Loan No- 3223-IND

(Package No. HPTDB/13/2)

February, 2019

IND: Infrastructure Development Investment Program for Tourism (Tranche 3) State of Himachal Pradesh - Conserving Prominent Temple Precincts & Upgrading Urban Infrastructure For Tourism Dharamshala & Mcleodganj (Package No. HPTDB/13/2)

Prepared by the Government of Himachal Pradesh for the Asian Development Bank.

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I. EXECUTIVE SUMMARY

1. The Infrastructure Development Investment Program for Tourism (IDIPT) will develop and improve basic urban infrastructure and services in the four participating States of Himachal Pradesh, Punjab, Uttarakhand and Tamil Nadu—to support the tourism sector as a key driver for economic growth. It will focus on: (i) strengthening connectivity to and among key tourist destinations; (ii) improving basic urban infrastructure and services, such as water supply, road and public transport, solid waste management and environmental improvement, at existing and emerging tourist destinations to ensure urban amenities and safety for the visitors, and protect nature and culture-based attractions. Physical infrastructure investments will be accompanied by: (iii) capacity building programs for concerned sector agencies and local communities for better management of the tourist destinations and for more active participation in the tourismrelated economic activities, respectively.

2. Dharamshala, known as "The Holy Refuge" a home to many religious shrines and institutions. Though it is widely famous for the residence of 14th Dalai Lama, there are many Hindu religious places as well. With the backdrop of Dhauladhar mountains the setting itself is divine & spiritual, due to which there are lots of temples located at scenic sites in the region.

3. Government of Himachal Pradesh with the assistance from ADB is providing infrastructure facilities within Temple premises and its surrounding areas, so that influx of tourist as well as locals can be managed well and overall economy of Himachal Tourism can be enhanced.

4. **The major components** of the said project are proposed at Bhagsu Nag & Aghanjar Mahadev. The Cultural Centre, Toilet blocks (separate for both male & female), cafeteria, landscaping, rain shelter, signages, Chowk improvements, benches, gate, gardens etc.

5. **Summary of Resettlement Impact**: The project will not acquire land as per National laws: The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013. Cadastral maps were also examined to understand the ownership of land and it was confirmed that the ownership of the land where physical works will be undertaken belongs to the Temple Trust, Municipal Corporation and Deptt. of Forest etc. The subproject does not have any permanent impacts to common properties and residences.

6. Social impact assessment was done and it was envisaged that, one number of AP was experiencing permanent loss of his commercial structure during construction of cafeteria and toilet block at Bhagsu Temple premise. To avoid the permanent loss of livelihood to the shop owner, Temple Trust had allotted alternate shop in the same vicinity and also assured for providing new shop to the AP that was to be constructed in the proposed cafeteria. It is important to point out that AP is not entitled for land, because land belongs to temple trust. As per mutual understanding monthly rent of Rs. 700 was being taken from the AP (prior to providing him the new shop). Replacement Value for the loss of structure was assessed & calculated to be given to AP by the project. Shifting assistance and temporary livelihood losses

was also discussed with AP and he voluntarily refused to take any types of assistance (Shifting, Temporary disturbances during shifting) from the Line Agency with considering of project interest and also declines to take any compensation amount (replacement value for the loss of structure).

7. Now that the construction of new shop is complete and the same has been handed over to the AP on 6th April, 2018.

8. **Categorization.** This subproject has been categorized as "B" for Involuntary Resettlement (IR) impact as per the ADB's Safeguard Policy Statement (SPS), 2009. This resettlement plan (RP) is based on final design and has been prepared following the updated Resettlement Framework (RF).

9. **Public Consultations.** Consultations were carried out during RP preparation and will continue throughout the subproject cycle. The social team carried out preliminary consultations, through focus group discussions (FGDs) and meetings with the affected persons (AP) as well as the general public from May, 2014 to August, 2017. FGDs were conducted with the APs wherein policy related issues i.e. displacements and other issues like compensation and shifting assistance, input to alternative design were discussed. During consultation meetings, participants were of the view that this subproject is important and very much needed. All participants are pleased and committed to support the implementation of the project. There was no opposition for this subproject. Participants demonstrated great interest in alternative occupations and employment prospects which will be generated by the project. This was especially evident amongst affected shopkeeper. Follow up consultations were carried out with AP & other relevant stakeholders, including SDM Dharamshala & Temple Trust during first to early third guarters of 2018. The focus of discussion was timely handing over the shop to AP, AP's refusal to accept any assistance as well as the structural loss compensation amount and satisfaction over the possession of the new shop.

10. **Policy Framework and Entitlements**: The policy framework and entitlements for the program are based on national laws: the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act 2013, ADB SPS 2009; and RF.

11. **Compensation and Income Restoration**: The implementing agency was to provide Replacement value of that structure to the AP in accordance with the entitlement matrix of the updated RF prior to the dismantling of that structure and/or possession of the land by the contractor. Although AP had voluntarily refused to take any shifting assistance and the compensation amount for the structural loss, efforts were made by the project implementation unit to facilitate the shifting of the AP in the alternate shop on non-working day when his shop is closed or non-working hours with prior notice and ensure that there is no negative impact on his livelihood on the day of shifting. As a policy, affected person was provided 30 days, and again 1 day, advance notice to ensure minimal disruption to his livelihood. Compensation was to be given to the AP prior to the start of civil works, but following APs refusal to the.compensation amount, (only) an alternate shop in the same vicinity was provided to him. And following completion of construction of new shop, the same has been handed over to AP on 6th April, 2018.

12. **Disclosure:** Goals and objectives of the project have been disclosed with the affected person and other stakeholders through FGDs in January, 2016. Following the final consultation with AP & other stakeholders regarding handing over of the shop, the updated RP will be disclosed in the project and ADB website.

13. **Grievance Redress Mechanism**: Grievance of the public and particularly, the AP's will be addressed through the project's GRM. For this subproject, grievance will be first brought to the notice of the site engineer and focal person of the Project Implementation Unit (PIU), Grievances not redressed by the PIU will be referred to the PMU level, who will, based on review of the grievances, address them in consultation with the PMU Community/ Social Development Specialist. If the grievance remains unresolved, the Project Director, will refer the issue to the State Level Empowered Committee (SLEC), which will act as Grievance Redress Committee (GRC). The GRC will resolve the issue within one month from the date of registration of any case in the GRC.

14. **Executing and implementing agencies**: The executing agency is the Department of Tourism, Government of Himachal Pradesh. The implementing agency is Project Implementation Unit (PIU), with the support of the Design & Supervision Consultant (DSC) & Project Management Consultant (PMC) and in consultation with the Project Management Unit (PMU). Project Management Unit (PMU) is set up at Shimla to coordinate the overall execution. Project Management Consultant (PMC) at Shimla provides assistance to PMU in execution. Project Implementation Units (PIUs) are set up at Shimla, Kangra and Kullu being supported by respective Design Supervision Consultant (DSC) teams. The social safeguards issues are under the purview of Community Development Officer (CDO) posted at PIU and seek guidance with regard to RP implementation from PMU Community/Social Development Specialist. The Social Safeguard Specialists of DSC will assist PIU- CDOs in RP implementation.

15. **RP Implementation and Monitoring**: Compensation is to be paid prior to start of civil works. Since AP voluntarily refused for any compensation amount, only an alternate shop has been provided to him. RP implementation was closely monitored by PIU with an effective basis for assessing resettlement progress and identifying potential difficulties and problems. The PIU, with assistance from DSC, prepared monthly and quarterly progress report in terms of physical and financial indicators. Report prepared by DSC submitted to PIU for further submission to PMU on a bi-annual basis for its due submissions to ADB.

16. **Resettlement Budget**. The resettlement cost for the subproject was estimated at **INR 1, 81,485.00 (One Lac eighty one thousand four hundred and eighty five only)**, which was to be met from counterpart (Government) funds, but the same has been voluntarily refused by the AP.