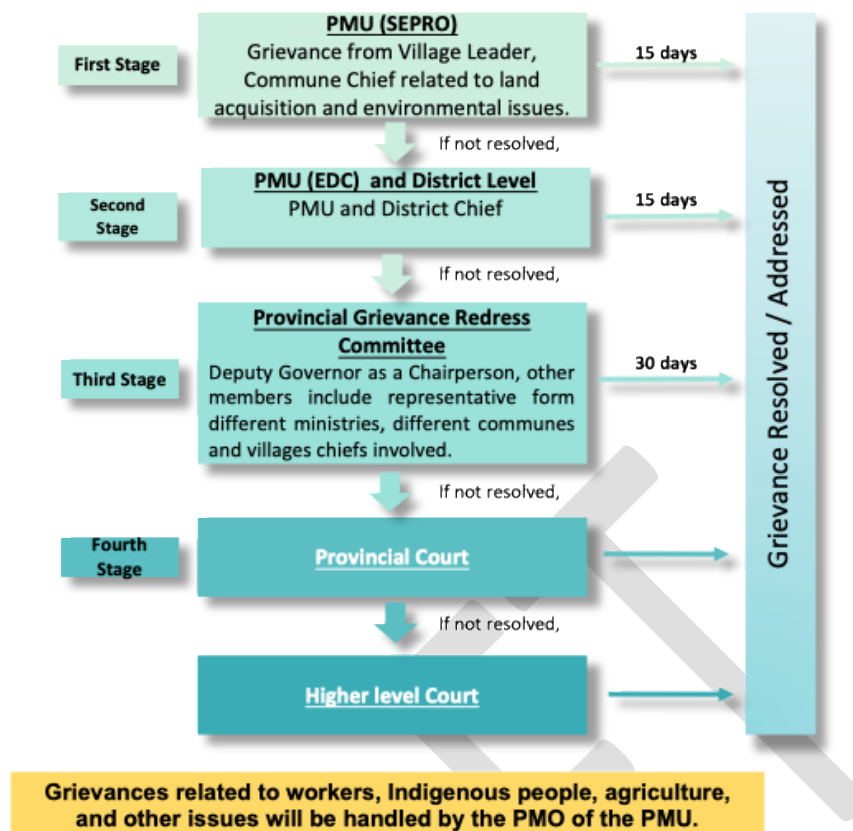


Figure 1. GRM Procedures for EDC

6.2 MME's GRM

The grievance process for Component 2 follows a three-stage mechanism reflecting the roles of the Policy Bank/Participating Financial Institutions (PFI) and the MME PMU. Complaints can be submitted verbally or in writing, and all grievances will be handled confidentially and without cost to complainants. The grievance procedure for MME, as illustrated in Figure 10-2.

Stage 1 – Policy Bank/PFI 's GRM (SEM Bank, FTB)

- Affected industrial enterprises or individuals may submit grievances to the internal grievance mechanism of the Policy Bank or PFI through phone, email, letter, or in-person visit.
- The Policy Bank/PFI must register the complaint and provide immediate written acknowledgment to the complainant.
- The institution has 15 days to review, investigate, and attempt to negotiate a mutually acceptable solution.
- If the complaint is not resolved, or if the complainant is not satisfied with the proposed resolution, the case is elevated to PMU of MME.

Stage 2 – PMU of MME

- PMU (MME) reviews the grievance and seeks resolution through consultation and negotiation within 15 days.
- If the issue remains unresolved after this period, PMU (MME) forwards the grievance to the Supreme Court.
- PMU (MME) also documents and escalates systemic or sensitive issues to the Project Steering Committee and includes them in regular reporting to the World Bank, in accordance with the ESCP.

Stage 3 – Supreme Court

- The Supreme Court reviews the case and issues a written ruling, with copies provided to MME and the complainant.

- If either party disagrees with the decision, the case may be appealed to the Higher-Level Court which will serve as the final appellate body and its judgment will be final and binding on all parties.

All grievances will be recorded in a Grievance Register maintained by E&S focal point of the PMU capturing key details such as the date of receipt, name of the complainant (if provided), description of the issue, actions taken, persons responsible, and the resolution status. Anonymous complaints will be accepted and treated with equal seriousness, and complainants will not incur any costs in submitting their concerns. To ensure transparency and accountability, E&S focal point of the PMU will compile and report regular summaries of grievances received, resolved, and pending as part of the quarterly environmental and social monitoring reports.

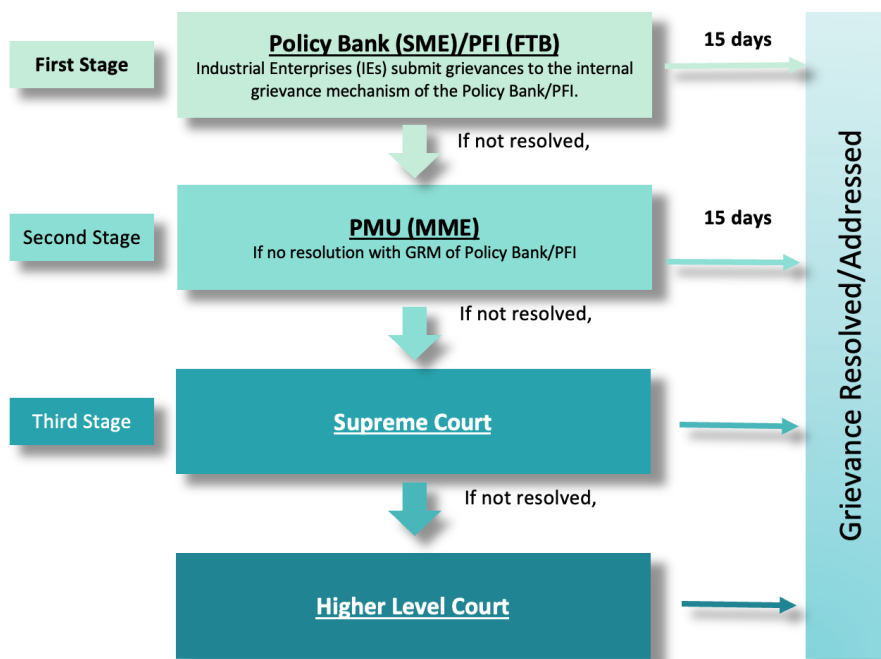


Figure 2. GRM Procedures for MME

The GRM of CSET project will be widely disseminated to stakeholders through commune offices, project information boards, and public consultations, as well as local radio, printed leaflets, and social media platforms through project cycle. Information about the GRM will be provided in Khmer and, where necessary, translated into local or indigenous languages to ensure accessibility for all affected communities.

Moreover, communities and individuals who believe that they are adversely affected by a project supported by the World Bank may submit complaints to existing project-level grievance mechanisms or the Bank's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the Bank's independent Accountability Mechanism (AM). The AM houses the Inspection Panel, which determines whether harm occurred, or could occur, as a result of Bank non-compliance with its policies and procedures, and the Dispute Resolution Service, which provides communities and borrowers with the opportunity to address complaints through dispute resolution. Complaints may be submitted to the AM at any time after concerns have been brought directly to the attention of Bank Management and after Management has been given an opportunity to respond. For information on how to submit complaints to the Bank's Grievance Redress Service (GRS), visit <http://www.worldbank.org/GRS>. For information on how to submit complaints to the Bank's Accountability Mechanism, visit <https://accountability.worldbank.org>.

7. IMPLEMENTATION ARRANGEMENTS

7.1 Budget and Financing

The cost for all land acquisition, compensation, resettlement assistances, including the cost of any income restoration or support program, if required, for the Project will be financed by EDC. The cost of the preparation of the DRP will also be met from the EDC budget. No financing will be required from the loan proceeds of the Project provided by the WB. Estimated budget will be prepared on the basis of the latest item rates within the project area, following the preliminary census and inventory of Project affected assets and reflected in the draft DRP. The final budget for the DRP will be prepared after the completion of the DMS, updated IOL and will be included in the implementation-ready DRP based on then RCS.

The EDC Board will approve DRPs prepared for the Project and based on this will allocate the budget for implementing those DRPs. EDC through SEPRO will pay the compensation and entitlements to the affected persons and make any other relevant transactions, including those related to title adjustments, recruitment of the RCS.

The DRP budget will include costs of compensation; assistance; income restoration where/if necessary; recruitment of RCS; administrative costs and contingency. EDC will be responsible for sufficient and timely allocation of funds to ensure smooth DRP implementation.

7.2 Implementation Schedule

In the case of Land Acquisition, the procurement of civil works will commence after the Detailed Engineering Designs have been finalized, the demarcation of land is completed by EDC and the COD has been announced and relevant project information is disseminated as described in this RPF. It is expected that the census survey, inventory of loss and DMS are completed within 2 to 3 months after the detailed designs for the components that have construction activities are submitted to the EDC Board. The preparation of the DRP and its approval by the EDC Board and the WB is expected within 3 months thereafter if the number of AHs is minimal (less than 100). After the approval of the budget and release of funds, the payment of the compensation will take about 2 to 3 months depending on the number of AHs.

Civil works can commence only in sections where the payment of compensation and other entitlements have been paid in full to the AHs in that section and a comprehensive income restoration program, where applicable, is in place and supported by an adequate budget. In case AH refuses the compensation payment, or where complaints have been lodged for resolution under the GRM, the payment will deem to have been made at the same time as payments are made to the other APs⁷. In case where EDC demonstrates that all reasonable efforts to resolve such matters have been taken but affected households still do not accept the proposed payment, with Bank's prior approval, EDC may deposit compensation funds as required by the plan (plus a reasonable additional amount for contingencies) into an interest-bearing escrow or other deposit account and proceed with the relevant project activities. Compensation money in escrow account will be made available to affected persons timely as soon as the issues are resolved. In the event if any assets are damaged during construction by the civil works contractor, the contractor will be required to restore/repair them to the original or better standard.

7.3 Estimated Costs for Resettlement

The total resettlement costs for this project will be estimated once the list of priority subproject construction is identified. The total resettlement costs will for the affected assets and will be based on current market prices determined by RCS and include:

- (i) the total costs for compensation, allowance, and livelihood restoration program that are anticipated for all subprojects under the project
- (ii) costs for replacement cost study, and
- (iii) relevant administrative and contingency costs.

⁷ SOP-LAR, C. Principles for Budget Disbursement and Payment, paragraph 238: Payments for all allowances must be completed prior to relocation to the new sites or self-relocation. In case of APs who dispute or refuse to accept the offer or payment, the payment will deem to have been made at the same time as payments are made to the other APs

The EDC will ensure that the necessary funds are provided timely and sufficiently to all costs associated with land acquisition to facilitate scheduled implementation of the DRPs.

8. INFORMATION DISCLOSURE AND STAKEHOLDER CONSULTATION

8.1 Stakeholder Consultation

The key stakeholders participating in the consultation process in case of land acquisition will include:

- AHs, with special attention to women, Indigenous Peoples including their representative (if any), and disadvantaged/vulnerable people;
- EDC (PIC and SEPRO);
- Provincial and Local authorities (District/Khan, Commune/Sangkat Councils and Village Offices), including representatives of women's groups; and
- Civil Society Organizations (CSO), if relevant.

Consultations on land acquisition will be an iterative process and will consist of various rounds taking place in various subproject locations, as described in the SOP-LAR. Consultations will start when sub-project's construction work sites are identified. In addition to information disclosed, concerns, questions and comments raised by AHs will be recorded and considered for incorporation into sub-project design and implementation.

The first consultation will aim to introduce the project/subproject, its goal, benefits, risks and impacts, including land acquisition and compensation procedures. It targets both potential affected people and interested parties. The PIB prepared by the EDC will be shared and made available at the commune/Sangkat/village council offices located in the subproject area. The GRM procedures and processes will be introduced to AHs and their views sought. If the subproject spans across a number of provinces or multiple communes/Sangkat, then multiple consultative meetings will be held to cover all the affected communes/Sangkat.

The second round of consultations will focus on sub-project impacts and will be undertaken by the PIC and SEPRO to targets the APs only. The PIB will be updated by the PIC to reflect the updated entitlements for APs, including GRM procedures and their contact details at commune, district and provincial levels will be shared and explained in detailed. The consultation will be conducted with participation of AHs and relevant authorities before DMS starts. This consultation aims for AHs to confirm the loss of assets and the measurements and to ensure APs fully understand the basis on which the compensation will be paid for their lost assets, and other relevant entitlements. The DMS Questionnaire, which also includes the SES Questionnaire will also be shared and discussed so that affected households know what information and data will be gathered during house-to-house DMS.

The third public consultative meeting will be held prior to the signing of the agreement/contract for the compensation package and will be undertaken by the PIC and SEPRO. At this stage, the DMS and the RCS are completed, the compensation package for each AH is known and draft contracts will be prepared. The consultative meeting explains the compensation package, compensation schedule, procedures, entitlements and GRM, among others. AHs will be provided with the option to sign the contract during this consultation stage. For AHs who are unable to participate in the meeting, best efforts will be made to visit them at their home or seek the assistance of the village office to contact them. During the DMS the PIC and SEPRO will obtain the mobile phone contact details from all AHs and they will be outreached through mobile, when required.

Additional formal consultative meetings will be conducted when the compensation payment is ready to be disbursed. Details on consultation entitlements, schedule and process will be provided as well as the GRM. The schedule for compensation payments will be informed to displaced persons at least one week in advance through the commune/Sangkat and village offices.

Keeping AP and the general public informed about the project, its benefits and potential risks and impacts is very important. The disclosure of relevant project information helps the displaced persons and other stakeholders to understand the risks, impacts and opportunities of the project. Meanwhile meaningful dialogue in consultations can avoid the potential for conflicts, address the concerns of persons to the extent

possible, avoid bottlenecks to minimize project delays and contribute towards mitigating adverse impacts. The consultation and disclosure activities are specified in the RGC's SOP-LAR and are consistent with that of WB ESS10 including requirements for meaningful consultation and two-way dialogue, and the requirements of the SEP.

8.2 Information Disclosure

The draft RPF (in English) and its Executive Summary (in Khmer) will be disclosed on the EDC's website on xxx July, 2025 at <http://www.edc.com.kh>. The Executive Summary (in Khmer) will also be disclosed in hard copy at EDC's public library in Phnom Penh. Once finalized, the RPF will be re-disclosed again through the above channels – as per guidelines of the SEP prior to WB's project appraisal. The draft and final RPF will be disclosed in English on the WB's website.

Once the sub-project is identified, the proposed sub-project information will be explained in detail to the sub-project stakeholders in Khmer language with translation into the language spoken by IPs for those locations where IPs are identified to be in the sub-project area, and the PIB will be distributed to them. The proposed project/subproject information in the PIB covers the following:

- The purpose, nature and the scale of the proposed project/subproject.
- The location of the proposed project/subproject, project/subproject components and activities.
- The duration of proposed project/subproject activities.
- The COIs, timing of census, IOL, DMS/SES, eligibility criteria, compensation policy, RCS, the timing of the establishment of the GRM, and contact details.
- Potential risks and impacts of the proposed project/subproject on local communities, and proposed mitigation measures, highlighting potential risks and impacts that might disproportionately affect vulnerable and disadvantaged groups and describes the differentiated measures taken to avoid or minimize them; and
- Names and contact details of key persons on LAR technical matters on the project/subproject.

In cases of Land Acquisition, the relevant information will be disclosed timely in Khmer language and translated in the language used by IPs in the case IPs are identified to be in the sub-project area, and in places easily accessible to AHs and the communities. Information disclosed to AHs relevant to land acquisition will be done through PIB at the first consultation stage during DRP preparation, and through updated PIBs at a second consultation stage prior to DMS and at third consultation stage upon contract offer. The DRPs, without sensitive personal information, will also be disclosed at EDC's website and the WB's websites.

9. MONITORING AND REPORTING

The EDC will be responsible for monitoring the overall implementation of the CSET project, its process and outcomes of activities set forth in this RPF. EDC will ensure that any negotiations with displaced persons openly address the risks of asymmetry of information and bargaining power of the parties involved in such transactions. The EDC will be to ensure that all compensation payments/arrangements including any negotiated settlements are based on meaningful consultation with affected persons, including those without legal title to assets. A negotiated settlement will offer adequate and fair price for land and/or other assets.

The EDC will engage the PIC to assist on documentation the negotiation and settlement processes. EDC remains responsible for the monitoring and reporting of the implementation of the land acquisition activities, if any.

9.1 Internal Monitoring

The role of internal monitoring is to ensure that resettlement activities are implemented in accordance with subprojects' DRP. In case of Land Acquisition, the objective of internal monitoring is to (i) keep the EDC updated on progress made in the preparation and implementation of the DRP; (ii) identify timely problems and risks, if any, and take remedial actions; and (iii) assess if the compensation and rehabilitation assistance are in accordance with the provisions under the DRP.

The EDC will be responsible for carrying out the internal monitoring with the supports from the PIC which is responsible to prepare quarterly DRP progress reports and validate the data and information collected for internal monitoring purpose. In particular, the PIC will validate if the (i) compensation and support were provided to AHs in accordance with the DRP; and (ii) GRM is functioning as per the guidelines. The PIC will provide EDC with a quarterly progress report and submit semi-annual monitoring report to the WB. A single monitoring report will be prepared covering all subprojects under DRP planning and implementation in that province. An indicative list of internal monitoring indicators is provided in Annex 3.

The internal monitoring reports will include the followings:

- Institutional Arrangements for DRPs;
- Compensation Payments for Entitlements;
- Relocation, if any;
- Livelihood Restoration Program, where applicable;
- Functioning of the GRM;
- Public Consultations;
- Budget Expenditures;
- Overall DRP Implementation Progress against agreed Implementation Schedule in the DRP;
- Problems and issues; and
- Proposed remedial actions.

Once sub-project related DRPs are fully implemented, DRP completion reports should be complied with explaining the implementation process, issues encountered, compensations paid and grievance resolved for the compliance purposes.

9.2 External Monitoring

The external monitoring will not be required for implementation of negotiated settlements and land acquisitions through preparation of Resettlement Plan because the scope of land acquisition is small at subproject level.

9.3 Reporting

During sub-project preparation, stakeholders' questions and concerns will be addressed and responded to in consultations. For issues that cannot be responded to in consultation, the issues will be forwarded to the project stakeholders in charge who will process any complaint will go to the Grievance Resettlement Committee (GRC) established for the subprojects. Response to such issues will be reported to stakeholder who raised the issues in subsequent consultations. During subproject implementation, the above arrangement will be followed. Responses to commonly raised issues will be summarized and disclosed on the EDC's website.

10. COSTS AND BUDGET

10.1 Costs

The cost for compensation payment, support, and livelihood restoration will be covered by the EDC and including the costs for conducting consultation meetings, DMS/SES, preparation of DRPs and GRM establishment and processes. Funds for implementation of the DRPs are part of the project costs. The total Land Acquisition and Resettlement cost will be estimated based on approved list of sub-projects to be financed by the WB. Costs for sub-project DRPs will be estimated based on the results of DMS and the RCS conducted during the subproject preparation.

10.2 Budget

Each ARAP or DRP will include detailed cost of compensation and other rehabilitation entitlements as part of the process to compensate relocated AP and AH. Arrangements will be made for AP and AH property and assets segregated on the basis of agricultural land, residential land, business land, houses, business assets and other holdings. The detailed budget estimates will make adequate provision for contingencies and the DRP will explicitly establish sources for all funds required.

The DRP will ensure that fund flows are compatible with the timetable for payment of compensation and provision of all other assistance. The budget will cover land acquisition, relocation, site development, compensation costs, allowances and administration costs, and contingency. Resettlement costs will be part of the Government's counterpart fund and no loan funds will be required from the IDA. The EDC will ensure timely provision of counterpart funds for resettlement to meet any unforeseen obligations in excess of the resettlement budget estimates in order satisfy resettlement requirements and objective. The PIC and SEPRO will work closely with the procurement unit of EDC for releasing compensation and allowance to AHs. Payment of compensation and other entitlements will be made in cash⁸ and will be distributed in public place such as commune/Sangkat hall, school, pagoda, etc. The AHs will be notified by the village chiefs of the compensation payment schedule. It will be paid to both spouses and to one for a single-headed household.

⁸ Payments should preferably be made by cheque. However, where access to banking facilities is not available or difficult, cash payments can be made with the necessary safeguard protection for the APs to verify that payments have been actually received by APs (paragraph 238, part D, SOP-LAR, 2018).

Annex 1: Screening Form for Land Acquisition and Resettlement
Initial Screening on Land Acquisition

Province:		District:				Commune/Sangkat:
Name of sub-project:		Name of contractor:				
Section of Construction Work (m/Kms)	Villages/Communes / Districts located/crossed	Describe what is within COI (i.e. possible asset impacted such as trees, parts of structure, concrete driveway, livelihoods etc.)				Number of AHs impacted
		Western Side (W)	Eastern Side (E)	Northern Side (N)	Southern Side (S)	

Annex 2: Outline of Detailed Resettlement Plan

Executive Summary

This section provides a concise statement of project scope, key survey findings, entitlements and recommended actions.

A. Project Description

This section provides a general description of the project, discusses project components that result in land acquisition, involuntary resettlement, or both and identify the project area. It also describes the alternatives considered to avoid or minimize resettlement. Include a table with quantified data and provide a rationale for the final decision.

B. Legal Framework

This section:

- i. Describes national and local laws and regulations that apply to the project and identify gaps between local laws and WB's ESF requirements; and discuss how any gaps will be addressed;
- ii. Describes the legal and policy commitments from the executing agency for all types of displaced persons;
- iii. Outlines the principles and methodologies used for determining valuations and compensation rates at replacement cost for assets, incomes, and livelihoods; and set out the compensation and assistance eligibility criteria and how and when compensation and assistance will be provided;
- iv. Describes the land acquisition process and prepare a schedule for meeting key procedural requirements.

C. Scope of Land Acquisition and Resettlement

This section:

- i. Discusses the project's potential impacts, and includes maps of the areas or zone of impact of project components or activities;
- ii. Describes the scope of land acquisition (provide maps) and explains why it is necessary for the main investment project;
- iii. Summarizes the key effects in terms of assets acquired and displaced persons; and
- iv. Provides details of any common property resources that will be acquired.

D. Socioeconomic Information and Profile

This section outlines the results of the social impact assessment, the census survey, and other studies, with information and/or data disaggregated by gender, vulnerability, and other social groupings, including:

- i. Define, identify, and enumerate the people and communities to be affected;
- ii. Describe the likely impacts of land and asset acquisition on the people and communities affected taking social, cultural, and economic parameters into account;
- iii. Discuss the project's impacts on the poor, indigenous and/or ethnic minorities, and other vulnerable groups; and (iv) identify gender and resettlement impacts, and the socioeconomic situation, impacts, needs, and priorities of women.

E. Eligibility, Entitlements, Assistance and Benefits

This section:

- i. Defines displaced persons entitlements and eligibility, and describes all resettlement assistance measures (includes an entitlement matrix);
- ii. Specifies all assistance to vulnerable groups, including women, and other special groups; and.
- iii. Outlines opportunities for affected persons to derive appropriate development benefits from the project.

F. Information Disclosure, Consultation, and Participation

This section:

- i. Identifies project stakeholders, especially primary stakeholders;
- ii. Describes the consultation and participation mechanisms to be used during the different stages of the project cycle;
- iii. Describes the activities undertaken to disseminate project and resettlement information during project design and preparation for engaging stakeholders;

- iv. Summarizes the results of consultations with affected persons (including host communities), and discusses how concerns raised and recommendations made were addressed in the resettlement plan;
- v. Confirms disclosure of the draft resettlement plan to affected persons and includes arrangements to disclose any subsequent plans; and
- vi. Describes the planned information disclosure measures (including the type of information to be disseminated and the method of dissemination) and the process for consultation with

G. Grievance Redress Mechanisms

This section describes mechanisms to receive and facilitate the resolution of affected persons concerns and grievances. It explains how the procedures are accessible to affected persons and gender sensitive.

H. Livelihood Restoration Measures

This section:

- i. Identifies livelihood risks and prepare disaggregated tables based on demographic data and livelihood sources;
- ii. Describes income restoration programs, including multiple options for restoring all types of livelihoods (examples include project benefit sharing, revenue sharing arrangements, joint stock for equity contributions such as land, discuss sustainability and safety nets);
- iii. Outlines measures to provide social safety net through social insurance and/or project special funds;
- iv. Describes special measures to support vulnerable groups;
- v. Explains gender considerations; and
- vi. Describes training programs.

I. Resettlement Budget and Financing Plan

This section:

- i. Provides an itemized budget for all resettlement activities, including for the resettlement unit, staff training, monitoring and evaluation, and preparation of resettlement plans during subproject implementation;
- ii. Describes the flow of funds (the annual resettlement budget should show the budget-scheduled expenditure for key items);
- iii. Includes a justification for all assumptions made in calculating compensation rates and other cost estimates (taking into account both physical and cost contingencies), plus replacement costs;
- iv. Includes information about the source of funding for the resettlement plan budget.

J. Institutional Arrangements

This section:

- i. Describes institutional arrangement responsibilities and mechanisms for carrying out the measures of the resettlement plan;
- ii. Includes institutional capacity building programme, including technical assistance, if required;
- iii. Describes role of NGOs, if involved, and organizations of affected persons in resettlement planning and management; and
- iv. Describes how women's groups will be involved in resettlement planning and management.

K. Implementation Schedule

This section includes a detailed, time bound, implementation schedule for all key resettlement and rehabilitation activities. The implementation schedule should cover all aspects of resettlement activities synchronized with the project schedule of civil works construction and provide land acquisition process and timeline.

L. Monitoring and Reporting

This section describes the mechanisms and benchmarks appropriate to the project for monitoring and evaluating the implementation of the resettlement plan. It specifies arrangements for participation of affected persons in the monitoring process. This section will also describe reporting procedures.

Annex 3: Indicative Internal Monitoring Indicators for Land Acquisition

Purpose	Activities	Monitoring Indicators
Identification of compensation recipients	Verify list of compensation recipients against eligibility criteria for compensation	Number of persons in list of compensation recipients who do not meet eligibility criteria (included in error)
	Identification of persons who may claim eligibility for compensation but are not included in list of compensation recipients. Separate verification should be performed for each claim.	Number of persons who meet eligibility criteria but not included in list of compensation recipients (excluded in error)
Verification of affected area and assets	Confirmation of area of affected assets, but with legal ownership and without, against the DRP	Area of land subject to acquisition, for which compensation has been paid
		Area of other assets subject to acquisition, for which compensation has been paid
Verification of compensation amount, processing and payment	Examination of financial documents	Number of persons who received compensation in time and in full amount, disaggregated by compensation type
	Identification and analysis of reasons for compensation not being paid in full and in time	Number of persons who did not receive compensation in time and in full, disaggregated by compensation type
		Amount of funding allocated for payment of compensations
	Identification of reasons for which funds for compensation have been under- or overspent	Rate of spending of funds actually allocated for compensation, as % of amount envisioned in the DRP
Verification of compensation timeline	Identification of reasons payment of compensation is delayed (i.e., inheritance issues, court case)	Number of persons who received delayed compensation, disaggregated by compensation type and reason for delay; and any changes in amount of compensation (if any)
Verification of consultation and participation	Determine level of involvement and reasons for inadequate participation	Number of compensation recipients participating in consultations and coordination meetings at each stage of land acquisition / resettlement process, disaggregated by vulnerability status and IPs
		Number of IPs consulted in their own language through verbal translation
	Examination of grievance cases; analysis of disputes and complaints content and the resolution of conflicts	Number of complaints received disaggregated by grievance type and project activity
		Number of complaints resolved disaggregated by grievance type and project activity

Annex 4: Structure of Summary of Consultation Results (For Sub-Project Resettlement Plan)

Structure of Summary Consultation Results

- Section 1 Provides a background to the consultation
- Section 2 Describes how the consultation was conducted and how responses from those consulted were considered
- Section 3 Contains a summary of the consultation responses and analysis of each response
- Section 4 Contains a summary of the consultation period and the recommended option

The Summary of Consultation Result will include information on:

SUMMARY OF RESPONSES:

- Number of Responses
- Support for the proposed subproject
- Comments about the proposed subproject

SUMMARY AND RECOMMENDATIONS

- Summary of conclusions of the consultation meeting,
- Next steps, actions, and recommendations

Annex 5: Expropriation Procedures⁹

The Expropriation Law aims to ensure the rights of titled owners or legal possessors whose property is acquired by the government in the public and national interest.

Section 1	Pre-expropriation Procedures
1.1	<ul style="list-style-type: none"> An expropriation shall be carried out based on the public physical infrastructure project and shall be approved in principle by the RGC, according to the ministry's/institution's proposal; and The Expropriation Committee (EC) shall prepare an expropriation project proposal and submit it to the RGC for review and approval.
1.2	<ul style="list-style-type: none"> The EC shall conduct a public survey by recording of a detailed description of all entitlements of the owners of and/or of the holder of real right to immovable property (IP) and other properties subject to compensation as well as recording of all relevant issues; In conducting the survey, the EC shall organize public consultations at the Capital, Municipal-Provincial, and District-Khan authority levels with Commune/Sangkat councils and Village or community representative to be affected by the expropriation to provide specific and concise information and collect inputs from all stakeholders regarding the proposed basic public infrastructure project. In order to set a dateline for the expropriation or relocation or compensation, the EC shall conduct a detailed interview with all concerned parties about the issues of IP to be affected by the public physical infrastructure project; and Within 30 (thirty) working days after the completion of the survey, the EC shall produce a report with recommendations and submits it to the RGC for approval.
1.3	<p>Based on the Royal Government's approval, the EC shall issue a Declaration on the expropriation project informing clearly the owner of and/or holder of real right to the immovable property about the IP subject to expropriation and stating the purpose of the expropriation of ownership and/or real right to the IP under the following procedures:</p> <ol style="list-style-type: none"> <i>Determine a subject of the public physical infrastructure project, project location and timeframe for project implementation, and the competent authority who has the right to expropriate ownership and/or real right or private property;</i> <i>Determine fair and just compensation;</i> <i>Determine a timeframe for lodging a complaint;</i> <i>Send the declaration accompanying a copy of expropriation law to all owner and/or holder of real right;</i> <i>Erect a sign marking that the IP is subject to be expropriated for the public physical infrastructure project;</i> <i>Disseminate information about the declaration through the media; and</i> <i>Post the declaration at the relevant Commune/Sangkat office in which the location of the public physical infrastructure project is situated, and the declaration shall be disseminated to people whose IP is subject to expropriation by a Village Chief.</i>
1.4	<ul style="list-style-type: none"> Upon receiving the declaration of the expropriation project, the owner of and/or holder of real right to IP can file a complaint requesting an investigation to find out if the expropriation is a real need for public or national interest or if it can be moved to other locations. Such complaint can be lodged by their lawyer or representative. The complaint shall be filed in a written form with the Grievance Redress Committee (GRC) as stipulated in Article 14¹⁰ of expropriation law within 30 working days following the receipt of the declaration of the expropriation project. The main contents of the complaint shall include: <ul style="list-style-type: none"> - name of the owner of and/or holder of real right to the IP, address and telephone number;

⁹ Law on Expropriation, 2010

¹⁰ A Grievance Redress Committee shall be established and led by a representative from the Ministry of Land Management, Urban Planning and Construction, and composed of representatives from relevant ministries/institutions.

	<ul style="list-style-type: none"> - <i>reason for the complaint;</i> - <i>description of the legalities regarding the land; and</i> - <i>Interests of the owner of and/or holder of real right to the expropriated land.</i> <p>However, the owner of and/or holder of real right to the IP cannot file a complaint requesting an investigation in case that the expropriation is for the development of main national roads, bridges, railway, connection and distribution of water and electricity systems, kerosene pipes, sewage pipes, drainage systems, networking or main drainage systems and irrigation systems.</p> <ul style="list-style-type: none"> • Within 30 (thirty) working days following the completion of the investigation, the GRC shall write up a report including recommendations and submit it to the RGC to make a decision.
Section 2	Expropriation Process
2.1	<ul style="list-style-type: none"> • The expropriation of the ownership of immovable property and real right to IP can be exercised only if the EC has paid fair and just compensation in advance to the owner and/or holder of real right, in accordance with the principles and procedures for compensation payment stipulated in Section 3 of Chapter 4 on Expropriation Procedures of the expropriation law. • The expropriation may still be carried out despite any unresolved dispute. The owner of and/or holder of real right to the IP who has received compensation from the EC shall still have the right to file a complaint in accordance with complaint and resolution procedures stipulated in Article 34 under Chapter 6¹¹ of the expropriation law.
2.2	<ul style="list-style-type: none"> • The expropriation of the ownership of and real right to other IP shall be made under the decision of the EC. The decision on expropriation shall contain the followings: <ul style="list-style-type: none"> - <i>Ownership of the IP and real right to IP to be expropriated;</i> - <i>Compensation to be paid; and</i> - <i>Deadline for the owners of and/or holder of real right to the IP to vacate and hand over the IP to the EC.</i>
2.3	<ul style="list-style-type: none"> • The EC shall notify of the decision on expropriation and pay full compensation to the owner of and/or holder of real right to IP in advance prior to carrying out the expropriation.
Section 3	Payment of Compensation for Expropriation
3.1	<ul style="list-style-type: none"> • The amount of compensation to be paid to the owner of and/or holder of real right to the IP shall be based on the market price or replacement cost as of the date of the issuance of the declaration on the expropriation project. The market price or the replacement cost shall be determined by an independent committee or agent appointed by the EC.
3.2	<ul style="list-style-type: none"> • The owner of and/or holder of real right to the IP shall be entitled to compensation for any actual damage to the IP incurred from the date of the issuance of the declaration on the expropriation project, which is the cut-off date for being entitled to the fair and just compensation.
3.3	<ul style="list-style-type: none"> • The compensation shall be made in cash, in kind or replacement rights, according to the actual situation with the consent from the owner of and/or holder of real right to the IP and the EC. The formality and payment procedures shall be defined by sub-decree at the request of the Ministry of Economy and Finance.
3.4	<ul style="list-style-type: none"> • The amount of compensation shall be calculated as total amount of compensation minus the amount of stamp tax and/or tax on unused land that have not been paid to the State from the total amount of the compensation, and the EC shall deposit the withholding taxes into the State budget in accordance with procedures in force.
3.5	<ul style="list-style-type: none"> • The amount of compensation for ownership of and real right to the IP shall not be taken into account any fluctuation in value occurring after the date of the issuance of the declaration on the expropriation project in which the fluctuation may involve changing land reserving measures, which are included in the urbanization plan determining land use area or

¹¹ Article 34, Chapter 6: Dispute Resolution, in case of dispute with the decision of the GRC, the owners of and/or holder of real right may lodge a suit to a competent court against improper expropriation procedures, expropriation that is not for the public or national interests, and unfair and unjust compensation.

	approved land use plan, or because such fluctuation arises as a result of the declaration on the expropriation project.
3.6	<ul style="list-style-type: none"> After receiving full amount of compensation, the owner of and/or holder of real right to the IP shall continue to use, stay, possess and benefit from the IPs until they are taken by the EC¹².
3.7	<ul style="list-style-type: none"> The EC may take over the IPs or the right to the IP after: <ul style="list-style-type: none"> <i>- Having complied with the procedures and conditions stipulated in Sections 1 and 2 of Chapter 4 of the expropriation law; and</i> <i>- Compensation has been paid in compliance with the principles and procedures stipulated in Section 3 of Chapter 4 of the expropriation law.</i>
3.8	<ul style="list-style-type: none"> A tenant of the IP with proper contract shall be entitled to allowance for disturbances as a result of the expropriation including the dismantling of structures, materials and transportation to the new relocation site. A tenant of the IP who is operating a business shall be entitled to compensation for the impact on their business operation and to additional assistance at fair and just compensation to the capital value actually invested for the business operation activities as of the date of the issuance of the declaration on the expropriation project. For the expropriation of a location that is operating business activities, the owner of the IP shall be entitled to additional compensation at fair and just compensation against the value of the property actually affected by the expropriation as of the date of the issuance of the declaration on the expropriation project.

¹² The owner of and/or holder of real right to the IPs may not occupy the IP for more than 1 (one) month after the EC has provided the full compensation in accordance with the procedures stipulated in Chapter 4 of Expropriation law unless otherwise agreed or permitted.