



Submitted to : Egyptian Natural Gas Holding Company



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RESETTLEMENT POLICY FRAMEWORK

NATURAL GAS CONNECTION PROJECT IN 11 GOVERNORATES IN EGYPT (March 2014)

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LIST OF ACRONYMS AND ABBREVIATIONS

<i>AP</i>	<i>Affected Persons</i>
ARP	Abbreviated Resettlement Plan
CAPMAS	Central Agency for Public Mobilization and Statistics
EA	Environmental Assessment
EEAA	Egyptian Environmental Affairs Agency
EGAS	Egyptian Natural Gas Holding Company
EIA	Environmental Impact Assessment
ESA	Environmental and Social Assessment
ESIAF	Environmental and Social Impact Assessment Framework
GASCO	Egyptian Natural Gas Company
GRM	Grievance and Redressal Mechanism
IR	Involuntary Resettlement
LGU	Local Governmental Unit
LDC	Local Distribution Company
LPG	Liquefied Petroleum Gas
NG	Natural Gas
NGO	Non Governmental Organization
PAF	Project Affected Family
PAP	Project Affected Persons
PRS	Pressure Reduction Station
BUTAGASCO	The Egyptian Company for LPG distribution
RAP	Resettlement Action Plan
RPF	Resettlement Policy Framework

SDO	Social Development Officer
TOR	Terms of Reference
WB	World Bank

Exchange Rate: US\$ / L.E. = 7 December 2013

GLOSSARY¹

Census: Household survey that covers all affected persons irrespective of entitlement or ownership. It provides a complete inventory of all affected persons and their assets. It can be used to minimize fraudulent claims made by people who move into the area affected by the project in the hope of being compensated and/or resettled.

Displaced Persons: Persons who are affected by the involuntary taking of land and / or the involuntary restriction of access to legally designated parks and protected areas.

Environmental Impact: An effect (both positive and negative) on an environmental resource or value resulting from infrastructure development projects.

Environmental and Social Impact Assessment (ESIA): A systematic procedure for enabling the possible environmental and social impacts of development projects to be considered before a decision is made as to whether the project should be given approval to proceed.

Involuntary: Actions that may be taken without the displaced person's informed consent or power of choice.

Involuntary Resettlement (IR): The unavoidable displacement of people and/or impact on their livelihood, assets and common property resulting from development projects that create the need for rebuilding their livelihood, sources of income and asset bases.

Monitoring: The process of repeated observations and measurements of environmental and social quality parameters to assess and enable changes over a period of time.

Public Involvement: The dialogue encompassing consultation and communication between a project proponent and the public. It includes dissemination, solicitation and presentation of information

Rehabilitation/Resettlement: A term often used to describe the process of reestablishing lifestyles and livelihoods following resettlement. The term is also used to describe construction works that bring a deteriorated structure back to its original conditions.

Resettlement Action Plan (RAP): A time-bound action plan with a budget, setting out resettlement strategy, objectives, options, entitlements, actions, approvals, responsibilities, monitoring and evaluation.

Social Impact: An effect (both positive and negative) on a social issue resulting from infrastructure development projects

¹ Sources: <http://www.unescap.org>, <http://www.adb.org>, World Bank OP 4.12, and SFD's Operational Manual for the Local Development Program.

Stakeholders: Those who have an interest in project development and who will be involved in the consultative process, and includes any individual or group affected by, or that believes it is affected by the project; and any individual or group that can play a significant role in shaping or affecting the project, either positively or negatively, including the host community/population.

Vulnerable Groups: Distinct groups of people who might suffer excessively from resettlement effects, such as, the old, the young, the handicapped, the poor, isolated groups and single parents.

Executive Summary

The Government of Egypt (GoE) has immediate priorities to increase household use of natural gas by connecting 800,000 households per year to the gas distribution network to replace the highly subsidized, largely imported Liquefied Petroleum Gas (LPG). The GoE is implementing an expansion program for Domestic Natural Gas connections to an additional 2.5 Million households over the next 3 to 6 years. This Gas Connection Project is an integral part of the Government's on-going program to connect households and other users to the natural gas network. The Project has identified 96 Districts and villages in 11 Governorates, with a target of connecting 1.1 million residential customers (households).

This Project is likely to have social impacts on land access, restriction of access to assets, displacement and loss of livelihood among others. The lands that will be needed permanently for the construction of PRSs and temporary land use will not be avoidable for construction of gas transmission pipelines.

- The project will finance a total of 25 pressure reduction stations. Each station will require approximately 1600 square meters of land (40m x 40m) on average. The total amount land needed for the PRSs will be about 40,000 square meters.
- The project will finance construction of 178 km of pipelines. The diameter of the pipe will approximately be 1.3 meter. The total temporary land use will be about 356,000 square meters. Parts of these pipelines will pass through agriculture land resulting in temporary disruption for the crops, trees and the income of farmers.

Since the final selection of the paths of the distribution network will be made during the course of project implementation and the exact location of pressure reduction station and gas pipeline cannot be determined at this stage, this Resettlement Policy Framework (RPF) is prepared based on the requirements of World Bank Policy on Involuntary Resettlement OP 4.12 and relevant Egyptian laws and regulations as a guideline for resettlement preparation and implementation, if there is any. The purpose of the Resettlement Policy Framework is to set down the principles for resettlement impact mitigation, as well as to clarify the organizational arrangements that may be needed during project preparation and implementation phases.

Resettlement and land acquisition issues under the proposed Project and subsequent subprojects will be addressed under the guidance of the laws governing the Arab Republic of Egypt to this regard which is mainly Law No. 10 of year 1990 and the World Bank's OP 4.12. The RPF represents the reference to be used in managing land acquisition issues and addressing the involuntary resettlement and displacement of people related to WB financed projects. EGAS shall be committed to complying with the national and WB laws and policies and to any future amendments to them.

All PAPs who suffer a complete or partial loss of assets or access to assets shall be eligible for some kind of assistance, according to their legal rights to the land, if it can be proven that they occupied the land before the claim cut-off date

The valuation of losses in physical assets will be carried out by assessing the market value of the assets, if known, and estimating the replacement cost. Replacement cost is simply

calculated as the cost of replacing the lost assets plus any transaction costs associated with bringing the asset to pre-displacement value. However, the valuation of crops will be mainly relied upon the price lists developed by the Agriculture directorate and revisited annually.

Given the nature of this project, the potential impacts are limited to affecting the business of farmers and their crops. They will be entitled for cash compensation to be paid prior to the construction. For the lands needed to the PRS, EGAS aims at attaining the lands from state owned lands. In case of no availability for such lands, they will purchase the lands according to the market price based on willing seller willing buyer approach. EGAS and the LDCs select the most appropriate land (price and technical wise). The location of PRS is flexible depending on the willingness of landowners to sell the land. Upon the mutual agreement with the Land owner a preliminary contract is signed with a Down payment

Once the detailed activities and work plan under the project have been identified, the Governmental Relations Department within EGAS will obtain all approvals related to the project. Thereafter, they will work together with SDOs of EGAS, Town Gas and Egypt Gas, to carry out social screening to determine whether or not the project will involve in any resettlement impacts and make decision on if a resettlement action plan or abbreviated Resettlement Action Plan needs to be prepared

As the resettlement work will be carried out with the full participation of the PAP, it is expected that no major grievance issue will arise. However, to ensure that the PAP have avenues for redressing their grievance related to any aspect of land acquisition and resettlement, detailed procedures of redressal of grievances have been established in this RPF. The objective is to respond to the complaints of the PAP speedily and in a transparent manner, without resorting to complicated formal channels to the extent possible. EGAS and the Local Distribution Companies adopt a multi-level grievance mechanism that enables the PAPs to voice their concerns and complaints related to compensation or other project activities.

Concerning vulnerable groups, they are those groups of people who are typically excluded, disadvantaged or marginalized based on their economic, ethnic, social, or cultural characteristics. The Resettlement Action Plan will adopt the Sustainable Livelihood Approach that will help in vulnerability identification.

In line with WB requirements, internal and external resettlement monitoring and evaluation will be carried out during implementation of Resettlement Action Plan and ensure that all PAPs are compensated adequately.

Extensive public consultations were carried out with various stakeholders at various locations in preparation of the RPF. The locations, number of people that participated and the consultation methods are summarized as follows:

- 1- During the data collection process 1904 households were consulted using a structured questionnaire. 1038 were females and 866 were males.
- 2- Additional 315 persons were consulted among the governmental entities, potential beneficiaries and NGOs using in depth guideline and group discussion guideline. 85 % of the consulted groups were females

- 3- The Public Consultation conducted in three governorates during the scoping phase was attended by 251 persons among which 53 were females
- 4- The Public Consultation conducted in the 11 governorates during the final consultation phase was attended by 971 persons among which 273 were females

The main concerns related to involuntary resettlement were documented. The participants raised their concerns related to avoidance mechanism and the compensation strategy. Impact on the LPG distributors was raised. The participants emphasized on the importance to adopt a comprehensive information sharing strategy

At this stage, it is difficult to estimate the total resettlement cost. The actual resettlement cost and budget will be included in the RAP which will be prepared during project implementation. The budget shall consider all of the anticipated impacts under the project and calculated cost (compensation, administrative costs and monitoring.... etc) according to actual replacement costs (at market value). EGAS is fully responsible for any compensation for land acquisition. The Local Distribution Companies (LDCs) namely Egypt Gas and Town Gas will be responsible for paying the compensation costs to the PAPs based on the price lists to be developed by EGAS and the Agriculture Directorate. Thereafter, cost will be reimbursed from EGAS.

1 INTRODUCTION

The Government of Egypt (GoE) has immediate priorities to increase household use of natural gas by connecting 800,000 households per year to the gas distribution network to replace the highly subsidized, largely imported Liquefied Petroleum Gas (LPG). The GoE is implementing an expansion program for Domestic Natural Gas connections to an additional 2.5 Million households over the next 3 to 6 years. This Gas Connection Project is an integral part of the Government's on-going program to connect households and other users to the natural gas network. The Project has identified 96 Districts and villages in 11 Governorates, with a target of connecting 1.1 million residential customers (households).

The proposed investments are part of the household gas connection investments in service areas in the 11 governorates under the concessions of two distribution companies; **Town Gas** in the Giza, Ismailia, Alexandria, and Marsa Matrouh governorates, and **Egypt Gas** in Qalubia, Menufia, Dakahleya, Qena, Sohag, Gharbia, and Aswan governorates. The Project will include the following components:

- **Component 1: Gas Distribution Network and Household Connections.** This includes expansion of the intermediate and low pressure gas distribution networks, installation of control units and conversions of customer appliances to allow connection of and supply of gas to the proposed new 1.1 million households.
- **Component 2: Pressure Reduction Stations (PRSs)** for reduction of NG pressure from 70 Bar to 7 Bar and odorant addition for residential users. The construction of PRSs to connect the distribution networks in the project areas to the gas transmission networks. Currently, 25 new PRSs area being considered for financing by the proposed project.
- **Component 3: Gas Transmission Connection.** This component includes extending the gas transmission network to supply gas to the new PRSs in the project areas. Twenty pipeline connections are currently being considered ranging from 50m – 38km of about 178 km total length.

Land will be needed for construction of PRSs and temporary land use will not be avoidable for construction of gas transmission pipelines. Since the final selection of the paths of the distribution network will be made during the course of project implementation and the exact location of pressure reduction station and gas pipeline cannot be determined at this stage, this Resettlement Policy Framework (RPF) is prepared based on the requirements of World Bank Policy on Involuntary Resettlement OP 4.12 and relevant Egyptian laws and regulations as a guideline for resettlement preparation and implementation, if there is any.

1.1 Objective of Framework

The purpose of the RPF is to set down the principles for resettlement impact mitigation, as well as to clarify the organizational arrangements that may be needed during project preparation and implementation phases. This includes compensating all project affected persons (PAPs) for the loss of lands, properties, and livelihoods resulting from displacement and resettlement, as well as assisting these people in relocation and rehabilitation. The RPF may be triggered whenever any of the project's activities entail

the acquisition of land and / or the displacement of people, causing the loss of land, property, assets, access (to land, property, and assets), income, or sources of livelihood.

This framework shall cover all the project's activities, and shall apply to all displaced persons regardless of the total number affected, the severity of impact, and whether or not the affected persons have legal title to the land. Since resettlement often affects the most vulnerable and marginalized groups (economically, politically, and socially), the RPF shall be particularly sensitive to the affects which displacement may have on these groups, including the poor, landless, elderly, women, children, ethnic minorities, or persons with specific mental or physical disabilities.

1.2 Key Principles

The principles outlined in the World Bank's OP/BP 4.12 have been adopted in preparing this RPF. In this regard the following principles would be applied:

- (a) Acquisition of land and other assets, and resettlement of people will be minimized as much as possible. Where land acquisition is unavoidable, the project will be designed to minimize adverse impact on the PAPs, especially the vulnerable groups;
- (b) All PAPs will be compensated, relocated and rehabilitated, if required, so as to improve their standard of living, income earning capacity and production capacity, or at least to restore them to pre-Project levels;
- (c) All PAPs residing in, or cultivating land, or having rights over resources within the components area of the socioeconomic survey are entitled to compensation for their losses and/or income rehabilitation. Lack of legal right to the assets lost will not bar the PAP from entitlement to such compensation, rehabilitation and relocation measures;
- (d) The rehabilitation measures to be provided are (i) compensation at full replacement cost for houses and other structures; (ii) compensation for land acquisition and resettlement subsidy for the affected villages and farmers; (iii) dislocation allowance and transition subsidies; (iv) full compensation for crops, trees and other similar agricultural products at market value; and (v) other assets, and appropriate rehabilitation measures to compensate for loss of livelihood;
- (e) Replacement house-plots, place of business and agricultural land will be as close as possible to the land that was lost, and acceptable to the PAPs;
- (f) Land-for-land is the preferred option. Land-for-land may be substituted by cash provided that: (i) land is not available in the proximity of the subproject area; (ii) PAP willingly accept cash compensation for land and all assets on it; and receive full replacement value without any deductions for depreciation; and (iii) cash compensation is accompanied by appropriate rehabilitation measures which together with project benefits results in restoration of incomes to at least pre-subprojects levels;
- (g) The resettlement transition period will be minimized, land-for-land and/or cash compensation provided to the PAP completed prior to the expected start-up date of works in the respective components.
- (h) Resettlement plans will be implemented following consultations with the PAPs, and will have the endorsement of the PAPs;

- (i) The previous level of community services and access to resources will be maintained or improved after resettlement;
- (j) Any acquisition of, or restriction on access to resources owned or managed by PAP as common property will be mitigated by arrangements ensuring access of those PAP to equivalent resources on a continuing basis;
- (k) Financial and physical resources for resettlement and rehabilitation will be made available as and when required;
- (l) Resettlement program will include adequate institutional arrangements to ensure effective and timely design, planning and implementation of resettlement and rehabilitation measures;
- (m) Adequate arrangements for effective and timely internal and external monitoring will be made on implementation of all resettlement measures;

2 LEGISLATIVE FRAMEWORK FOR RESETTLEMENT

Resettlement and land acquisition issues under the proposed Project and subsequent subprojects will be addressed under the guidance of the laws governing the Arab Republic of Egypt to this regard and the World Bank's OP 4.12. The RPF represents the reference to be used in managing land acquisition issues and addressing the involuntary resettlement and displacement of people related to WB financed projects. EGAS shall be committed to complying with the national and WB laws and policies and to any future amendments to them.

2.1 Government of Egypt Relevant Legislation

It is the Government of Egypt's policy to pay compensation or offer assistance to people whose lands and properties are affected by projects undertaken by the Government. This section pertains to the means, causes, and the competent authorities entrusted with the implementation of the provisions and rules of the administrative law, civil law, in addition to the law related to the expropriation of private property for public interest. In addition, this section also covers the restrictions, the conditions of the legality of procedures applied by the administration at its disposal, and the consequences of property expropriation, in addition to the legal procedures for the possession of private property.

2.1.1 Administrative Authority's Decision Making Responsibilities

The main objective of the state, represented by its executive authority through the issuance of administrative decisions for the public benefit, is to achieve public interest. The state (administrative authority) uses various means to exercise this diversified activity that is readily perceived in the administrative affairs and reflected in the legal affairs.

In accordance with Article 35 of the constitution developed and agreed upon during the referendum 14-15 of January 2014 "The private ownership is guarantee and the inheritance is validated for. It is not allowed to suspend the ownership unless certain conditions mentioned by a Law. No expropriation might take place but for the public benefit. Fair compensation should be paid in advance according to the Law." As well as, article 63 of the Constitution: "All types of involuntary relocation using force or excessive violence is banned and whoever violating this article will be brought to court" According to this article, it is understood that amicable procedures for the private property expropriation is guarantee by law. The competent jurisdiction shall be entitled to take cognizance of the lawsuits raised by individuals against the administration for appropriate compensations.

Other relevant laws governing expropriation and consequent compensation procedures include:

- Law 577/54, which was later amended by Law 252/60 and Law 13/162, lays down the provisions pertaining to the expropriation of real estate property for public benefit and improvement,
- Law No. 27 of 1956, which stipulates the provisions for expropriation of districts for re-planning, upgrading, and improvement, and the amended and comprehensive Law No.10 of 1990 on the expropriation

of real estate for public interest.

The general provisions guiding expropriation of private property (according to Law 577/54, Law No. 27 of 1956, Law No. 252 of the year 1960, and Law 577/54) include the following:

- 1 Property expropriation shall be only on tangible real estate property, there shall be no expropriation of movable possessions.
- 2 Applicable only to property privately owned by individuals, thus, public property is excluded from the procedures.
- 3 The expropriation shall include land and constructions (structures).
- 4 The purpose of expropriation shall only be for realizing public interest.
- 5 The administrative authority has the right to assess the circumstances related to expropriation as well as the authority for implementation of property expropriation, which is justifiable by the objective of achieving public benefit. The administrative authority may not be challenged or judged on the grounds that it could have chosen more appropriate real estate property to achieve public benefit than the one that it has already chosen.
- 6 The administration shall estimate the area it sees necessary for the establishment of a project. This right shall not be only restricted to the real estate property required for the project; but the legislator empowered the administration to also include expropriated property.

According to Article 23 of Law 577/1954: “If the purpose of the property expropriation is the establishment of a squares, streets, or their expansion, modification, demarcation, or the establishment of a new district, or for its improvement/ upgrading or beautification, or for any health related matter; property expropriation may include, in addition to the real-estate property needed for the project, any other real-estate property which the administration in charge seems to be necessary to achieve the project’s objective or any other property whose current state (whether in size or form) is not consistent with the required improvement.

Moreover, the first article of Law No. 27 of 1956 allows for the expropriation of districts for their improvement, upgrading, re-planning, and reconstruction. Article 24 of Law 577/54 also stipulates that in case only partial expropriation of real estate property is required, and the remaining un-expropriated part will not be of benefit to the owner; the owner shall be given the right to submit a request within 30 days (beginning from the date of final disclosure of the list of the expropriated property) for the purchase of the entire area.

It should be noted that the new law has not restricted the right to request the purchase the remaining un-expropriated portion of real estate to buildings only, but it was also extended to include land as well.

Law No. 252 of the year 1960, amended by Law 577/54 was promulgated to equilibrate the rights and guarantees for individuals with the rights of the state in expropriating private property. Moreover, this law has stipulated that the assessment of public benefit / interest, which justifies property expropriation, shall be emanated in all cases by a Presidential Decree, while previously it was made by the competent minister.

2.1.2 Legal and Administrative Procedures for Transfer of Ownership and Compensation

The procedures taken to this regard are administrative, with no judicial interference except in the assessment of the compensation amount.

Article 1 of Law 252/60 (amended by Law 577/54) states that the determination of public benefit for the expropriation of private real estate property is subject to Presidential Decree. On the other hand, according to Article 2 of Law 27/1956, the determination of public interest for the expropriation of districts for re-planning and upgrading is subject to a Decree from the Cabinet of.

Enclosed with the decree is:

- A memorandum demonstrates that the required project shall be considered of public benefit / interest (to be published with the Decree in an official newspaper and in relevant local administrative units).
- A map delineating the project scope.
- Two weeks following the publication and promulgation, the official commissioned to the expropriation property procedures is permitted to enter into the real estate to perform the technical and surveying operations and all the necessary demarcations of the expropriated real estate.

The steps for ownership transfer are highlighted below:

- 1 **Preparation of a census of all property:** The census shall be performed by commissions which consist of a delegate of the entity commissioned to perform the expropriation (i.e. the Governorate, Ministry of Agriculture, etc.) and one of the local officials from the Governorate. A registered notice shall be sent to notify the concerned person. All owners and those with rights or entitlements to the expropriated property shall meet up with the commission in the project area during the census process in order to guide the commission members with regards to their property rights. The commission shall report the minutes of the procedures, which shall include all property and their owner names and addresses. The members of the commission and the owners shall sign the census report. If anyone refuses to sign, this will be noted in the minutes of the session by justifying the reason for refusal. Entering the expropriated properties from then on shall be subject to the notification of the concerned person.
- 2 **Preparation of statements and evacuation warnings:** The expropriating entity shall prepare statements with the number and types of property that shall be expropriated, their size, location, owner's names and addresses, and compensation values (as per the census report). These statements shall be published in an official newspaper. The owners and tenants shall be warned that they must evacuate the property within a period of maximum 5 months. The owners shall be given a period of 30 days (from the date of submission of the statements) to present their complaints or grievances regarding the data in the statement. If the complaints were not submitted during this 30-day period, the data included in the statements shall be considered conclusive and shall not be subject to any litigation or claim, and in this case the compensation amounts indicated in the statements shall be sent to the identified owners.
- 3 **Transfer of ownership:** For those owners with no complains or contestations, the transfer of ownership is simply made by having them sign specific forms for ownership transfer. For property which the owners have not signed the proper

forms, the competent minister shall emanate a decision to expropriate the property. The forms and the Ministerial decrees shall then be deposited in the relevant Notary Office. This deposit regarding the real estates shall generate the effects caused by the declaration of the sale contract. According to it, the property shall be transferred to the administrative authority that expropriates the property, and the rights incumbent on the real estates shall be transferred to the compensation amounts.

4 **Compensation assessment:** Property expropriation shall only be made against a fair compensation in accordance to constitutional provisions. The legislator has put forth some principles which should be taken into consideration with regards to compensation assessment:

- a. The compensation assessment for property expropriation shall not include structures, plants / crops, improvements / additions, or tenant agreements if it has been proved that the aforementioned acts were performed in order to acquire higher compensation. The legislator has provisioned that every act taken to this regard, after the publication of the decision for expropriation for public benefit in the official newspaper, shall be considered as an act performed for increasing the compensation value. Accordingly, these acts should be ruled out in the assessment of the compensation amount (*Article 25: Law No. 577 of 1954, and Article 7: Law No. 27 of 1956*).
- b. If the compensation amount for the un-expropriated part, in projects other than urban planning, increases or decreases (due to activities causing general public benefit), the increase or decrease in amount should be taken into consideration so that the amount to be added or reduced shall not exceed 50% of the compensation value of the expropriated property (*Article 19: Law No. 577 of 1954*).
- c. If the value of the property subject to expropriation for the upgrading or re-planning of districts /cities is increased as a result of the implementation of a public benefit project, the increase in value shall not be calculated in the compensation assessment if the property expropriation is performed within 5 years from the date of implementation in the previous project (*Article 20: Law No. 477 of 1954*).
- d. For real estate subject to improvement due to public benefit works (district/city re-planning and upgrading projects), the owners shall be obliged to pay for the improvements, provided that the payment does not exceed 50% of the actual expenses for establishing or expanding the street or square which resulted in the improvement. This provision shall also be applicable if only part of the property within the district/city re-planning/upgrading projects is expropriated, and the authority in charge has deemed that that keeping part of the real estate by the owner does not conflict with the purpose of the intended project. The assessment of the aforementioned charges made by the authority in charge of organizing affairs shall not be subject to any appeal (*Law No. 577 of 1954*).

In order to avoid delays, which may prevent owners from acquiring their compensation in due time, Law No. 14 of 1962 has provided for a new provision in Article 21', which states that "Half of the value of the expropriated property that has entered into the improvements areas shall be disbursed, while the second half of the value shall be deposited in the trust funds of the competent authority, until the owner submits a

certificate issued from the competent authority that demonstrates the payment in return for the improvements made to the property.

2.1.3 Disputes

The procedures for expropriation are administrative by nature and usually rapidly implemented. Accordingly, the abrogation proceedings, compensation disputes, and all actions related to the expropriation property will not stop the expropriation procedures nor prevent its consequences; rather, the owner's right for compensation is addressed (Article 26: Law No. 577 of 1954). However, the rapidity of these procedures should not prevent the owners and concerned persons from claiming and ensuring their rights. Accordingly, the legislator has distinguished two different redress mechanisms:

- 1 For compensations not related to the compensation assessment: Such as those pertaining to the actual right of the expropriation. In this case, the authority in charge of the expropriation process shall be responsible for investigating these disputes in order to pay the due compensation value (*Article 11: Law No. 11 of 1954 and Law No. 11 of 1956*).
- 2 Disputes over compensation assessment: These disputes are subject to legal jurisdiction as follows: The authority in charge of the expropriation procedures shall refer the disputes over the compensation assessment submitted to court. The court shall examine the complaint quickly and its judgment shall be conclusive.

2.1.4 Temporary Expropriation of Real Estate

The right of the public authority to expropriate needed real estate property also includes the right to temporarily occupy / take over this privately owned property. Law No. 577 of 1954, Law No. 27 of 1956, and the new Law No. 10 of 1990 pertaining to property expropriation, include provisions regarding temporarily occupying property:

Summarized below are the legal provisions for two particular cases:

- 1- Occupation of Real Estate Property Prior to Expropriation: If the administration resorts to interim or temporary occupation of privately owned real estate, the time frame should be identified. However, if the temporary occupation is conclusive, the administration shall resort to the regular expropriation procedures (mentioned above). In order to save time, the new legislation has allowed the administration to occupy prior to the completion of the expropriation procedures (*Article 16: Law No. 577 of 1954*). According to the amendment of Law No. 252 of 1960, "except in emergencies and hasty cases that require the occupation of real estates to perform necessary reparation works, upgrading, and other work, temporary occupation of real estate for public benefit is subject to a Presidential Decree (to be published in an official newspaper). The legislator has included some provisions guiding this case:
 - a. The administration cannot resort to this before the issuance of the decision that the expropriation of this specific property is considered to be of public benefit.
 - b. The real estate owner has the right to compensation for not being able to get access or use his / her property, starting from the date of actual occupation until the payment of the due compensation as a result of the property expropriation.
 - c. The owner of the real estate has the right to dispute / contest the value of the assessed compensation, for preventing him/ her from using or gaining access to his / her property, through the same process for grievance redress on the

assessed compensation for property expropriation. In this case, it will not be allowed to remove any structures or buildings (which have been occupied) until the re-estimation of value has been conclusively made.

- d. In the case of expropriation of districts, the property and buildings will not be expropriated until alternative dwellings have been provided for those who lost their homes.
- e. Temporary Occupation: If the administration needs to manage a real estates for an interim / temporary period that does not justify the expropriation of the property, and accordingly the administration takes over only the management while the ownership remains with its official owner.

Summarized below are the legal provisions for two particular cases:

- Necessity (Hastiness / Rapidity): As stated in Article 17 “...in case of sinking, or severing of a bridge, or the outbreak of an epidemic, and in all emergency cases, it is permissible to temporarily take over / occupy the needed real estates to perform reparation works, prevention, or other kinds of work”.
- Public Benefit Project: Law No. 577 of 1954 states that the occupation decision in both cases aforementioned shall be issued by the “Director” or the Governor (Article 17), while Article 2 of the previous law concerning the occupation decisions identified the Governor as the person in charge issuing temporary occupation decisions in case of emergency / hastiness. In any other case, the aforementioned law designates a Presidential Decree for the implementation of temporary occupation.
- Procedures: Real estate temporary occupation only requires that a representative from the competent entity to identify the type f real estate, size, and condition upon occupation. If this is done, the competent entity is then able to occupy the real estates without having to take other measures.” To simplify the procedures to the previous figure, that could be justified in the occupation case for emergency or rapidity.
- Compensation: Within a week of the occupation date, the competent authority shall determine the compensation value for the concerned persons / owners in return for losing access and use to their property temporarily. The owners shall have the right to dispute the assessed compensation as previously noted.
- Occupation Period: The maximum period for temporary occupation is 3 years, beginning from the actual occupation date. If the administration deemed it necessary to extend the occupation period for over 3 years, this may be done through agreement with the owner. However, if no agreement is reached the property shall be expropriated and the administration shall be responsible for returning the property to the owner in its original status, at the time of occupation, along with compensation for any of spoilage or decrease in its value.

2.1.5 Introduction of New Articles to the Law on Property Expropriation for Public Benefit No. 10 of 1990

The legislator deemed it necessary to amend the law to reflect new developments that have occurred, beginning from the administrative decentralization process in the local governance system and the transformation of many public entities into separate public bodies, each being a separate legal entity, independent from the state, and a budget, independent from the public budget.

The new amendment of this law states that the authority requesting the property

expropriation shall be responsible for the payment of compensation value and in representing itself in legal litigations before the jurisdiction.

Article 2 of the Law No. 10 of 1990 has identified public benefit activities to be:

- Construction of roads, streets, squares, or their broadening, modification, paving, or the constructing of entirely new districts.
- Sanitary drainage and water projects
- Irrigation and drainage projects
- Electricity / power projects
- Construction of bridges and the surface paths (slides, lower passages, or modifying them)
- Transportation projects
- Urban / rural planning and improvement of infrastructure
- All activities that are considered to be of public benefit as per any other law
- Other public benefit activities may be added as per Cabinet of Ministries Decree(s)
- The decision ruling public benefit activities shall be in accordance with a Presidential decree and shall have a memorandum of the project enclosed.

The new law has introduced / specified, through Article 6, the members of the compensation assessment commission. The commission is made at the Governorate level, upon a Decree by the Minister of Water Resources and Irrigation, and consisting of a delegate from the Ministry's Surveying Body (as President), a delegate from the Agricultural Directorate, a delegate from the Housing and Utilities Directorate, and a delegate from the Real Estate Taxes Directorate in the Governorate. The compensation shall be estimated according to the prevailing market prices at the time of the issuance of the Decree for Expropriation.

2.2 World Bank Safeguard Policies

The WB's policy on Involuntary Resettlement sets forth all the resettlement requirements and principles which will be well considered and fully applied in the proposed project.

2.3 Gaps between Egyptian Regulations and World Bank Policies

The gaps between Egyptian regulations and World Bank policies are summarized in Table 2-1:

Table 2-1: Comparison of Egyptian regulations with World Bank policies

Topic	Egyptian legislative requirements	World Bank policy requirement	Measures to bridge the gaps
Calculation of Compensation	According to prevailing prices in the affected area and assessed by a specialized committee for that purpose	Full replacement cost	In most cases, prevailing market price can reflect the replacement cost of affected assets. In case, there is no market price as reference for some affected assets, the compensation rate will be determined based on actual cost in consultation with affected persons
Squatters	Not included in the legislation (Applied cases for resettlements revealed that squatters have been compensated as a result of political sensitivity)	Are to be provided resettlement assistance (but no compensation for land)	This has to be clearly considered in any resettlement action and offered options whether through alternative shelters or fair compensation that enables them to find other shelter.
Resettlement assistance	Not included	Affected people are to be offered support after displacement, for a transition period.	Specific assistance will be designed and included in the Resettlement Action Plan.
Vulnerable Groups	Not Included	Particular attention to be paid to vulnerable groups, especially those below the poverty line, the landless, the elderly, women and children, indigenous peoples, ethnic minorities.	Provisions on assistance to vulnerable groups will be included in the resettlement action plan..

Topic	Egyptian legislative requirements	World Bank policy requirement	Measures to bridge the gaps
Information and Consultation	<p>Displaced persons are provided timely and relevant information.</p> <p>Not consulted on resettlement options</p> <p>Not able to participate in planning, implementing and monitoring resettlement</p>	<p>Displaced persons and their communities are provided timely and relevant information, consulted on resettlement options, and offered opportunities to participate in planning, implementing, and monitoring resettlement.</p>	<p>Affected groups should get access to full information about the resettlement process and options for compensation.</p> <p>Participatory planning and decision making will be applied in resettlement options and compensation</p>
Grievances	<p>Specialized committees for that purpose and time</p> <p>One month to object to the decision of resettlement</p> <p>Four months to object to the compensation value</p>	<p>Appropriate and accessible grievance mechanisms to be established.</p>	<p>The affected groups are offered the direct channel for grievance and receive redress in proper time prior to resettlement.</p>

2.4 EGAS current procedure for land acquisition:

EGAS and its Local Distribution Companies adopt comprehensive procedures for land acquisition. As relevant to the project, the procedures will be summarized for the two cases of land taken activities (i) land acquisition for the Pressure Reducing Stations and (ii) agricultural land acquisition for routes of the gas pipelines. . EGAS primarily emphasize on having the PRSs constructed in state owned Land. Otherwise, they purchase private lands. The procedures for all land acquisition activities might be summarized as follow

(i) In case of Pressure Reduction Stations :

- 1- The technical Departments in the LDCS (Town Gas and Egypt Gas) choose three plots of lands while prioritizing state owned lands.
- 2- In case state Owned Land is unavailable, then privately owned lands is selected
- 3- LDCs in cooperation with EGAS inform the land owners about their willingness to purchase the lands.
- 4- Each land owner proposes the price of his land.
- 5- EGAS and the LDCs select the most appropriate land (price and technical wise).The location of PRS is flexible depending on the willingness of landowners to sell the land Upon the mutual agreement with the Land owner a preliminary contract is signed with a Down payment
- 6- The PAPs prepare all the required documents to finalize the contract. At this stage the final payment is given to the PAPs, prior the commencement of any construction works

(ii) In case of Gas pipelines routes passing through agricultural lands :

The temporary land acquisition and compensation will be applied as follows:

1. The Technical Departments in the LDCs (Town Gas and Egypt Gas provides a detailed map on the land acquisition scope showing the routes of the pipelines in order to identify the land acquisition areas specially the pipelines that will require penetrating the agriculture lands
2. EGAS and the LDCs will develop a price list in cooperation with the agriculture directorate in each governorate.
3. A Compensation Committee is initiated to work on the land acquisition procedures. Members of the committee are representatives of: 1) Town Gas, 2) Egypt Gas, 3)Agriculture Associations and Agriculture Directorates.
4. The committee screens the affected lands and prepare preliminary census for the affected lands and identifies the PAPs for compensation

5. Meeting is paid to the PAPs in order to inform them about the project and compensation arrangements. As well the value of the compensation and payment procedures.
6. The PAPs prepare documents declaring their legal status with the help of the Agriculture Associations
7. A contract is signed with the LDCs and compensation is paid to the PAPs, this process is finalized prior any construction works
8. All payments will be reimbursed from EGAS after the completion of the construction work in each area as part of the vouchers to be sent to EGAS

The above mentioned procedures are already adopted by EGAS and the LDCs. However, in compliance with the WB OP 4.12, EGAS will embrace the following procedures:

1. A consultant will be hired in order to prepare a Resettlement Action Plan. He will work closely with the compensation committee
2. A full inventory and socioeconomic screening will be applied. The results will guide the compensation committee to implement their activities accordingly.
3. The PAPs will be consulted during the preparation of the RAP in order to provide them with the required information regarding their rights, valuation procedures and grievances and redress mechanism.
4. Final assessment by EGAS team to evaluate the needed lands in cooperation with the Agricultural Associations and the RAP consultant will be applied two months prior to the construction in order to verify the exact type of crops.
5. After receiving the approval of the WB on the RAP, the documents will be translated and disclosed to the PAPs in the Agriculture Association, EGAS website and the World Bank Infoshop. Thereafter, the Compensation Committee will start their resettlement activities. A list of affected owners/tenants and type of loss will be disclosed in the Agriculture Associations.
6. A continuous dialogue will be applied with the PAPs as part of stakeholder engagement activities
7. The PAPs will develop the needed legal documents from the Agriculture Associations. The documents should be shared with the Compensation Committee.
8. The value of compensation of the potential affected lands/crops/trees and assets will be defined and forwarded to the financial department in the Town Gas and Egypt Gas. If the owner/tenant approved the compensation an agreement will be signed

with them. Thereafter the financial department will release the compensation amount of money

9. The Compensation Committee will disburse the compensation value according to the following system:
 - Full compensation will be given before the construction
 - After the construction, the Compensation Committee will re-measure the actual affected crops, lands and assets. Such projects frequently damage more than the areas estimated to be affected. Thus, revaluation is crucial in order to give fair compensation for the owner/tenant..
 - The owner/tenant should receive any additional amount of compensation needed for further demolishing and impact on the assets, crops and trees
10. Complete legal procedures for land acquisition will be documented by the Social Development Officers within the Town Gas, Egypt Gas and a copy should be kept with EGAS Social Development Officers. EGAS should maintain all the records for the purposes of internal and external monitoring and the Bank due diligence.

3 ELIGIBILITY CRITERIA FOR AFFECTED PERSONS

3.1 Defining Affected Persons

Project affected persons (PAPs) are defined in this policy framework as individuals who may be subjected to adverse economic, social, or cultural impacts by the WB's assisted projects. These impacts may constitute anything from the loss of physical assets such as land, farm lands, crops, commercial properties, homes, personal belongings, sources of income, and cultural / historical / religious sites, to nonphysical assets such as social capital and cultural networks and activities. Moreover, adverse impacts also include the loss of access to the physical and non-physical assets and the involuntary restriction of access to legally designated parks and protected areas. |Table 3-1 highlights some of the key losses that may arise from land acquisition.

Table 3-1: Possible Losses from Land Acquisition

Land	<ul style="list-style-type: none"> ▪ Agricultural land (rented or owned) ▪ Access to land
Structures	<ul style="list-style-type: none"> ▪ Houses or living quarters (rented or owned) ▪ Other physical structures (rented or owned)
Income	<ul style="list-style-type: none"> ▪ Income from crops ▪ Income from wage earnings ▪ Income from affected business ▪ Access to formal employment opportunities
Communal²	<ul style="list-style-type: none"> ▪ Public Schools ▪ Public Hospitals ▪ Markets ▪ Cemeteries ▪ Social capital: networks, activities, relationships
Environmental	<ul style="list-style-type: none"> ▪ Access to natural resources ▪ Negative environmental impacts resulting from land acquisition or from the project itself

² The projects should not be permitted to infringe on or damage in any way public cemeteries or private graveyards or graves physical assets. If extremely necessary, such cases shall be subject to the laws of the Government of Egypt to this regard.

3.2 Eligibility Criteria

All APs who suffer a complete or partial loss of assets or access to assets shall be eligible for some kind of assistance, according to their legal rights to the land, if it can be proven that they occupied the land before the claim cut-off date. The Bank OP4.12 specifically proposes three general categories for eligibility as illustrated in Table 3-2

Table 3-2: Criteria for Eligibility (OP 4.12)

Displacement Category	Entitlement
Individuals who have formal legal rights to land (including customary and traditional rights recognized under the laws of Egypt)	<ul style="list-style-type: none"> ▪ Compensation for loss in land and assets at full replacement cost. ▪ In case of physical relocation, provide assistance during relocation (i.e. moving allowances) and residential housing and / or agricultural sites with productive and location advantages equivalent to the lost sites. ▪ Support after displacement, until livelihoods and standards of living are restored to pre-displacement levels. ▪ Development assistance in addition to compensation measures (i.e. land preparation, credit facilities, training, job opportunities).
Individuals who do not have formal legal rights to land, but have a claim to such land or assets (provided that such claims are recognized under Egyptian laws or become recognized through a process identified in the resettlement plan)	<ul style="list-style-type: none"> ▪ Compensation for loss in land and assets at full replacement cost. ▪ In case of physical relocation, provide assistance during relocation (i.e. moving allowances) and residential housing and / or agricultural sites with productive and locational advantages equivalent to the lost sites. ▪ Support after displacement, until livelihoods and standards of living are restored to pre-displacement levels. ▪ Development assistance in addition to compensation measures (i.e. land preparation, credit facilities, training, job opportunities).
Individuals who have no recognizable legal right or claim to the land they are occupying (i.e. squatter settlements, disputed ownership).	<ul style="list-style-type: none"> ▪ Resettlement assistance as appropriate (i.e. land, assets, cash, employment, etc.).

In addition, all individuals in possession of properties (i.e. land, houses, structures) that may

be adversely affected by any of the projects' activities (i.e. construction, rehabilitation, etc.) shall also be eligible for some sort of compensation which shall be identified in the resettlement plan depending on the type of damage.

3.3 Estimated potential resettlement impacts

The potential resettlement impacts will likely be involved in construction of gas pressure reduction stations and gas pipelines. The estimated amount of lands needed is the following:

- The project will finance a total of 25 pressure reduction stations. Each station will require approximately 1600 square meters of land (40m x 40m) on average . The total amount land needed for the PRSs will be about 40,000 square meters.
- The project will finance construction of 178 km of pipelines. The diameter of the pipe will approximately be 1.3 meter. The total temporary land use will be about 356,000 square meters. Parts of these pipelines will pass through agriculture land resulting in temporary disruption for the crops, trees and the income of farmers.

4 METHODS OF VALUATION OF AFFECTED ASSETS AND COMPENSATION

4.1 Asset Valuation

The valuation of losses in physical assets will be carried out by assessing the market value of the assets, if known, and estimating the replacement cost. Replacement cost is simply calculated as the cost of replacing the lost assets plus any transaction costs associated with bringing the asset to pre-displacement value. However, the valuation of crops will be mainly relied upon the price lists developed by the Agriculture directorate and revisited annually. Replacement cost will differ depending on the type of asset, as illustrated in Table 4-1.

Table 4-1: Replacement Cost for Tangible Assets

Asset	Replacement Cost
Agricultural Land	Equals the pre-project or pre-displacement, whichever is higher, market value of land of equal productive potential or use located in the vicinity of the affected land, plus the cost of preparing the land to levels similar to those of the affected land, plus the cost of any registration and transfer taxes.
Urban Land	Equals the pre-displacement market value of land of equal size and use, with similar or improved public infrastructure facilities and services and located in the vicinity of the affected land, plus the cost of any registration and transfer taxes.
Houses / Other Structures	Equals the market cost of the materials to build a replacement structure with an area and quality similar to or better than those of the affected structure, or to repair a partially affected structure, plus the cost of transporting building materials to the construction site, plus the cost of any labor and contractors' fees, plus the cost of any registration and transfer taxes.

Source: WB OP 4.12

For intangible losses that cannot easily be valued in monetary terms (i.e. access to employment opportunities, public services, natural resources, social capital), the subprojects should attempt to establish access to equivalent resources and earning opportunities that are acceptable to the PAPs.

4.2 Compensation

Compensation will be provided to all individuals whose assets or access to assets is affected or damaged, as a consequence of land acquisition or any other activities undertaken by the projects. The compensation for the loss of physical and nonphysical assets will vary

depending on the type of loss, and eligibility of the PAPs. Compensation may come in the form of cash compensation, in-kind compensation, and/or assistance.

All PAPs will be entitled to monetary compensation at replacement cost, at market value (at the entitlement cut-off date) for affected tangible assets. Another option may be in-kind compensation where the affected assets would be replaced with an asset of similar size, value, and quality. The decision on which type of compensation is used should be jointly agreed upon between the project staff and the PAPs and shall be subject to the availability of replaceable assets. Moreover, development and resettlement transitional assistance needed to restore the livelihood and standard of living of PAPs under the subproject to pre-project levels shall also be part of the compensation component of any resettlement plan (i.e. short-term jobs, subsistence support, moving allowance, salary maintenance, food assistance, etc.).

It should be noted here that compensation for losses in communal property shall only be in-kind for the community as a whole, and shall take the form of reconstruction of the affected or damaged facility (i.e. public school buildings, markets, etc.) to - at least - the same standard it was on prior to the project's implementation.

5 ENTITLEMENT MATRIX

Each RAP should develop a resettlement matrix that identifies the expected negative impacts from the project, the eligible persons for compensation, and the compensation policy that is to be applied. Since the detailed activities under this project have not yet been specifically identified, Table -5 is entitlement matrix that may serve as a generic tool for identifying the possible losses arising from the expected projects and the respective entitlement benefits of the PAPs.

Table 5-1: Entitlement Matrix for Affected Persons

Type of Losses	Level of Impact	Entitled Person(s)	Compensation Policy & Standards	Remarks
Agricultural Land				
Loss of arable and grazing agricultural land or access to it	Permanent (complete or partial) loss of arable and grazing land located in the project site	Farmers / Individuals who have formal legal ownership rights to land	<ul style="list-style-type: none"> • Provide cash compensation at replacement cost for the lost land³ plus the cost of preparing the land to levels similar to those of the affected land, plus the cost of any registration and transfer taxes. • Provide cash compensation for loss of crops or trees at replacement cost. 	•
		Farmers / Individuals who do not have formal legal ownership rights to land but have temporary or leasing rights	<ul style="list-style-type: none"> • Provide development and transitional assistance in locating new replacement lease land. • Provide cash compensation for loss of crops or trees at replacement cost. 	
		Farmers / Individuals who do not have any recognizable legal right or claim to the	<ul style="list-style-type: none"> • No compensation for land. • Provide landless PAPs with resettlement assistance in securing temporary or lease rights to 	

³ Calculated at entitlement cut-off date.

Type of Losses	Level of Impact	Entitled Person(s)	Compensation Policy & Standards	Remarks
		land	replacement land <ul style="list-style-type: none"> Provide cash compensation for loss of crops or trees at replacement cost. 	
	Temporary ⁴ (complete or partial) loss of all or part of arable and grazing land located in the project site	Farmers / Individuals who have formal legal ownership rights to land	<ul style="list-style-type: none"> No compensation for land if returned to owner in less than one year. Provide cash compensation equivalent to the replacement cost at market price of renting the land during the temporary use. Provide cash compensation for loss of crops or trees at replacement cost and compensation for loss of net income from subsequent crops that cannot be planted for the duration of the lease. 	<ul style="list-style-type: none"> If the temporary loss continues for more than one year, PAPs will be given a choice of either continuing with the temporary arrangements, or selling the affected land to the project at full replacement cost at current market value Provision of development assistance to enable farmers / land owners to restore land to its previous condition or better quality by providing measures to improve land quality in cases of land being adversely affected.
		Farmers / Individuals who do not have formal legal ownership rights to land but have temporary or leasing rights	<ul style="list-style-type: none"> No compensation for land if returned to owner in less than one year. Provide cash compensation equivalent to the replacement cost at market price of renting the land during the temporary use. Provide cash compensation for 	

⁴ Temporary here refers to a period of up to 3 year maximum (in conformance to the Government of Egypt's Legislation).

Type of Losses	Level of Impact	Entitled Person(s)	Compensation Policy & Standards	Remarks
			loss of crops or trees at replacement cost and compensation for loss of net income from subsequent crops that cannot be planted for the duration of the lease.	
		Farmers / Individuals who do not have any recognizable legal right or claim to the land	<ul style="list-style-type: none"> No compensation for land if returned to owner in less than one year. Provide cash compensation for loss of crops or trees at replacement cost. 	<ul style="list-style-type: none"> Provision of development and resettlement assistance to landless PAPs with no legal rights.
Urban Land (Residential and /or Commercial)				
Loss of urban residential or commercial non-arable land or access to it	Permanent (complete or partial) loss of urban residential or commercial non-arable land	Individuals who have formal legal ownership rights to land	<ul style="list-style-type: none"> Provide cash compensation at replacement cost of land of equal size and use, with similar or improved public infrastructure facilities and services and located in the vicinity of the affected land, plus the cost of any registration and transfer taxes. In the case that there are structures on the land, provide cash compensation at replacement cost for the materials used to rebuild the structures or to partially repair an affected structure. 	<ul style="list-style-type: none">
		Individuals who do	<ul style="list-style-type: none"> In the case that there are structures 	

Type of Losses	Level of Impact	Entitled Person(s)	Compensation Policy & Standards	Remarks
		not have formal legal ownership rights to land but have temporary or leasing rights	<p>on the land which have been built by the users, provide cash compensation at replacement cost for the materials used to rebuild the structures or to partially repair an affected structure.</p> <ul style="list-style-type: none"> • Provide development and transitional assistance in locating new replacement lease land 	
		Individuals who do not have any recognizable legal right or claim to the land	<ul style="list-style-type: none"> • Provide no compensation for land. • In the case that there are structures on the land which have been built by the users, provide cash compensation at replacement cost for the materials used to rebuild the structures or to partially repair an affected structure. • Provide landless PAPs with resettlement and transitional assistance in securing alternative commercial or residential land and to restore their livelihoods. 	
	Temporary (complete or partial) loss of urban residential or	Individuals who have formal legal ownership rights to land	<ul style="list-style-type: none"> • No compensation for land if returned to owner in less than one year. • Provide cash compensation equivalent to the replacement cost at market price of renting the land during the temporary use 	<ul style="list-style-type: none"> • If the temporary loss continues for more than one year, PAPs will be given a choice of either continuing with the temporary arrangements, or selling the affected land to the project at full replacement cost at current market value

Type of Losses	Level of Impact	Entitled Person(s)	Compensation Policy & Standards	Remarks
	commercial non-arable land		<ul style="list-style-type: none">Provide cash compensation for loss of crops, trees, or structures at replacement cost	<ul style="list-style-type: none">Provision of assistance to enable the land users owners to restore land to its pre-subproject condition by providing measures to improve land quality in cases where land is adversely affected
		Individuals who do not have formal legal ownership rights to land but have temporary or leasing rights	<ul style="list-style-type: none">No compensation for land if returned to owner in less than one year.Provide cash compensation equivalent to the replacement cost at market price of renting the land during the temporary useProvide cash compensation for loss of crops, trees, or structures at replacement cost	
		Individuals who do not have any recognizable legal right or claim to the land	<ul style="list-style-type: none">No compensation for land if returned to owner in less than one year.Provide cash compensation for loss of crops, trees, or structures at replacement cost	<ul style="list-style-type: none">Provision of resettlement assistance to landless PAPs with no legal rights
Structures or Buildings (Commercial, Business, Industrial, or Residential)				
Loss of structures or access to them	Permanent (complete or partial) loss of structures	Individuals who have formal legal ownership rights to the structures	<ul style="list-style-type: none">Provide cash compensation at replacement cost which equals the market cost of materials used to build a replacement structure with similar area and quality, or to repair a partially affected structure, plus	<ul style="list-style-type: none">

Type of Losses	Level of Impact	Entitled Person(s)	Compensation Policy & Standards	Remarks
			the cost of transporting building materials to the construction site, plus the cost of any labor and contractors' fees, plus the cost of any registration and transfer taxes.	
		Individuals who do not have formal legal ownership rights to land but have temporary or leasing rights (tenants)	<ul style="list-style-type: none"> Provide assistance in moving and finding similar and affordable rental accommodation (this may include moving allowance and rental allowance for a transitional period). 	<ul style="list-style-type: none"> A 3-months notice - at least - to be given to the tenants.
		Individuals who do not have any recognizable legal right or claim to the land (squatters and persons in ownership dispute)	<ul style="list-style-type: none"> Provide cash compensation at replacement cost for the structures if they were built by the users. Provide assistance in moving and finding similar and affordable rental accommodation (this may include moving allowance and rental allowance for a transitional period). 	<ul style="list-style-type: none"> The Environmental and Social Officer may look into the possibilities of formalizing the structures following their repair.
Standing Crops, Trees, and Plants				
Loss of standing crops, trees, or plants or access to them	Permanent (complete or partial) loss of standing crops, trees, or	Farmers or individuals who cultivate the land and who have formal legal ownership rights to the land on which the crops are	<ul style="list-style-type: none"> Provide cash compensation for loss of crops, trees, or plants at replacement cost. 	<ul style="list-style-type: none">

Type of Losses	Level of Impact	Entitled Person(s)	Compensation Policy & Standards	Remarks
	plants	Farmers or individuals who do not have formal legal ownership rights to land on which the crops are but have temporary or leasing rights (tenants)	<ul style="list-style-type: none"> Provide cash compensation for loss of crops, trees, or plants at replacement cost. 	
		Farmers or individuals who do not have any recognizable legal right or claim to the land on which the crops are	<ul style="list-style-type: none"> Provide cash compensation for loss of crops, trees, or plants at replacement cost. 	
Income or Access to Income (Commercial, Business, and Industrial Activities)				
Loss of source of income or access to source of income	Permanent loss of income source or access to it	Owner or workers in formal registered businesses	<ul style="list-style-type: none"> Provide transitional cash compensation until new permanent employment is secured based on net income (for a maximum period of 6 months). Provide development assistance to PAPs (i.e. training in specific areas) in order to help them to maintain and/or improve their income generation potential and access to gainful employment. 	<ul style="list-style-type: none"> A list of available commercial, industrial, and business activities in each affected commune A list of PAP and entitled persons. The Environmental and Social Officer shall assist in the provision of development assistance to severely affected PAPs and vulnerable groups (i.e. design training programs, formalizing informal activities, access to credit,

Type of Losses	Level of Impact	Entitled Person(s)	Compensation Policy & Standards	Remarks
		Owner or workers in informal unregistered businesses	<ul style="list-style-type: none">Provide transitional cash compensation until new employment is secured based on minimum wage per month in the respective district (for a maximum period of 6 months)Priority shall be given to severely affected PAPs in the provision of any relevant employment in the activities related to the project.	including them in the project’s contractors’ specifications wherever possible).
	Temporary loss of income source or access to it	Owner or workers in formal registered businesses	<ul style="list-style-type: none">Provide cash compensation for the duration of business/income generation that is disrupted based on net income.	
		Owner or workers in informal unregistered businesses	Provide cash compensation for the duration of business/income generation that is disrupted based on the minimum wage per month in the respective district.	
Community Resources				
Loss of community assets or access to them	Permanent (complete or partial loss) of community physical assets	All members of the community	<ul style="list-style-type: none">Affected land will be replaced in areas identified in consultation with affected communities and relevant organizations and authorities.Provide alternative or similar resources to compensate for the loss of access to community	

Type of Losses	Level of Impact	Entitled Person(s)	Compensation Policy & Standards	Remarks
			physical resources	
	Temporary (complete or partial loss) of community physical assets	All members of the community	<ul style="list-style-type: none"> Restoration of affected community buildings and structures to original or better condition Provide alternative or similar resources to compensate for the temporary loss of access to community physical resources 	
Loss of socio-economic and/or social-cultural relationships / networks or access to them	Permanent (complete or partial loss) of community non-physical assets	All members of the community	<ul style="list-style-type: none"> Provide development assistance to enable community members to take advantage of income restoration measures noted above. Provide alternative or similar resources to compensate for the loss of access to community social capital. 	<ul style="list-style-type: none"> Identify different forms of social capital from PAPs' point of view (i.e. social credit, networks, social cohesion, etc.) Consultation with PAPs to identify measures to rectify the permanent or partial losses in social capital.
	Temporary (complete or partial loss) of community non-physical assets	All members of the community	<ul style="list-style-type: none"> Provide development assistance to enable community members to take advantage of income restoration measures noted above. Provide alternative or similar resources to compensate for the temporary loss of access to community social capital. 	

5.1 Organizational Arrangements and Procedures for Delivery of Entitlements

5.1.1 Institutional and Organizational Arrangement

EGAS, Town Gas and Egypt Gas have a wide experience regarding the land acquisition. Their adopted procedures will be summarized into two cases 1) when land is needed for the PRSs and 2) when gas pipelines cross agriculture land.

The case when land is required for the Pressure Reduction Stations (PRSs):

- 1- The LDCs technical staff choose three plots of lands for the location of the PRSs. They primarily select state owned lands.
- 2- In case no state owned lands is available, privately owned lands is selected
- 3- LDCs in cooperation with EGAS inform the land owners about their willingness to purchase the lands.
- 4- Each land owner will propose the price of his land.
- 5- EGAS and LDCs verify the most appropriate land (price and technical wise). After determining the appropriate land to be purchased they communicate with the owner and sign a preliminary contract. A down payment is paid prior to the contract signing.
- 6- When the land owner provides the required documents, a final contract is registered accompanied by the final payment.

The case when gas pipeline laying crosses agricultural land

- 1- The technical staff at Town Gas and Egypt Gas chooses the final routes with the least impact on lands.
- 2- Permissions for street cutting will be obtained in cooperation of the local governmental units.
- 3- The agriculture Directorate provides a Price list for the crops and trees, the price list is updated annually
- 4- EGAS and LDCs communicate with the governorate authority in order to form a compensation committee that includes representatives from the following entities:
 - a. Agriculture directorate
 - b. Agriculture associations
 - c. Other members from the governorate
- 5- The compensation committee screens the affected lands and prepare preliminary census report
- 6- The compensation is identified for each project affected persons.
- 7- Meeting is paid to the PAP to inform them of the project and the compensation arrangements
- 8- The PAPs prepare documents declaring their legal status in cooperation of the Agriculture Associations

- 9- After the approval of the land and crops owners on the compensation, a contract is signed and compensation is paid prior the commencement of any project activity

This project will necessitate an active cooperation between various entities on the central and regional level. Due to the wide range of experience gained along the life of the Natural Gas projects, it was noticeable that the members of EGAS working within the Governmental Relation Department have a wide experience in involuntary resettlement . However, they are not fully aware about the WB regulations, documentation skills and disclosure activities. Thus, providing them with a preliminary idea about the WB regulations will be of high importance

Following are the main entities and committees handling the resettlement activities:

- A. **EGAS, Town GAS and Egypt GAS** are the main entities responsible for involuntary resettlement related issue. The main actors and committees are as follows:
 - Within EGAS, the Governmental Relations Department has the responsibility for ensuring that all resettlement and Compensation activities are carried out through coordination with the Local Distribution Companies as elaborated in the proposed preparation process in section 6.2. The Governmental Relations Department is also responsible for obtaining the required permits/approvals and handling any complaints concerning resettlement or compensation arrangements received through the stage two of the Grievance Redress Mechanism as explained in section 6.3.2
 - EGAS has assigned a team of Social Development Officers (SDOs) while Town Gas and Egypt Gas are planning to assign a team of SDOs they will be playing a key role in managing the impacts related to involuntary resettlement. Their role will include but not be limited to, preparing ToRs for the RAPs preparation, participate in the census surveys related to the RAPs, compile information related to PAPs and compensation, monitor the implementation of the RAP and handle grievance and respond to complainants of PAPs.

B. Other support entities

1. Ministry of Agriculture

The Agriculture Directorate: is responsible for developing price lists for all types of crops that might be affected

- The agriculture associations, is responsible for the following Provide a proof of property documentation for lands and crops
- Nominates a member to accompany Compensation Committee during the inventory,

- Estimates the value of crops and trees according to their actual conditions
 - Participate with the Compensation Committee during the payment of compensation
 - Attend individual consultations related to the resettlement
 - PAPs lists are published in the agriculture association
- 2. Governorate Authority and Local Governmental Units are responsible for**
- Providing the permissions and approvals on lands to be temporarily expropriated
 - Provide the plots of lands required for the construction of Pressure Reduction Stations
 - Participate with the Compensation Committee during the payment of compensation

5.1.2 Procedure for delivery of Entitlements

5.1.2.1 Project Screening

Once the detailed activities and work plan under the project have been identified, EGAS Governmental Relations Department will obtain all permits/approvals related to the project. Thereafter, they will cooperate with SDOs of EGAS, Town Gas and Egypt Gas, to carry out social screening to determine whether or not the project components will result in any resettlement impact and accordingly SDOs from EGAS, and LDCs will decide the need for the preparation of a resettlement action plan or an abbreviated Resettlement Action Plan

5.1.2.2 Preparation of Socio-Economic and Inventory Survey

Following the identification of the sub-projects that may involve involuntary resettlement, EGAS Governmental Relations Department in cooperation with SDOs of the LDCs will carry out a socio-economic study and census survey, in which baseline data within the sub-project's target areas is collected. This information shall include the PAPs and related household members or dependents, total land holdings, and affected assets amongst other things. This information will be put in writing and shall be used in determining the appropriate compensation and assistance for each affected individual / household.

The objective of conducting this socio-economic survey is to:

- Introduce the sub-project to the PAPs.
- Collect census data to identify PAPs on the individual and household levels.
- Collect census data to identify vulnerable and severely affected PAPs.

- Collect census data on the overall socio-economic environment of the affected communities
- Identify stakeholders.
- Identify impacts of the sub-project on the livelihoods of the PAP (i.e. property, structures, income, etc.).
- Identify any concerns or worries the PAPs may have
- Identify the resettlement preferences of the PAPs.

5.2 Preparation of Resettlement Action Plans

Any project activity that shall entail the acquisition of land or may result in the involuntary resettlement of people or loss or restriction of access to private or communal resources will require the preparation of a RAP or abbreviated RAP depending on the number of people affected or the significance of the resettlement impacts.. EGAS will contract an independent consultant to prepare the RAP, with the participation of SDOs of Egypt Gas and Town Gas under the supervision of EGAS SDO.. The commencement of the census to be conducted under the RAP will be the cut -off date. This will be announced to the public and only the PAPs included in the results of the inventory will be considered as eligible for compensation. The cut off should be established to minimize the influx of outsiders and ineligible compensation claims.

The RAP should assess the number of PAPs, propose alternative locations for the sub-projects if possible, identify the eligibility criteria, include provisions for compensation and assistance, and address the means by which the sub-project monitoring and evaluation will take place to ensure that the PAPs receive their compensation and that their grievances are heard and addressed. The mitigation measures and compensation policies proposed in the RAP shall be disclosed to the PAPs for feedback and comments.

More specifically, the RAP should include:

- A description of the sub-project
- Identification of potential impacts
- Objectives of RAP
- Relevant findings of the socio-economic study
- Legal framework
- Institutional framework
- Eligibility criteria and eligible PAPs
- Valuation and compensation for losses
- Resettlement measures
- Site selection, site preparation, and relocation
- Housing, infrastructure, and social services

- Environmental protection and management
- Community participation
- Integration with host populations
- Grievance procedures
- Organizational responsibilities
- Implementation schedule
- Costs and budget
- Monitoring and evaluation

5.3 RAP Review and Approval

The RAP, including the proposed mitigation measures within the plan, will need to be reviewed and approved prior to making a decision on whether or not the sub-project shall be implemented. The RAP will be reviewed by EGAS Governmental Relations Department and approved by EGAS SDO then will be sent to the WB for final review and approval.

5.4 RAP Implementation

Once the RAP is approved by the Bank, it will be translated into Arabic and disclosed locally as well as in InfoShop at the Bank. The LDCs are responsible for implementation of the RAP.

Signing Compensation Contract and Compensation payment

PAPs will be consulted on their compensation preferences they will be formally informed through written or verbal notification. In case some of the PAPs are illiterate they are notified in the presence of at least one public official who is mainly one of the agriculture association representatives.

The SDOs of the LDCs will arrange meetings with the PAPs to document the lands acquired by the sub-project throughout the implementation period and discuss the compensation process.

The PAP will be required to sign a contract detailing the acquired land plots and / or partially or completely affected structures and the corresponding types of compensation (i.e. cash or in-kind) that have been agreed upon. The signature of the compensation contracts as well as the actual payments and in-kin transfers shall be made in the presence of at least one public official from the village authorities. The contracts may also include contracts on possible transitional or developmental assistance and income restoration measures that will be given to the PAPs including, provision of skills training, access to credit, and sub-project related job opportunities.

5.5 Grievance Redress Mechanisms

Since the resettlement work will be carried out with the full participation of the PAP, it is expected that no major grievance issue will arise. However, to ensure that the PAP have avenues for redressing their grievance related to any aspect of land acquisition and resettlement, detailed procedures of redressal of grievances have been established in this RPF. The objective is to respond to the complaints of the PAP speedily and in a transparent manner, without resorting to complicated formal channels to the extent possible. The ESIAF has prepared detailed grievance mechanism that will be shared with the community beneficiaries. Leaflets, posters and brochures will be prepared and distributed to the beneficiaries, NGOs, local governmental units, mosques and churches. Thus, sufficient and appropriate information about the GRM will be shared with the communities prior to the construction phase.

EGAS, Town Gas and Egypt Gas adopt multi-levels of GRM. Three stages will be functioning. They are as follows:

- (a) Stage 1, any person aggrieved by any aspect of the resettlement document can lodge an oral or written grievance to the SDOs of Town Gas or Egypt Gas. The SDOs should provide resolution within 10 days;
- (b) Stage 2, if the aggrieved person is not satisfied with the decision of the SDOs of Town Gas or Egypt Gas at Stage 1, He can present the case to EGAS SDO where he should provide resolution within 15 days.
- (c) Stage 3, if the aggrieved person is still dissatisfied with the decision of EGAS SDO at stage 2,, the case may be submitted for consideration by the People's Court in accordance with relevant procedures.

Meanwhile, the PAPs should be well informed that the Administrative Courts have set the following principles:

- The contracted companies have freedom in selecting the appropriate property for expropriation.
- The determination of the exact area (in square meters) to be expropriated is subject to the discretion of the administration and not subject to judicial review.
- Expropriating the ownership of land to extend pipelines below does not prevent the administration from appropriating the surface of the same land for public use.
- Courts have asserted their judicial review authority whenever the administration's exercises of its discretionary powers are for political or personal objectives aimed at spite.

- The State Council noted that the administration might not expropriate property for merely achieving monetary gains. Accordingly, it has to be opted that the expropriation act by the local council of an area adjacent to the location where a new station will be relocated aiming merely at making a profit was void.

5.6 Vulnerable Groups

The Egyptian regulation does not specifically state any privileges for those vulnerable groups. However, the World Bank OP 4.12 emphasizes the need to give special attention to the right of vulnerable groups to make sure that they are not excluded from any adopted measures within the overall resettlement actions.

By conventional definition, the vulnerable population, are those groups of people who are typically excluded, disadvantaged or marginalized based on their economic, ethnic, social, or cultural characteristics. Various groups could fit within this description (e.g., women, youth, people with disabilities, refugees), there is always a need for a more specific and focused identification for them within the context of the project. The RPF analysis methodology for identifying the vulnerable groups and assessing project's impacts on them has been influenced by the Sustainable Livelihood Approach (SLA) which helped in setting the scene for describing the context, motivations and resources of the affected vulnerable households.

Specific attention should therefore be paid to the needs of the following vulnerable groups, including:

- a. Persons below the poverty line, the landless,
- b. Project affected persons who may not be protected through national land compensation legislation.

Vulnerable people will be identified at socio-economic survey stage. And according to the vulnerability of these groups, each RAP developed will identify the following:

- a. Vulnerable people;
- b. The project impact on them;
- c. The required assistance at the various stages of the process: negotiation, compensation, moving,
- d. Necessary measures to assist the vulnerable person,
- e. Means of monitoring and evaluating the continual assistance after resettlement and/or compensation.

Assistance provided to vulnerable persons differs depending upon their individual needs and preferences. In general, assistance falls under one or more of the following forms:

- a. Assistance in the compensation payment procedure (e.g., going to the bank with the person to cash the compensation check),

- b. Assistance in the post payment period to secure the compensation money and reduce risks of misuse/robbery,

5.7 Resettlement Monitoring and Evaluation Arrangement

In line with WB requirements, monitoring the implementation of the resettlement activities will be carried out by the SDOs of the LDCs and supervised by EGAS SDO, monitoring will be held every three months, results and findings will be included in quarterly project progress report. The report will mainly cover resettlement policies and compensation standards, resettlement progress, delivery of resettlement compensation, provision of development and transitional assistance to PAPs (especially vulnerable groups), implementation schedule, fund disbursements, land or structure allocation, and grievances and redress. External Monitoring might be required to ensure that the overall objective of the resettlement plan is achieved in an equitable and transparent manner and ensure the effectiveness of the monitoring and evaluation activities carried out by the LDCs and EGAS. Monitoring indicators are shown in the following table.

Table 5-2: Verifiable Indicators for Monitoring and Evaluation Implementation of Resettlement Activities

Monitoring	Evaluation
Percentage of individuals selecting cash or a combination of cash and in-kind compensation	Proposed use of payments
Payment of compensation to PAPs in various categories	Conformance to compensation policies described in the RAP
Number of grievances	Timeliness and quality of decisions made on grievances
Delivery of technical assistance, relocation, payment of transitional subsistence and moving allowances	Facilitation of access to technical and development assistance and transitional allowances
Delivery of income restoration and development assistance	Ability of individuals and households to re-store sources of income
Public information dissemination and consultation procedures	Timeliness, quality, and effectiveness of consultation and information disclosure

6 Public Consultation and Disclosure

6.1 Consultation carried out during RPF preparation

Extensive public consultations were carried out with various stakeholders at various locations in preparation of the RPF. The locations, number of people that participated and the consultation methods are summarized in the Table 7-1

Table 6-1: Summary of Consultation Sessions

Date	location	participants	Number		Methods
			Male	Female	
December 2013 During data collection phase		Potential beneficiaries, government officials, NGO representatives			Focus group discussions, individual interviews, public meetings
	Aswan	Potential beneficiaries and government officials	25	9	FGD
	Alex		16	8	FGD
	Ismailia		16	8	FGD
	Giza		18	17	FGD
	Daqahlia		24	8	FGD
	Gharbeia		16	8	FGD
	Qalubia		6	8	FGD
	Menoufia		31	1	FGD
	Qena		22	10	FGD
	Matrouh		11	1	FGD
	Aswan	governmental and NGOs	5	1	In-depth
	Alex		4	1	In-depth
	Ismailia		4	0	In-depth
	Giza		11	1	In-depth
	Daqahlia		6	0	In-depth
	Gharbeia		4	0	In-depth
	Qalubia		3	2	In-depth

Date	location	participants	Number		Methods
	Menoufia		4	0	In-depth
	Qena		2	2	In-depth
	Matrouh		2	0	In-depth
December 2013 During data collection phase	Giza	Potential; beneficiaries	257	299	Structured questionnaire
	Matrouh		24	35	
	Menoufia		52	48	
	Aswan		39	55	
	Gharbeia		25	36	
	Daqahlia		100	102	
	Qalubia		69	206	
	Alexandria		94	56	
	Ismailia		53	71	
	Sohag		78	63	
	Qena		75	67	
26 th Nov 2013	Sohag	Potential beneficiaries, government officials, NGO representatives	71	9	Scoping phase
28 th Nov 2013	Menoufia		59	23	
24 th Nov 2013	Giza		68	21	
21st Dec 2013	Aswan	Potential beneficiaries, government officials, NGO representatives	119	30	Public consultation
21st Dec 2013	Menoufia		61	13	
23rd Dec 2013	Qena		96	57	
23rd Dec 2013	Giza		73	26	
25th Dec 2013	Matrouh		47	4	
25th Dec 2013	Sohag		82	22	
26th Dec 2013	Alexandria		26	29	
29th Dec 2013	Daqahlia		45	12	
29th Dec 2013	Gharbeia		55	24	
30th Dec 2013	Qalubia		63	8	

Date	location	participants	Number		Methods
30th Dec 2013	Ismailia		31	48	
Total			1992	1449	

Detailed list of participants is included in the consultation Annex

The purpose of public participation and consultation was to create awareness on the project and involve those persons who are likely to be affected positively or negatively, and involve also other stakeholders by giving them opportunities to express their views and concerns about expected and perceived impacts and about the most suitable ways for mitigating negative effects and enhancing positive project effects.

With due consideration of gender, consultations were carried out through various methods including individual interviews, consultation meetings, and informal and formal group discussions.

Various topics were covered in the consultations. The issues raised and the responses given are summarized in Table 7-2.

Table 6-2: Summary of Consultation Topics, Concerns and Responses

Subject	Questions and comments	Responses
Impacts on agriculture land and crops	Please consider avoiding the construction of the NG grid through the agriculture land, which could be severely affected	Various measures will be taken to avoid taking of agricultural land. However, temporary use agricultural land might not be avoidable in some case in construction of the gas pipelines. In that case, compensation will be paid to the crop damages based on market price
Compensation strategy	How can we be guaranteed that the NG companies will be committed to compensating the affected people	A resettlement Action Plan will be prepared according to the Egyptian Law and WB regulations OP 4.12. The RAP will include the detailed arrangement of compensation..

Subject	Questions and comments	Responses
Timing of paying compensation	The compensation should be paid to the affected farmers without delay.	Compensation will be paid upfront and before the start of any physical construction activities.
Dealing with informal land occupant and squatters	What would be the case if the land that EGAS is purchasing involves illegal users or occupants	EGAS ensures that such cases are settled and that those people are compensated, even in the form of in-kind compensation (hiring them as part of the project as guards for the PRSs). EGAS aims for land free of disputes..
Land purchase value	How the land for PRSs is being valued?	The compensation value will be determined based on prevailing market price in the project areas.
Impact on local businesses due to construction works	A repeated concern was about damaging the street without restoration activities and the potential impacts of this on the local businesses of certain areas. Some shops might be affected during the construction since digging activities will result in preventing people to access such shops. How they will be compensated	Regarding access to shops, most of NG companies' activities take place during night. The digging never exceeds two days. The contractors will install wooden board for pedestrian that enable people to have access to shops.

Subject	Questions and comments	Responses
Land alternatives for the PRSs	It is recommended to define more than one plot of land as alternatives for the pressure reduction stations. This recommendation should help in minimizing problems with the land owners	The practice of EGAs, Town Gas and Egypt Gas is in line with this recommendation. In acquiring land for the PRSs, priority is given to the government owned land.
Impact on the LPG distributors	One of the main concerns raised during the consultation is the potential impacts on the LPG distributors. A strategy should be adopted to compensate for those people	Based on previous experience in similar projects in Greater Cairo and other Governorates, this group of people was slightly affected. Similarly with this project, the probability of negative impact on the livelihoods of this group is limited. Their business will target other unserved areas and unserved houses. Nevertheless, ESMP will be prepared to ensure the negative impacts are adequately mitigated..
Information dissemination and disclosure	How will the project inform about any procedures related to land acquisition, particularly given the fact that the majority of the residents are illiterate	All safeguards instruments, including RPF, ESIAF, RAP, and ESIA and ESMP, will be disclosed locally. A Social Development Officer will be assigned to disseminate the project information at local level.

Subject	Questions and comments	Responses
Grievance mechanism	How the complaints will be addressed on the local level. It is recommended to share information related to the complaints through flyers and brochures	Before the start of the project, EGAS will ensure that the designed grievance system is published and accessible to local people.
Awareness activities	Awareness activities should cover the contact person in the site (foreman) and the GRM personnel	This will be considered

6.2 Consultations arrangements during project implementation

During project implementation, when resettlement impacts are involved and a RAP needs to be prepared, consultations with affected persons will be carried out by EGAS through the independent consultant that will be contracted for the RAP preparation process in cooperation of Town Gas and Egypt Gas SDOs under the supervision of EGAS SDO. Prior to or during the consultation, the PAPs should be well informed with the following information:

- Project components
- Project impacts
- PAPs' legal rights and entitlements
- Compensation policies
- Resettlement activities
- Grievance and redress Mechanism
- Implementation schedule
- Public consultation and disclosure of information.
- Organizational responsibilities.

It is crucial that the PAPs and other primary stakeholders are involved in the project from the very early stages, and that relevant and adequate information about the subproject and its activities is provided to them in a timely manner, since this would:

- Help to identify the project impacts and the affected individuals, households, and communities (especially the most vulnerable groups)
- Allow for the collection of more accurate data for the socio-economic survey
- Make the delivery of entitlement and services more transparent
- Reduce the potential for conflicts and minimize the risk of project delays

- Support the formulation and design of resettlement programs and rehabilitation measures that meets the needs and priorities of the affected people

6.3 Information disclosure and local access to information

EGAS will take steps to ensure that affected persons and communities can obtain relevant information relating to the project in general and the land acquisition and resettlement arrangements in particular. As a first step, the safeguards documents and RAP will be available to the public, in English and Arabic. Additionally, summary contents of the RPF and RAP, including compensation rates for all categories of land and assets, eligibility criteria for all modes of assistance, and information regarding the project grievance procedures, will be posted in an accessible and prominent place accessible to project affected persons.

7 BUDGET AND SOURCES OF FUNDING RAPS

At this stage, it is difficult to estimate the total resettlement cost. The actual resettlement cost and budget will be included in the RAP which will be prepared during project implementation. The budget shall consider all of the anticipated impacts under the project and calculate the cost (compensation, administrative costs and monitoring.... etc) according to actual replacement costs (at market value).

EGAS is fully responsible for any compensation for land acquisition.. In addition, the Local Distribution Companies namely Egypt Gas and Town Gas will be responsible for paying the compensation to the PAPs based on the price lists developed by EGAS in coordination with the Agriculture Directorate. Thereafter, the compensation costs will be reimbursed from EGAS.

Annex I: List of participants for Public Consultation Sessions ESIAF NG Connection 1.1M HHs- 11 Governorates