

Evaluation Study

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Asian Development Bank's Involuntary Resettlement Safeguards

Project Case Studies in the Philippines



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ABBREVIATIONS

ADB	–	Asian Development Bank
AOV	–	average output value
AP	–	affected person
BME	–	benefit monitoring and evaluation
CBRP	–	community-based resettlement plan
CP	–	contract package
CRO	–	country resettlement office
DEC	–	Development Effectiveness Committee
DPWH	–	Department of Public Works and Highways
EA	–	executing agency
EPA	–	Environmental preservation area
ESPP	–	environmental and social policy and procedures
GRC	–	grievance redressal committee
IP	–	Indigenous peoples
IR	–	Involuntary resettlement
Km	–	Kilometer
LARP	–	Land Acquisition and Resettlement Plan
LTH	–	legal title holder
NGO	–	nongovernment organization
NHA	–	National Housing Authority
OED	–	Operations Evaluation Department
OEM	–	operations evaluation mission
PCR	–	project completion report
PIU	–	project implementation unit
PMU	–	project management unit
PRC	–	People's Republic of China
PRDP	–	Pasig River Development Program
PRRC	–	Pasig River Rehabilitation Commission
RF	–	resettlement framework
ROW	–	right-of-way
RP	–	resettlement plan
RPF	–	resettlement policy framework
SES	–	special evaluation study
SPISP	–	Southern Philippines Irrigation Sector Project
SRIP	–	Small Reservoir Irrigation Project
SRP	–	Sixth Road Project
TA	–	technical assistance
TCT	–	Transfer Certificate of Title

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This volume of case studies was prepared in the context of the Special Evaluation Study of Involuntary Resettlement Safeguards. The team leader for this evaluation was Walter Kolkma, Senior Evaluation Specialist at the Operations Evaluation Department (OED). The case studies are based on (i) reports of field studies conducted by consultants, referred to in the introduction of this document, (ii) field visits of the Team Leader, and (iii) existing documentation on the projects. The consultants had no conflicts of interest with regard to the projects they studied. The views expressed in the case studies do not necessarily reflect the views and policies of the Asian Development Bank, or its Board of Governors or the governments they represent. Reactions to this study are welcomed and will be posted on the OED website.

The Asian Development Bank does not guarantee the accuracy of the data included in this report and accepts no responsibility for any consequences of their use. Please send your comments to wkolkma@adb.org.

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I. INTRODUCTION

1. The case studies presented in this report were conducted in preparation of the special evaluation study (SES)¹ of the Asian Development Bank's (ADB) 1995 Policy on Involuntary Resettlement (IR)². This SES was conducted by the Operations Evaluation Department (OED) upon the request of the Development Effectiveness Committee (DEC) of ADB's Board of Directors. The evaluation of the IR Policy was carried out within a limited time frame so that it could contribute to the scheduled review process leading to the update of ADB's safeguard policies in 2008.³

2. The evaluation of the IR policy sought to (i) provide an overview of the scale and nature of IR in ADB operations; (ii) examine the extent of application of the IR policy; (iii) review trends; (iv) make pertinent comparisons with other systems; and (v) provide OED's assessment of the policy's relevance, effectiveness, efficiency, and sustainability within the context of past experience, changing circumstances, and new demands. The SES looked into the level of compliance of projects with the IR policy; the policy's probable impact on affected persons (APs) and on institutional development as well as into incremental costs and transaction costs for ADB and its clients.

3. Other than the three project case studies reported in this volume, the analysis for the SES was supported by (i) information drawn from ADB's internal databases and project documents; (ii) interviews with relevant ADB staff; (iii) questionnaire surveys; (iv) country case studies, and (v) project case studies in India and the People's Republic of China. The project case studies mostly concerned ongoing projects. This was done to gain insight into the effects of the newer IR procedures and practices. Most projects selected were approved in a period of transition for ADB, when social safeguard issues were receiving more attention than before. This has influenced the finding of uneven application of the safeguard policies in many cases.

II. PROJECT CASE STUDIES

4. The project case studies involved visits to three countries: the People's Republic of China (PRC), India, and the Philippines. The country choice was based on numbers of ADB-supported projects with past and present resettlement activity. The three countries covered more than 50% of all ADB projects with resettlement planning and 80% of all APs.

5. Sixteen projects were chosen as case studies for the IR policy evaluation: apart from the three projects in the Philippines, five projects were studied in India, and eight in the PRC. The latter are reported in companion volumes to this volume. The case studies included resettlement operations in both completed and ongoing projects. The studies were undertaken in the period March–June 2006. The projects covered the following sectors: (i) transport; (ii) energy; (iii) urban (i.e. water supply and sanitation, and multisector projects); and (iv) agriculture and natural resources. Basic data regarding the three studies in the Philippines is listed in Table 1 on the next page.

¹ ADB. 2006. *Special Evaluation Study on Involuntary Resettlement Safeguards*. Manila. Available: <http://www.adb.org/Documents/SES/REG/sst-reg-2006-14/SES-on-IR.asp>

² ADB. 1995. *Involuntary Resettlement*. Manila.

³ Available: <http://www.adb.org/Safeguards/about.asp>

Table 1: Basic Data Project Case Studies and Status of Affected People, 2006

Loan No. and Country	Year of Approval	Project Title	Project Cost at Appraisal (\$ million)	Loan Amount (\$ million)	APs at Appraisal (Number)	APs at Completion (Number)
1473-PHI	1996	Sixth Road ^a	652.8	167.0		(36,500)
1668-PHI	1998	Southern Philippines Irrigation Sector	102.0	60.0	770	Not complete ^b
1746-PHI	2000	Pasig River Environmental Management and Rehabilitation	150.0	75.0	55,000	Not complete ^b

AP = affected person, NA = not available, No. = number, PHI = Philippines.

^a Loan closed in May 2006. There were 3,600 affected families for land and 7,300 affected families for structures.

^b not complete at the time of the field investigations (generally between March and June 2006).

Sources: Regional Sustainable Development Department Involuntary Resettlement database; reports and recommendations of the President/resettlement plans; project completion reports; and Asian Development Bank's loans, technical assistance, grants, and equity approvals database.

6. The methodology for the case studies depended on the nature of the resettlement operations. The analysis was conducted by international and local consultants and was generally based on (i) study of project documents; (ii) interviews with project staff; (iii) interviews with officials of executing/implementing agencies and line agencies involved in the projects' implementation; (iv) focus group discussions with APs; (v) rapid field assessments; and (vi) limited field questionnaire surveys (totaling about 600 questionnaires, or about 30–60 questionnaires per project). Questionnaires were used to gain insight on the actual resettlement implementation process; compensation levels, relocation and livelihood rehabilitation assistance provided; as well as the satisfaction levels of APs with the whole process. The results of the questionnaire surveys were used to validate earlier findings in project completion reports and resettlement status reports, as well as assess the quality of preparation and implementation and obtain first hand data on results of the policies in projects. The synthesis of the findings of the case studies is in the SES, Chapter 5, and its Appendixes 20 and 21. Further methodological notes are in Supplementary Appendix A of the SES.

7. The project case studies in the Philippines were conducted by a team of consultants under the leadership of Jose Antonio League. They wrote drafts, which were later summarized and standardized in terms of their format for this case study report.

III. LOAN 1473-PHI: SIXTH ROAD PROJECT

A. Project Background

8. The Sixth Road Project (SRP) intended to support the Government's programs and policies for the development of the national road network, particularly in less developed areas with poor levels of accessibility, and strengthen the Department of Public Works and Highways (DPWH). The SRP consisted of several components including the improvement of 800km of national roads, rehabilitation and structural overlay of about 930 km of national roads, work on about 323 bridges on national roads, capacity building in various areas, project coordination and benefit monitoring and evaluation.

9. The estimated project cost was \$539.3 million; the ADB loan amounted to \$167 million. The loan was approved on 30 September 1996 and became effective 24 December 1997. The executing agency (EA) for the SRP was the DPWH.

10. The SRP aimed to rehabilitate the roads on the existing right-of-way (ROW), thus it was in principle not difficult to minimize displacement. However, the ROW had become a magnet for illegal settlers who had converged along the length of the road because of the advantage such a location presented in terms of facility of marketing produce; access to transportation, services and population centers; and opportunity for engaging in some form of small-scale enterprises. The ROW for roads is defined by law (EO 113 and EO 621) and it was virtually impossible to change the width of the road to minimize displacement. In some sections however, the EA realigned the road to avoid settlements but these cases were few while in other cases land had been taken even though initial design had indicated that no additional was needed. In some urban areas the DPWH did not construct wider roads because of the compensation they would have to extend since there were privately owned commercial establishments and residential areas along the proposed road sections.

B. Scope of Land Acquisition and Resettlement

11. No initial social assessment was done for the Sixth Road Project due to the belief of both the DPWH and the ADB that no involuntary resettlement would occur inasmuch as the project intended to simply rehabilitate roads with existing ROW. During Land Acquisition and Resettlement Plan (LARP) preparation, much later, no social assessment was undertaken for all affected persons (APs) except for those in Mulanay who were resettled due to an unforeseen event—the collapsing of a seawall, during project implementation.⁴ The social assessment of affected families for the rest of the Project was conducted as part of the External Monitoring Study undertaken after the Resettlement Plan (RP) for Structures was implemented and affected families were compensated just months before project closing.



Structures along the Mulanay coastline were demolished to give way for the road improvement works of the Sixth Road Project.

12. **Resettlement Planning.** From the Fact Finding Mission in early 1996 to the loan approval in September 1997, both ADB and DPWH agreed that improvements would be confined to the existing ROW and that land acquisition would be 'minimal'. Moreover, both believed that no resettlement was required for people along the road sections included in the

⁴ The collapsed seawall was part of the ROW. DPWH had to build the road beyond the seawall where the fishermen lived and therefore they had to be transferred. The APs displaced by the four lane road section did not require relocation to a resettlement site and thus were not included in a social assessment.

SRP. Thus, no RP was prepared during project preparation and no mention of any resettlement was included in the Loan Agreement.

13. However, during a Review Mission in December 1999, the ADB noted that a significant number of people were living on the right-of way and needed to be resettled. In some cases built up structures on the ROW had already been demolished and the people affected had not been compensated although the law requires this to be done. In other cases, land had been taken without compensation procedures having been started. Nevertheless, no immediate action was undertaken by the EA to prepare an RP to guide the resettlement and compensation of the affected persons on the ROW. During the Mid Term Review in February 2001, ADB raised the issue again and now insisted that there was a need to prepare a Land Acquisition and Resettlement Plan. In March 2001, ADB suggested that the ROW covenant in the loan agreement be revised to reflect the ADB Involuntary Resettlement (IR) Policy. In April 2001, an action plan for RP preparation was agreed between EA and ADB although EA continued to argue that there was no need to amend the loan agreement. In October 2002, ADB again raised major issues regarding: (i) an RP for structures; (ii) a policy for land compensation; (iii) an RP for land; and (iv) an RP for Mulanay (see below). ADB warned the EA that loan disbursements might be suspended if the issues raised were not addressed by November 2002. As no progress continued to be made, ADB suspended loan disbursements for road improvement civil works in June 2003.

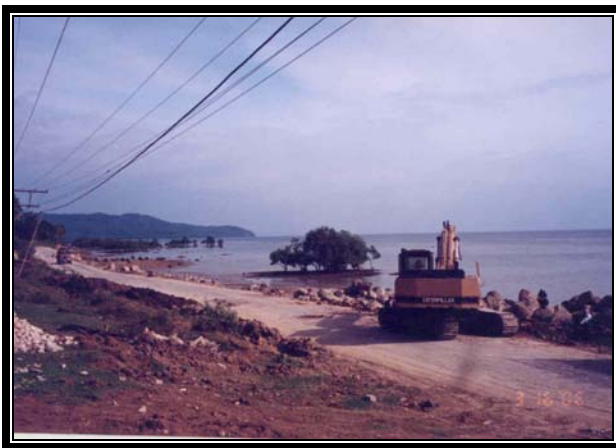
14. ADB proposed the preparation of a LARP in two phases—RP for Structures and Improvements and RP for Land. This option was taken due to the contentious issue of zonal value as basis for land compensation, against market value.⁵ Meanwhile, it became paramount to compensate affected families who had already been displaced due to the loss of their building structures, to restore their economic conditions to at least their pre-project levels, as is also the law in the Philippines. The matter was complicated with the existence of Republic Act 8974, a national law which governed road ROW acquisition in the country and recommended zonal land value as its initial compensation offer. The law in the Philippines states that a zonal land value as derived from land sale records needs to be offered to the person affected, and only when no agreement can be reached, a market rate based value can be claimed. ADB's policy requires replacement value, which is equivalent to market value.

15. In 2004, the EA proceeded with the preparation of RPs for structures by conducting on-site surveys on all contract packages (CPs) where civil works were stopped due to the suspension of loan disbursements. To orient the regional offices of the objectives and procedures of land acquisition, EA scheduled an orientation meeting for a public information campaign on SRP land acquisition on February 2004 in the EA head office in Manila. The information campaign utilized leaflets and community meetings with the aim of clearly communicating to APs the general land market values in the affected areas in order to allow negotiations of compensation rates based on a full knowledge of their entitlements. Guidelines on the actions to be carried out were disclosed to the field offices and staff of the EA.

⁵ Zonal value is contentious because this is based on a land value defined by the Bureau of Internal Revenue, which is much lower than the market value. Law in the Philippines requires that zonal value be offered first. However, if the landowners refuse they can take it to court, in order to obtain the market value. But this process usually takes a long time.

16. There were two RPs for each of the 15 CPs, one for structures & improvements⁶ and another for land acquisition. The RPs contained information on road improvement works of contract packages. As an introduction, the RP presented the legal framework of the resettlement programs and its adverse impacts in terms of affected families, structures, and the corresponding entitlements. This formed the basis for the budget requirements and payment status for the affected families.

17. The RPs also provided the framework for grievance redressal to accommodate complaints from affected families and ways to amicably settle differences. To facilitate implementation of the RP, institutional arrangements were proposed to define roles of ADB, Environmental Impact Assessment Project Office, District Engineering Office, Regional Offices, and the Resettlement Implementation Committee. The RPs presented external and internal monitoring mechanisms.



Road improvement works in CP5 required the relocation of families who were located along the coastline.



Mulanay resettlement site is a mix of modern more residential concrete road network and nipa huts.

18. **Resettlement area coverage.** The total land area acquired by the SRP road improvement component comprised 462 hectares. The two resettlement sites in Mulanay, Quezon and Pagadian, Zamboanga del Sur have 2.5 hectares each. The Nazareth Resettlement Site in Pagadian, Zamboanga del Sur was not funded from the loan but some 79 families affected by SRP moved to the resettlement site on their own. The Nazareth Resettlement Site is owned and was developed by the Pagadian City government and contains relocatees from different parts of the City.

19. **Legal bases used.** Local laws formed the bases for the formulation of the RPs for both structure and land but within the framework of the ADB IR Policy. The legal bases used were the following:

- (i) Philippine Constitution Basic National Policy (Bill of Rights);
- (ii) Executive Order No. 113 Classification of Roads in the Philippines in 1995 and

⁶ Improvements refer to facilities other than residential or commercial structures such as animal pens, utilities such as power, water and communication, and community amenities. Perennial crops are also included if the AP does not own the land.

- EO No. 621 (1980); Amending Executive Order No. 113, series of 1955, Establishing the Classification of Roads;
- (iii) Executive Order No. 103 (1986): Providing the Procedures and Guidelines for the Expeditious Acquisition by the Government of Private Real Properties or Rights Thereon for Infrastructure and Other Government;
- (iv) Memorandum Order (MO) 65, series of 1983;
- (v) Republic Act No. 6389: An Act Amending Republic Act No. 3844 (1971), as amended, otherwise known as the Agricultural Land Reform Code, and for Other Purposes; and
- (vi) Republic Act No. 8974 (2000): An Act to Facilitate the Acquisition of Right-of-Way, Site or Location for National Government Infrastructure Projects and for Other Purposes.

20. Project Affected Families/Persons for Structures and Crops. The RPs for Structures and Improvements recorded a total of 7,309 families being affected.⁷ Almost half (46.3%) or 3,387 families were severely affected.⁸

21. The EA infrastructure ROW manual dealt with affected families by conforming to its Infrastructure Right-of-Way Procedural Manual. ADB's Handbook on Resettlement however defined resettlement types according to the concept of "significance".⁹ The sheer number of severely affected families underscored the importance of proper compensation of the affected properties of the affected families. The RP required compensation of structures at replacement costs defined as market value of structures at the time of removal or eviction (i.e. taking into account depreciation).

22. There were 608 marginally affected families or 8.3% of all project affected families (PAFs). Affected families with improvements numbered 900 or 12.3% and 2,414 were those with trees and perennial crops affected by the project.

Table 2: Number of Affected Families (RP for Structures and Other Improvements)

Area ^a	Item ^b	Package ^c	Road Sections ^d	Road Length (km) ^e	Total no. of PAFs (g+h+i+j)	Severe ^g	Marginal ^h	PAFs with improvements ⁱ	Trees/Perennials ^j
Luzon	1	6L-1	Tayabas-Mauban-Lucban	55	924	409	76	100	339
	2	6L-3	Infanta-Gen. Nakar	6.1	306	51	16	18	221
	3	6L-4	Malicboy-Macalelon	62.95	365	106	24	13	222

⁷ Environmental Impact Assessment Project Office-EA. Resettlement Action Plan (For Structures and Other Improvements). Sixth ADB Road Project. 26 April 2004.

⁸ Severely affected APs are those whose total land area of landholdings was affected by more than 20% or when less than 20% of the total land area will be affected and the remaining area will no longer be useful for the existing purpose of function.

⁹ "Significant" is defined as meaning: (i) 200 people or more will experience resettlement effects; (ii) 100 people or more who are experiencing resettlement effects are indigenous people or vulnerable as defined in the policy; or (iii) more than 50 people experiencing resettlement effects are particularly vulnerable, for example hunter-gatherers. The Projects Department concerned would decide, in consultation with the SOCD, if a full RP is required.

		4	6L-5	Macalelon-Mulanay	48.4	703	383	20	25	275
		5	6L-6	Mulanay-San Narciso	29.44	443	185	39	18	201
		9	6P-1	Puerto Princesa-Langogan	80.34	139	28	23	6	82
	Pal.	10	6P-2	Langogan-Roxas	54.139	170	140	14	16	0
	Mas.	8	6M-2	Cataingan-Placer	19.94	135	26	0	20	89
	Pny.	6	6Py-1	Patnongon-Culasi	68.33	496	95	47	220	134
		7	6Py-2	Culasi-Nabas	44.306	265	48	21	83	113
		11	6Mi-9	Pagadian-Buug	60.5	638	621	28	5	-16
	Mindanao	12	6Mi-10	Kabasalan-Ipil	21.185	41	19	15	3	4
		13	6Mi-13	Ipil-Licom	49.866	405	192	142	8	63
		14	6Mi-14	Zamboanga-Quiniput	43.85	1,142	623	59	197	263
		15	6Mi-15	Licom-Quiniput	42.6	1,137	461	84	168	424
				Total	643.096	7,309	3,387	608	900	2,414

Source: Government of the Philippines

23. The RPs for Land¹⁰ revealed that there were 4,587 PAFs. There were a total of 5,245 lots adjacent to the ROW. Of these, 1,132 were severely affected. In terms of land ownership, almost 80% or 4,093 lots were covered by some form of ownership documents or titles; 20% was without proof of land ownership.

Table 3: Number of Affected Families (RP for Land)

Area	Item	Package	Road Sections	With Titles, Tax Declarations			With No Proof of Ownership			Total		
				Lots	AP	Land Area (sqm)	Lots	AP	Land Area (sqm)	Lots	AP	Land Area (sqm)
Luzon	1	6L-1	Tayabas-Mauban-Lucban	640	550	302,365.00	109	98	136,325.00	749	648	438,690.00
	2	6L-3	Infanta-Gen. Nakar	134	131	31,304.54	34	33	7,343.39	168	164	38,647.95
	3	6L-4	Malicboy-Macalelon	306	274	569,477.19	3	3	6,537.68	309	277	576,014.87
	4	6L-5	Macalelon-Mulanay	130	109	48,624.75	191	137	153,719.62	321	246	202,344.37
	5	6L-6	Mulanay-San Narciso	136	125	197,442.13	12	0	170,568.78	148	125	368,010.91
Pal.	9	6P-1	Puerto Princesa-Langogan	414	381	551,154.00	151	125	173,416.00	565	506	724,570.00

¹⁰ Environmental and Social Safeguards Office-Department of Public Works and Highways. Resettlement Action Plan (For Land). Sixth ADB Road Project. July 2005.

Table 5: Cost of Resettlement Plan for Land

Area	Item	Package	Road Sections	No. of Lots	Cost of Land (Php 000'000)
Luzon	1	6L-1	Tayabas-Mauban-Lucban	749	23.73
	2	6L-3	Infanta-Gen. Nakar	168	12.20
	3	6L-4	Malicboy-Macalelon	309	21.87
	4	6L-5	Macalelon-Mulanay	321	13.80
	5	6L-6	Mulanay-San Narciso	148	12.58
Pal.	9	6P-1	Puerto Princesa- Langogan	565	258.71
	10	6P-2	Langogan-Roxas	282	17.22
Mas.	8	6M-2	Cataingan-Placer	218	4.10
Pny.	6	6Py-1	Patnongon-Culasi	233	14.33
	7	6Py-2	Culasi-Nabas	857	29.06
Mindanao	11	6Mi-9	Pagadian-Buug	124	4.67
	12	6Mi-10	Kabasalan-Ipil	93	6.16
	13	6Mi-13	Ipil-Licom	285	92.16
	14	6Mi-14	Zamboanga-Quiniput	692	40.42
	15	6Mi-15	Licom-Quiniput	222	2.39
Total				5,266	553.41

Source: Sixth Road Project: RP (for Land).

D. Compensation and Entitlements

25. The compensation paid to affected families in the SRP, although late, was based on the principle of replacement cost as determined by an independent private appraiser. In the Philippines, compensation can be based on zonal value or, if this is not agreed to, on fair market value. The latter is assessed by the Provincial or Municipal Assessor. The law on ROW acquisition allows the use of independent appraisers. In addition, the families that were severely affected by the project (i.e. losing more than 10% of their livelihood) received disturbance allowance of Php10,000 per family; rental subsidy equal to average monthly rental rate for a similar structure for the period between the submission of completed documents until the release of payment on land; compensation for income loss based on latest copy of tax record and transportation allowance during relocation. The enforcement of the need for payment of compensation seems to be in large part due to ADB's persistence.

26. Relocated families in the Mulanay Resettlement Site were paid the replacement cost of the structures they formerly occupied and were provided lots in a resettlement site across the road from their original site. The resettlement site was built for 184 illegal dweller families who lived along the shore where the seawall road was to be built. The site was built with concrete road network with curb and gutter. Road widths varied from 8m (access road), 6.5m (road network), and 4.5m alleys (concrete). The hilly terrain required the construction of culverts and retaining walls. The residual land in the site was classified as 'open space'. This consisted of roads, slope protection, parks, creeks and easements, and pedestrian paths. The area was provided with concrete septic vaults. An underground drainage system was installed in the site and connected to the existing creek. Although programmed to be provided with power, some areas in the site did not have power connections at the time of the field survey. The water system was not fully operational and several households were not yet served with piped water. The PAFs did not pay for the land. The PAFs paid only for the titling of their lot in the amount of

P5,000, which was considered as their equity. They were amortizing this for 3 years at P139 per month.

27. The second resettlement site, the Nazareth Resettlement Site, was not specially built for the Project. However, for the purpose of comparison, and because a number of affected families voluntarily moved to the site, it was also included in the case study. The Nazareth Resettlement Site was a joint-venture project between the Local Government Unit (LGU) of Pagadian City and the National Housing Authority (NHA). It was programmed as a resettlement site for all city residents who were located in marginal lands of the city. The LGU financed development costs of the site while the NHA committed to reimburse the costs. Relocatees to the site were required to pay monthly amortizations for the lots they received over a period of 5 to 10 years. No structures were provided for the awarded lots. Residents were allowed to construct their houses according to their respective preferences and helped by compensation provided for their resettlement. Unlike the Mulanay project, the site was developed some 5 kilometers further away from the original homes of the affected families which were located in the city proper. In spite of this distance, and in spite of conditions less favorable than those negotiated by ADB for the Mulanay site, the site has gradually developed into a thriving community. The Nazareth Resettlement Site has an internal road system (mostly unpaved, except for the main road), individual piped water; power supply, individual septic vaults and open drainage system (not underground like in Mulanay). There are three lot sizes (95 sq. m., 100sq. m. and 120 sq. m.) at the Nazareth Resettlement and relocatees have two payment options: five- and ten-year amortization periods. The monthly amortization ranges from a low of PhP183.40 amortized over 10 years; to a high of PhP403.46 for a five year amortization of a 120 sq.m. lot.

Table 6: Resettlement Plan for Land Compensation and Entitlement Matrix

Impacts Categories	Specific Applications	Eligible APs	Compensation/Entitlements
Agricultural/Residential/Commercial/Industrial	Severely Affected More than 20% of the total landholdings will be affected or wherein the remaining area no longer viable for continued use	Fully Eligible with TCT or tax declarations	Cash compensation for crops at market value and cost of production P25,000 per hectare minimum Cash compensation for the affected portion of the land based on value arrived at during negotiations with zonal value as the base value No compensation for land
		Without TCT or Tax Declaration No documentary evidence of ownership	Cash compensation for crops at market value and cost of production P25,000 per hectare minimum
	Marginally Affected Less than 20% of the total landholdings will be affected or wherein the remaining area still viable for use	Fully Eligible with TCT or tax declarations	Cash compensation for crops at market value and cost of production P15,000 per hectare minimum Cash compensation for the affected portion of the land based on value arrived at during negotiations with zonal value as the base value
		Without TCT or Tax Declaration No documentary evidence of ownership	No compensation for land Cash compensation for crops at market price

TCT = Transfer Certificate of Title.

Source: Environmental Impact Assessment Project Office-Department of Public Works and Highways. Sixth Road Project Resettlement Plan (for Land). July 2005.

Table 7: Resettlement Plan for Structures and Other Improvements

Type of Loss	Application	Compensation/Entitlements
Structures	More than 20% of the total landholding loss or where less than 20% loss but the remaining structures become no longer functional as intended or no longer viable for continued use	Cash compensation for entire structure at 100% of replacement cost Rental subsidy equivalent to average monthly rental rate for a similar structure for the period between the submissions of complete documents until the release of payment on land Disturbance allowance - PhP10,000 per severely affected structure Rehabilitation Assistance - PhP15,000 per family (skills training and other development activities), if their livelihood will be severely affected Income loss - based on the latest Copy of Tax Record Transportation Allowance - relocation sites will be provided free transportation
	Less than 20% of the total landholding loss or where less than 20% loss or where the remaining structure still function and remain viable for continued use	Compensation at replacement cost of the affected structure
Improvements		Cash compensation for the affected improvement a replacement cost
Trees, Perennials		Cash compensation for trees and perennials at current market value as prescribed by the concerned LGUs and the DENR

Source: Environmental Impact Assessment Project Office-Department of Public Works and Highways. Sixth Road Project Resettlement Plan (for Structures and Other Improvements). July 2005.

E. Livelihood/ Income Restoration

28. **Relocation.** Most of the APs in SRP had already been moved by the EA and many had relocated away from the project area during the first half of implementation and before the Review Mission deemed a LARP necessary. Construction had already commenced and another 6 years ensued before the RPs for all road sections covered by contract packages were completed. RPs for structures and for land were prepared for road sections covered by each contract package. The RPs for Structures were completed first. ADB lifted suspension of disbursements for road packages with approved RPs for Structures in June 2004. An RP for land was submitted on July 2005 (the delay was due to the parcellary survey undertaken by an independent appraiser) and ADB restored loan disbursements in August 2005. The EA was made to track families who moved away from the project site to enable them to receive compensation for their losses, mostly in terms of structures and crops.

29. There was no post resettlement rehabilitation program under the SRP. The socioeconomic assessment was started by the external monitoring agent in 2005 and continued during the first half of 2006. The relocatees in the Mulanay Resettlement Site continued with their occupation as fisherfolk since the relocation site was only across the road from their former location along the coast. The RP deemed that there were no livelihood risks since the resettlement site was just across the road from their original location and thus did not affect their livelihood as fisherfolk.

F. Consultation and Information Disclosure

30. Since resettlement was not envisioned during project preparation, no consultations had been undertaken. In the Mulanay case, which was a special case, ADB made sure the required consultations took place from the beginning. In the Nazareth resettlement site, the DPWH conducted some consultations during the implementation stage with the SRP resettlers only upon strong urging from ADB (many others affected by the road did however not settle in the Nazareth site and these could not be traced and were not consulted). The consultations in Nazareth were more particularly to inform APs of their rights and entitlements: the compensation for the demolished buildings (mainly shacks) on the ROW was recalculated from the building material value (which was very low) to a replacement value.

31. The consultations at implementation or post-implementation stage were undertaken as a pre-condition for the lifting of suspension of loan disbursements. These consultation meetings were conducted by EA representatives and provided APs with an overview of SRP, the objectives of the consultation, and the presentation of entitlements, including the necessary actions to be taken. These meetings ended with an open forum with the APs.

G. Grievance Redress and Benefit Monitoring and Evaluation

32. The Environmental and Social Safeguards Office took the lead in the overall preparation and planning of RPs including coordination with the District Engineering Offices and Regional Offices in their responsibilities with RP implementation. The Environmental and Social Safeguards Office was in charge of monitoring actual payments of compensation to PAFs and the preparation of periodic supervision and monitoring reports on RP implementation for submission to ADB. They amended RPs accordingly when problems were identified during the monitoring phase.

H. Issues

33. The EA found great difficulty in the preparation of the LARP. There was a great deal of reluctance to engage in the difficult process of determining who was affected and in need of compensation. Additional problems mentioned were higher construction costs; variation orders; higher consultancy costs; and higher administrative costs. The EA opined that there was no need to suspend disbursement since ADB itself had agreed with the initial assessment that no resettlement was required for the project and that amending the loan agreement beyond the mid-term of the project was counter productive and grossly detrimental to the government's program. Moreover, the EA claimed that the difficulty was exacerbated by behavioral issues with the ADB team. They acknowledged that they had worked very intensively with the ADB team over a long period, but noted at the same time the difference with the World Bank team working on the National Road Improvement and Management Program. A related point was that the standards under the World Bank's program were different from those of ADB (this point could not be fully investigated), and that this created double standards in the country. The World Bank team was perceived as more 'understanding' and 'supportive' of the EA and its staff. Because of the perceived intransigence of the ADB team and what they saw as a traumatic experience with the RP process, the EA decided, for some time at least, not to continue with a 7th Road Project (however, early 2008, there are plans for a national road development program).

34. A large percentage of PAFs indicated grievances (72%), as per a small questionnaire survey of 50 PAFs held in the Mulanay and Nazareth resettlement sites. The questionnaire grouped these grievances in terms of resettlement package offered and compensation package.

For the resettlement package, 19% rued the lack of a livelihood component. Other grievances of PAFs were the absence of a complete house and lot package, the absence of electricity in some areas, the denied waiver of amortization fees, lack of moving/transfer assistance, and the lack of provision of construction materials.

35. Sixty percent of the respondents found the cash benefits offered insufficient. Other PAFs commented that cash benefits were delayed, incomplete, or unpaid.

I. Attitudes to Resettlement

36. Sixty-one percent of the 50 relocatees surveyed in the two resettlement sites of the Sixth Road Project considered that their overall living conditions had improved after relocation and only 15% responded that they were worse off.

37. Despite the questionable consultative process and late compensation, the respondents from SRP overwhelmingly (86%) believed that they had gained benefits from the project. In terms of ease of traveling, 50% said they were satisfied while 34% were not (mostly from the Nazareth site). However, as far as having easier access to services, 34% were not satisfied since the APs of the Nazareth resettlement site were relocated farther away from the city center. Sixty-four percent were very satisfied with the orderliness of the surroundings. Sixty-two percent were very satisfied with the provision of utilities (water, power, drainage). When asked if housing conditions had improved, 64% were very satisfied with their new neighborhood. In Mulanay where PAFs experienced floods during rainy season, 60% were yet very satisfied with their present conditions.

38. Forty percent of respondents from SRP affirmed that they were satisfied with the compensation package but 42% were not satisfied and 14% were very dissatisfied (mostly from the Nazareth site). Sixty percent of the respondents found the cash benefits insufficient. Other PAFs commented that cash benefits were delayed, incomplete, and remain unpaid. Even though a Php15,000 rehabilitation assistance per severely affected family was included in the RP for Structures, none of the APs interviewed referred to it.



Resettlers in Mulanay utilize local organic materials in the absence of financial assistance in house construction.



Some of the Mulanay resettlers have the wherewithal to construct concrete houses that fit well in the subdivision.

J. General Findings from Field Visits and Other Information Sources

39. Based on the two surveys and desk study, the team concluded that both ADB and EAs should exercise due diligence during Fact Finding, Pre-Appraisal and Appraisal stages in

determining if there are involuntary resettlement requirements for the proposed project. In this case, due diligence seemed not to have been followed at the preparation stage. The subsequent delay and rush to complete the LARP (RP for Structures and RP for Land) took an unnecessarily heavy toll on both EA and ADB resources and effort. ADB should have expected that some degree of demolition of structures, acquisition of land, and involuntary resettlement would occur in any road project. This was the sixth in a series and the preceding projects must have demonstrated adequately that this phenomenon occurs and cannot be avoided. The EA was penalized for an obvious omission on the part of the ADB in approving the loan, although the EA can also be blamed for long remaining reluctant to help enforce the law of the land, namely to compensate for structures demolished, even when on the ROW, and for land taken outside the ROW.

40. ADB should be clear about the operational procedures of the IR Policy needed to prepare the RP including the detailed procedures and specific content at the start of the process. ADB should also be aware from the beginning what the country systems requires of its EAs. In the SRP, the procedures were clarified and defined as the RP preparation proceeded.

41. ADB should conduct an intensive training for EA officials and staff where model RPs are prepared. Detailed instructions and exercises including the conduct of social assessment, socio-economic surveys, conduct of participatory consultations among project affected families/persons should be given. ADB also needs to make sufficient resettlement specialists available to handle a complex project like SRP with many different sites. Although the Nazareth site had developed reasonably well in spite of little or no supervision by ADB (partly due to the security situation in Zamboanga), not all LGUs may uphold similar standards. Public facilities could still be better in the Nazareth site, while the compensation package was not very good.

42. EAs cannot be expected to be knowledgeable and much less proficient about the intricacies of the IR Policy of ADB over a short period of time since it was relatively new whereas the procedures were gradually enforced more strictly. Moreover, the EAs often have no trained staff capable of preparing the RPs to a required level. They need to build this up over time. Because of this, the ADB should support and guide the learning process and exercise some degree of flexibility and patience during the learning period.

43. While the RP preparation process was very intense and bitter, the EA conceded that they had learned immensely from the RP preparation process. They have since adopted the principles of the IR policy (and the Philippines law) in their own Right of Way Acquisition Guidelines. The EA also pointed out that it has acknowledged the need for the RP process for its infrastructure program and has institutionalized this by establishing a dedicated unit solely for environmental and social safeguards.

44. In reality, the consultation process conducted was more of an information campaign rather than consultation launched by EA. It was more a procedural compliance for information dissemination. EA was more concerned on lifting the suspension due to the financial ramifications it had on the road improvement component of the project.

45. It is important to launch the resettlement program as early as possible even before the infrastructure program has started. Due diligence needs to be conducted to ascertain the need of a resettlement program so that its execution may be properly focused.

46. LGUs can be important partners in resettlement initiatives since these will be located in their jurisdiction and could provide a venue for non-project relocatees into the site.



In Nazareth resettlement site in Pagadian City (not supervised by ADB), Zamboanga del Norte, roads were laid out in grid formation but remain mostly unpaved.



Streets in the Nazareth site were lined with open drainage lined with concrete hollow blocks, not underground like in the Mulanay site.



Residents of a resettlement site in Pagadian City rebuild their homes into sturdier and durable materials.



While most of the respondents felt they were better-off in terms of living conditions, many bewailed the location of the Nazareth site 5 km away from Pagadian city.

IV. LOAN 1668-PHI: SOUTHERN PHILIPPINES IRRIGATION SECTOR

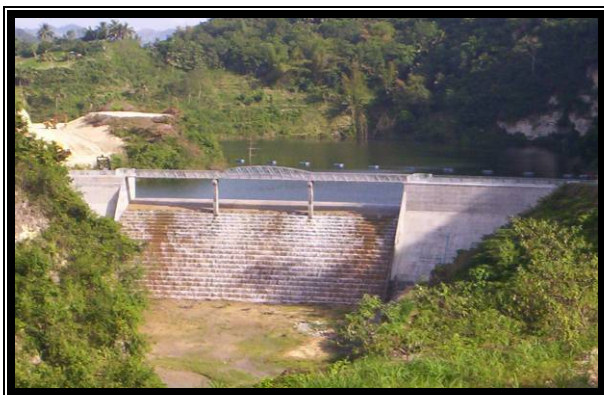
A. Project Background

47. The Southern Philippines Irrigation Sector Project (SPISP) was designed to construct and improve small- to medium-scale irrigation systems, strengthen operation and maintenance through beneficiary participation, and improve the institutional capacity of the executing agency (EA) and its units. In 14 sites in the Southern Philippines, the Project developed irrigation and drainage facilities covering about 18,000 hectares for intensive cultivation of rice and other crops, and benefited about 10,000 farm households, about 44% of whom have income below the poverty threshold. The ADB provided a loan of \$60 million for the Project. The Loan was approved on 29 December 1998 and became effective 29 October 1999. The Project was scheduled for completion in June 2006 but a possible extension was being negotiated with ADB at the time of the study. The National Irrigation Administration was the EA for the Project.

48. For the case study, three on-going sub-projects were considered. These are the Can-asujan Small Reservoir Irrigation Project (SRIP); the Gibong Right Bank National Irrigation System and the Baobo National Irrigation Project. The emphasis here is on the first.

49. **Can-asujan.** The Can-Asujan SRIP in Cebu in the Central Visayas Region was a core sub-project of the SPISP, which aimed to irrigate an existing dry land farming area; improve the reliability of food supply; and raise farmer project incomes in the area, many of whom were below the poverty level. The Project consisted of two main components: (i) a reservoir, built on the Can-asujan River; and (ii) a lower gravity-fed irrigation service area of about 772 hectares fed from the upstream reservoir. Within the SPISP context, Can-asujan was somewhat special as it was one of the few that involved the construction of a new dam reservoir.

50. A 25-m hard fill dam was built in a narrow, steep sided valley section of the river to create the reservoir. It covered about 33 hectares of land at conservation level and about 7 hectares at minimum operating level. It also temporarily affected some 15 hectares of land at the dam construction site. The land areas affected were located in barangays Can-asujan and Calidngan in the Municipality of Carcar. In the irrigation service area, approximately six hectares were subjected to right-of-way (ROW) acquisition for the construction of irrigation facilities, benefiting some 1,370 farming households in Carcar, Cebu.



Can-Asujan irrigation project



Resettler's house with store

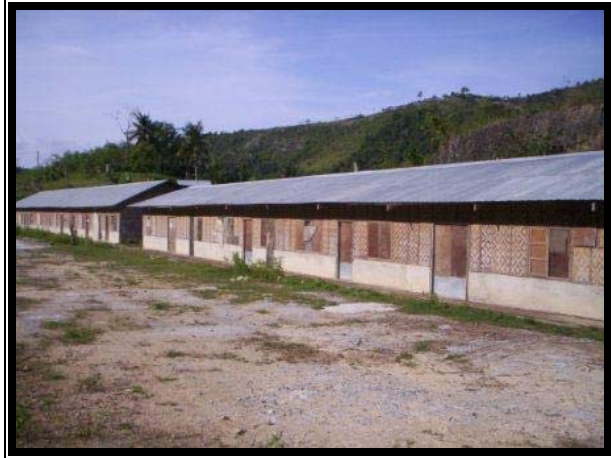
B. Scope of Land Acquisition and Resettlement

51. The Resettlement Policy and Program Framework was formulated to guide on resettlement issues in the subprojects. It was based on the principles outlined in the ADB's "Handbook on Resettlement" (1998), "Involuntary Resettlement" (1995) and EO 1035 on Providing the Procedures and Guidelines for the Expedious Acquisition by the Government of Private Real Properties or Rights thereon for Infrastructure and other Government Projects. This defined the specific resettlement issues that were needed to be addressed in the LARP.

52. The actual preparation of the LARP for the Can-asujan SRIP started a year into the project implementation and took almost 3 years to complete. The EA had difficulty in preparing the LARP due to insufficient staff and the requirement of the ADB Involuntary Resettlement (IR) policy was not clarified from the beginning. The requirements became more elaborate and detailed as the project and the process progressed. The EA also had difficulty in reconciling different valuation for similar assets such as crops and structures. The LARP was revised five times before it was finally approved in 2003.



Part of inundated area in Can-Asujan



Housing of Chinese construction workers for dam

53. The focus of activities during 2001 was on the inventory of land improvements and discussions on the detailed guidelines for compensation. Furthermore, the search for a viable and accepted relocation site was initiated with the participation of the project affected families (PAFs). Initially, the compensation package included land but was subsequently changed when it was discovered that the sub-project area in Can-asujan was timberland and therefore not alienable and disposable. This created some consternation and conflict because the PAFs were told that the compensation package would include land. Mid-2001, discussion on resettlement procedures was started. Site selection narrowed down to a few options which eventually were decided in favor of Barangay Guadalupe. In December 2001, a field trip was made to the proposed site with the PAFs, NIA staff and consultants and the ADB Social Safeguard Specialist.

54. The LARP for Can-asujan initially identified 41 families that needed resettlement, and later on increased to 42. After completion, the project adversely affected a total of 182 families of which 148 were from the proposed reservoir area and 34 from the dam area. The 182 lost approximately 45 hectares of residential and agricultural land as well as improvements such as houses and other structures, perennial crops and trees. In addition, there were communal facilities such as water supply facilities, chapels and roads which communities outside the area will lose access to. The 42 families living in the area to be submerged were moved to a resettlement site.

55. **Gibong.** The Gibong Right Bank National Irrigation System in Agusan del Sur consisted of core (extension) and non-core (existing and expansion) areas. The existing facilities of the current irrigated 1,383 hectares (existing) of the service area were rehabilitated and generated an additional 535 hectares (expansion area) of irrigated areas from the presently rain-fed rice land and undeveloped lands. Additional facilities were constructed to provide irrigation service to 665 hectares (extension area) of new land area. Approximately 53 hectares were acquired as ROW for the facilities that were constructed and for the existing irrigation canals that were rehabilitated.

56. The ROW acquisition directly affected 250 farm households, 21 of which were project non-beneficiaries. Two hundred six of them were landowners while 44 were settlers on public land. The losses consisted mainly of permanent loss of a portion of their agricultural land and the loss of standing crops and trees. The beneficiary farmers were compensated for their land improvements, crops and trees. However, as beneficiaries, they were required to provide 25%

equity to the project. To lower the equity contributions, the farmers opted to convert their compensation for the affected areas into equity. On the other hand, the 21 non-beneficiary farmers were compensated for their land and land improvements, standing crops and trees.

57. **Baobo.** The Baobo National Irrigation Project required the construction of a concrete diversion weir which conveyed water to the service area by a main canal. The main canal distributed water through a system of smaller canals. Approximately 34 hectares were acquired as ROW. The project directly affected 270 farming households. They were compensated for the affected crops and trees. Among them were 5 indigenous peoples' households. There was no distinction between Indigenous Peoples (IP) and non-IP affected families in the LARP since the IP in the sub-project area were considered part of the mainstream population.



Core house (4m x 4m) in the resettlement area



Day care facility in the site - teacher is a member of the resettlement community.

Table 8: LARP Profile for SPISP per Sub-project*

Sub-project	Target Service Area (ha)	Target Farmer Beneficiaries	Total LARP Cost (PhP m)	Affected Properties			Number of PAPs (Non-Beneficiary PAPs)	
				Crops/ Trees (PhP)	ROW Area (ha)	Reservoir/ Dam	Service Area	Reservoir/ Dam
A. Core Sub-Project								
Can-asujan SRIP ^a	772	879	53.3	4,100,000	32.45	6.4	(182)	464 (306)
Calayagon CIP	230	219	0.0	-				
Gibong RB NIS ^a	2,583	1,328	14.3	NA	NA	53.1	NA	250 (43)
B. Non-Core Sub-Project								
Magballo-Balicotoc	737	554	20.9	923,172	19.94	7.97	(49)	157 (10)
Canlamay IIP								
Dauin SRIP	1,000	1,375	13.5	208,720	10.09	6.6	(27)	233 (3)
Gibong LB	2,167	1,016	7.3	NA	NA	18.08	NA	108 (5)
Baobo NIP ^a	1,900	1,011	16.4	249,362	NA	33.68	NA	270 (54)
Cantilan NIS	2,500	3,718	26.5	NA	NA	60.40	NA	906 (20)
Aclan-Amontay CIS	130	113			NA	1.64	NA	45 (5)
Rugnan NIS	3,050	2,354	0.0	-				

CIP = Communal Irrigation Project, CIS = Communal Irrigation System, ha = hectare, IIP = Integrated Irrigation Project, LARP = Land Acquisition and Resettlement Plan, LB = Left Bank, NA = not available, NIP = National Irrigation Project, NIS = National Irrigation System, PAP = project affected person, PhP = Philippine peso, RB = Right Bank, SPISP = Southern Philippines Irrigation Sector Project, SRIP = Small Reservoir Irrigation Project.

^a Subprojects evaluated under the case study.

Source: National Irrigation Authority (Provided during the February 2006 meeting).

C. Budget and Implementation Schedule

58. The cost of relocation and resettlement in the Can-asujan subproject amounted to over \$0.6 million, of which \$0.478 million was spent on the resettlement site including land purchase; site development; cost of community facilities and infrastructure; and cost of core houses. The balance was spent on payment for structures, crops, disturbance compensation and relocation expenses. This excluded administrative costs; cost of community information and consultation process; consultancy costs and training and livelihood development program which are still on-going. The per capita cost of the relocation amounted to \$1,144 per family while the cost of resettlement amounted to \$11,428 per family.

59. Relocation started in 2003 after a long process of consultation and negotiations with affected persons (APs).

D. Compensation and Entitlements

60. The non-resettlers were paid according to the agreed values. The 42 resettlers were given the full resettlement package which included compensation for their houses, crops and trees and other structures. They were provided agricultural land equivalent to the 60% of the land area of the original land they occupied in the dam site. This was sold to them for 25% of the purchase price of the property. They were also given core houses and electric and water connections in the resettlement area. Community facilities and infrastructure such as access roads, a basket ball court, community center/daycare center and a chapel were constructed in the resettlement site.

Table 9: Land Acquisition and Resettlement Plan Project Cost versus Actual Project Cost

Item	Quantity/Unit	LARP Project Cost (PhP m)	Actual Project Cost (PhP m)	Remarks
Resettlement Site Development				
A. Land	10.80 hectares	12.000	6.577	For 42 beneficiaries; 37 farm lots with core houses and 5 farm lots with no core house
B. Site Development		5.127	6.308	
1. Road System and Drainage	km: km pipeline; 1 reservoir		5.357	
2. Water System			0.829	
3. Power Supply			0.122	
C. Construction of Core Houses	37 units	2.600	2.995	Each core house (4m x 4m) costs PhP 80,963.24
D. Pipe Irrigation System	2.36 km pipeline		1.286	
E. Construction of Replacement Infrastructure				
1. Chapel	1 unit	0.060	0.065	
2. Basketball court	1 unit		0.351	
3. Water Supply Replacement at Submerged Area		0.400	0.394	
4. Construction of Pit-os Calidngan Bridge and Access Road	1 unit bridge; 740 meters access road	6.000	5.956	On going with estimated cost of PhP 5.956 m

F. Service Truck (fell into the contingency budget)		
Subtotal	26.186	23.933
Other Items		
Public Information – Consultation Activities	0.200	For community preparation, information campaign, meetings and dialogues etc.
Organization, Training and Capacity Building	2.000	
Livelihood Fund		
- Vegetable	2.000	
- Aquaculture	5.000	
Evaluation Study	1.000	
Subtotal	10.200	
Total	49.332	31.943

LARP = Land Acquisition and Resettlement Plan. m=million

Source: Southern Philippines Irrigation Sector Project

Table 10: LARP Compensation

Type of Compensation	No. of Claimants	Estimated Cost (PhP m)	Actual Cost (PhP m)	Remarks
A. Damages to Crops	192	4.1	4.4	
B. Disturbance Compensation	187	1.6	1.1	
C. Damages to Structure	69	2.6	2.5	Mostly houses
E. Income Loss during demolition, transfer and house reconstruction		0.1		5 day period at PhP 500.00/day
F. Relocation Expenses		0.2		NIA will provide assistance in terms of labor and transportation to the resettlers
G. Land Acquisition Cost (ROW at the service area)		4.3		This will cover the ROW land (1.7 ha) valued at around PhP 250.00/m ² for the non-beneficiary landowners in the service area.
Subtotal		12.9	8.0	

LARP = Land Acquisition and Resettlement Plan, ROW = right-of-way. m = million

Source: Southern Philippines Irrigation Sector Project

E. Livelihood/ Income Restoration

61. The relocatees from the Can-asujan SRIP under the Southern Philippines Irrigation Project have adjusted well in the resettlement site because they have not only been given land at 25% of market value but had been provided houses for free. From illegal settlers and tenants they had become landowners. Many of the APs have improved their core houses using part of their compensation for building extensions and enhancing the design of their houses. The facilities and services were provided before relocation and the APs were satisfied with them. All the APs have resumed farming in the resettlement sites. However, they complained that they were not compensated for the income lost for the period between planting and maturity of their fruit trees in the resettlement site. They claimed that the compensation for crops did not take into consideration the actual losses they would incur considering that the fruit trees taken from them were providing substantial income. It would take from five to seven years to harvest from their newly planted fruit trees. Livelihood training for income restoration is currently ongoing.



New house built by AP.



A service truck was provided for in the resettlement area for the resettlers' use.

Table 11: Impacts on PAFs of Resettlement Plans

	Before Project ^a	After Resettlement ^b		
		Resettlers	Resettled on their own	Non-Resettlers
Ave. Household Size	5.5	5	4.5	3.8
Ave. Size of Land claimed and/or tilled	3,977 m ²	3038 m ² (largest is 6000 m ² ; smallest is 75 m ²)		
Ave. House Floor Area	70 m ²	16 m ²		
Ave. Annual Household Income	PhP 66,834.00 89% - non-farm based 11% - farm income	Majority perceived their livelihood to be worse than before resettlement/project		
Religion				
Roman Catholic	All	92.5%	All	97%
Born Again Christian		5%		3%
No answer/data		2.5%		
Education		Majority reached elementary level		
Access to Education	The school is far. There are times when the river overflows and the children cannot go to school.	There is a day care center within the resettlement area. The elementary school is only 5-10 mins. walk from the entrance of the resettlement area. And the high school is 20-30 minutes walk from the resettlement area.		
Access to Electricity	Available to only a few houses	yes		
Access to Water for domestic use	From springs along and above the Can-asujan river	yes		
Access to transportation	Dirt roads and foot trails link their houses to their farms, and some farms are accessible by concrete roads. Majority (98%) reported the habal-habal transportation as accessible	The roads within the resettlement area are developed by NIA. These are not concretized. Accessed by habal-habals.		
Access to medical and health services	82% of the time, the community doesn't have access to medical and health facilities	Easier access to the barangays health center. Around 20 minutes walk from the resettlement area.		

^a Land Acquisition and Resettlement Plan for the Can-Asujan Small Reservoir Irrigation Project

^b Post Implementation Evaluation submitted by Joan Arce Jaque.

F. Consultation and Information Disclosure

62. The Can-asujan subproject benefited from much attention from the side of the ADB Resettlement Specialist. He focused on this case since resettlement originating from dam construction belongs to the most invasive and risk-prone types. The consultation process for SPISP was an excellent one since it involved affected families in all the stages and aspects of resettlement planning and implementation. APs became members of committees involved in different aspects such as valuation, site selection, entitlements and compensation among others. Leaders of the affected families conducted continuous consultations with the rest of the affected families. Continuous consultations and meetings were held with local government officials and other stakeholders during the course of resettlement planning and implementation. The EA extended all the necessary support to ensure that full disclosure and participatory consultation was achieved.

63. The consultation process however started with intense confrontation between the EA and stakeholders such as the APs, irrigation beneficiaries and the local government. The initial plans were to compensate the land settlers, but it was determined from Department of Environment and Natural Resources (DENR) in August 1998 that the area was classified as government timberland. The APs were then designated as illegal dwellers and informed that there would be no compensation for the land they occupied, only for their structures, and crops/trees generating further resistance among the affected families.

G. Grievance Redress and Benefit Monitoring and Evaluation

64. The resettlement area was being monitored by two Institutional Development Officers of NIA. Monitoring was also conducted by the NIA Central Management Office and the Hassall and Associates International (Consultants). Evaluation missions were held once or twice a year. The consultant also met with the resettlers for discussions regarding their issues and concerns.

65. At the local level, a team monitored the implementation of the resettlement project in compliance with the Environmental Compliance Certificate of the Can-asujan SRIP. This was composed of the Barangay Captains of the affected area and the host community, the president of the resettlers' association, the presidents of the irrigators' association, a representative from the LGU and a representative from the DENR. The team met quarterly.



The Gibong NIP targets the irrigation of rice farms.



Waste segregation in the resettlement area.

66. In late 2005, an external Post Implementation Evaluation Report of the resettlement project was conducted. It confirmed that the resettlers did not consider their livelihood to be the same or better than before. It proposed non-resettlers to organize themselves for livelihood support programs.

67. To the date of the completion of the case study (mid 2006), all physical developments for the resettlement area were completed. Only the livelihood support programs had not yet been developed for the resettlers.

H. Issues/Attitudes to Resettlement

68. Although not happy with the restoration of livelihoods, all relocatees from the Can-asujan dam site yet declared that they were better off in the relocation site, particularly with the access to services, utilities and the proximity to the town center.



Focus group discussions with farmer-beneficiaries.

69. A majority of the respondents confirmed that they were satisfied with the compensation package but also mentioned, somewhat contradictorily, that it was “better than nothing”. The study team takes this to mean that the respondents were aware that they had a better deal than usual in such cases even though they were still unable to restore their previous livelihoods. Others felt the compensation package was not satisfactory and could have been better. Though all the relocated families were satisfied with the entitlement package, they complained that the livelihood component could have been better if adequate substitute livelihood projects were provided which would enable them to retain their monthly incomes earned in the dam site.

I. General Findings from Field Visits and Other Information Sources

70. The EA advised the team that a recent survey for the external monitoring report was conducted in the project area just a few months before their visit to the site. Because of this, the team opted to use the report findings and validate with information gathered from focused group discussions and informal interviews with APs, beneficiaries, local government unit officials and community leaders (i.e., priests, NGOs, etc.).

71. Findings of the survey showed that the compensation package was very generous. Aside from the cash compensation for structures and crops, 42 PAFs were provided land at below market price and core houses for free. The LARP for the Can-asujan sub-project provided

far more compensation than both the ADB and Philippine legal mandates required. The EA viewed that this could set a precedent for ADB and government-funded resettlement entitlement packages, adversely affecting future resettlement negotiations with affected persons.

72. As in other projects studied in the Philippines which had resettlement components, the SPISP took much longer time than necessary because the LARP preparation including consultation and negotiation with PAFs started late (1 year after loan approval) when it should have been completed during project preparation.

73. ADB guidance and participation in the LARP preparation process has been very active and has greatly influenced the entitlement package in the Can-asujan resettlement.

74. **Lessons.** There was wide divergence in compensation valuation in the project. There should be some standard valuation used and this should also be applied consistently in all projects. The basis for valuation should be defined during project preparation so that ADB and the government can agree on this during appraisal and loan approval. In the case of SPISP several valuation bases were used for each of the subprojects and this created wide differences in values computed for similar items such as mango trees and other crops. Furthermore, valuation did not take into consideration the opportunity cost of potential harvests from fruit trees between planting and maturity of new trees.

75. There is a need to provide PAFs with access to capital, information and technology on sustainable livelihood activities including information and support for production, marketing and financial management.

76. There is a need to design livelihood restoration programs for more invasive resettlement cases as separate sub-projects and not as add-ons to resettlement plans for subprojects. A comprehensive technologically sound, economically viable livelihood plan should be formulated with projects appropriate for the resettlement areas. This should be sustained beyond the project loan period. Income restoration in rural areas like in urban resettlement initiatives may take much longer than generally believed. In the Can-asujan subproject, resettlers have to wait for the replacement trees to mature before they can earn at the same level as before resettlement. This can take several years.

V. LOAN 1746-PHI: PASIG RIVER ENVIRONMENTAL MANAGEMENT AND REHABILITATION SECTOR DEVELOPMENT

A. Project Background

77. The Pasig River is a major waterway in Metro Manila and is of significance to the historic, social, cultural, and commercial heritage of the Philippines. Population growth, urbanization, and industrial activities have resulted in the indiscriminate discharge of untreated municipal and industrial wastewater and solid waste that exceeds the absorptive capacity of the river system. Because of this, the Pasig River has become seriously polluted. The riverbanks are characterized by low grade, blighted urban development, including extensive squatter settlements, depressed residential areas, and large tracts of derelict industrial land.



Ayala Bridge, Pasig River

78. The Pasig River Environmental Management and Rehabilitation Sector Development Program (PREMRP) aimed to promote the implementation of an integrated package of policy reform and investments to improve the quality of Pasig River to Class C standard by 2014.¹¹ The Program components included measures to improve water quality and initiatives to support urban renewal and redevelopment along the riverbanks. More specifically these included measures to establish and develop 10-meter (m) wide environmental preservation areas (EPAs) along the riverbanks; upgrade infrastructure and provide municipal services and facilities in urban renewal areas adjacent to EPAs; introduce a septic tank maintenance service and provide septage treatment facility to reduce the volume of untreated municipal wastewater being discharged into the river; and eliminate the illegal dumping of municipal solid waste into the river system.

79. The Asian Development Bank (ADB) provided a loan of \$100 million to support the recommended policy reforms and an investment loan of \$75 million to finance the foreign exchange cost and part of the local currency costs of the investment component of the Program. The loan was approved in July 2000 and became effective in August 2000. The project was still ongoing at the time of field survey—March and April 2006. The Pasig River Rehabilitation Commission (PRRC) was the executing agency (EA) responsible for overall program coordination, monitoring, implementation and capacity building. The Housing and Urban Development Coordinating Council in cooperation with the National Housing Authority (NHA) and the individual local government units along the river and its tributaries was responsible for the development of resettlement sites and relocation of families from the EPAs.

¹¹ Class C standard river water is capable of sustaining aquatic life, is suitable for secondary contact sports, and after treatment, and may be used for industrial processes.

B. Scope of Land Acquisition and Resettlement

80. In 1997, ADB provided a Project Preparation Technical Assistance grant for the preparation of a Pasig River Development Program (PRDP) building upon the recommendations of a Danish International Development Agency-supported Pasig River Rehabilitation Program. One of the key elements of the PRDP was the clearance of the 10 m. easement along the Pasig River. The PRDP proposed a five-year integrated program of squatter resettlement and river park development. Estimates prepared by NHA and the concerned local governments indicated that there were 44,492 squatter families living in the Project Core Area. Of these, 7,365 were estimated to be living along the Pasig River and 4,120 along the tributaries and *esteros* in the Pasig River System. NHA proposed a 10% factor for additional squatter families increasing the total number of squatter families for relocation to an initial estimate of 14, 684.



Squatter Community along the Pasig River

81. **Mitigating Measures to Minimize Displacement.** The project needed the 10 m. easement to achieve the environmental objectives of the program and ensure that the river's water quality could be improved over a 15-year period. It was argued that as these areas were occupied by squatters, it was virtually impossible to minimize displacement. The squatters however claimed that a 3 m. easement was enough and even brought this to court. However, the courts sustained the contention of the EA, the Department of Environment and Natural Resources and the Metropolitan Manila Development Authority that the 10 m. easement was necessary.

82. **Initial Social Assessment.** The project had several social assessments undertaken at different stages of project identification and preparation. The initial social assessment was a partial assessment on a selected number of squatter communities along the river undertaken under the DANIDA supported technical assistance study which preceded the ADB funded project. Two census and tagging exercises were undertaken by the NHA, the Department of Public Works and Highways and the concerned local governments. The first was conducted in 1995 and another during the project preparatory technical assistance study. Subsequent social assessments conducted for the PREMRP were inadequate since not all affected families were involved. Moreover, the social assessment did not establish reliable empirical data on the affected families which determined the potential impact of displacement and resettlement on

their incomes and livelihood; the impact on their quality of life in terms of access to services and facilities and community ties; the value of assets lost particularly structures occupied by the affected families; the potential cost of adjustment in a resettlement site due to higher transportation costs, cost of less access to leisure facilities and higher cost of goods and services in distant locations. The social assessments conducted focused on basic family profiles.

83. The PRDP included a Community-Based Resettlement Plan (CBRP) which emphasized that resettlement was more than providing housing and infrastructure but should include community-based activities to prepare squatters for eventual resettlement, job training and placement services; business advisory support; and microcredit among others. Though the CBRP acknowledged ADB's Involuntary Resettlement (IR) Policy, the entitlement matrix recommended did not conform strictly to its requirements. The CBRP recommended that compensation would be provided in terms of applying the assessed value of the structures of squatter families to the cost of the housing structure and land value to be provided in the resettlement sites. However, no valuation of structures owned by squatter families was undertaken. Moreover, a subsequent Framework Paper for Pasig River Squatter Resettlement did not mention compensation for loss of structure, livelihood and income of the informal settlers. This was confirmed in the proposed revisions to the Resettlement Plan submitted by the Housing and Resettlement Committee of the PRRC headed by the National Housing Authority. In the proposed revisions, the Housing and Resettlement Committee categorically stated that no compensation can be given since the squatters have illegally settled on property not their own. They also stressed that compensation would open the flood gates of misplaced expectations, render the housing program ineffective and unsustainable; and create an incentive for further squatting.

84. A resettlement plan (RP) cleared by ADB was received by the EA in February 2000. The RP included information regarding the scope of resettlement; socioeconomic composition of the squatter population; resettlement policies and objectives; grievance mechanism; the resettlement scheme; entitlements for APs; the rental scheme; implementation schedule and a budget estimate. The entitlement package included socialized housing options for each affected family; assistance for eligible low-income, vulnerable families through a flexible rent assistance based on capacity to pay or deferred rent payment for those with zero income for a period of 12 months or more until the low income family was able to earn at least Php2,500 a month; transportation assistance to the resettlement sites; daily shuttle service from the resettlement sites to a major transportation node within Metro-Manila for workers and students; livelihood training; access to micro-credit; job placement; assistance in the establishment of cooperatives; food assistance for a minimum of 3 days comprising of rice and canned goods; one sack of rice per month for each low income family receiving livelihood training and rent assistance; and a guarantee of enrollment for all elementary and high school students in the nearest public school. The RP also provided affected persons (APs) that opted for destinations other than the resettlement sites with transportation assistance up to 80 km from Metro Manila or a one way ticket for each family member to their home provinces.

85. Housing in distant resettlement sites was chosen over in city high rise housing because of the high cost of land and construction of such high rise housing units (even though parts of the city are kept vacant by land owners for speculative reasons). Only Kasiglahan Village (KV) II in Taguig was built in city as a medium rise housing site.



KV1 units, Montalban, north of Manila



KV2 in city

86. On 29 February 2000, consultations were held among the EA, the stakeholders, and the representatives of the APs to review the plan. The comments of the stakeholders and representatives of the APs were agreed by those present during the consultations and incorporated in the plan. The revised RP as approved by ADB in March 2000 included arrangements for the lowest income families earning less than PhP 2,500 a month (\$50). Although all categories of APs were to be transferred to rental housing units in resettlement sites, rents were deferred for a year for families in this income category. The deferment came with a livelihood/employment package and the food support package for families attending the livelihood training programs. All rental payments were to be counted as equity and considered eventually as amortization for the purchase of the housing units.

87. **Number of Project Affected Families.** As of March 2006, a total of 6,085 squatter families have been relocated of the total 10,827 squatter families planned to be relocated during the first phase of the implementation of the Pasig River Development Plan.¹² KV I in Rodriguez, Rizal has the highest number of squatter families with 2,833 followed by 1,637 families in KV IV in Gen. Trias, Cavite; and 921 families in KV III in Trece Martires, Cavite. Most of the relocated families came from Manila with 2,176 families, followed by Pasig with 1,221 families and Makati with 841 families. Most of the squatter families relocated to the resettlement sites from 1999 to 2000 but the major community facilities were not fully provided until several years afterwards. Of the 4,732 squatter families still to be relocated, 2,583 families are from Manila; 1,306 from Pasig; and 200 families each from Mandaluyong and Taguig.

¹² Pasig River Rehabilitation Commission. 2006. *Status Report on Resettlement, Pasig River Environmental Management and Rehabilitation Project*. Manila.



Resettlement site KV3-5 Cavite



Inside the house

C. Budget and Implementation Schedule

88. The estimated cost of the RP for the PREM RP amounted to around \$50 million. Housing units including land were estimated at \$37 million. Community facilities and basic services cost \$11.6 million and the assistance package amounted to \$1.9 million, including rent assistance, transportation subsidy and food assistance. The rest of the cost was spent on livelihood assistance, external monitoring and site management. The total cost did not include staff cost and other administrative cost of the agencies (NHA and PRRC) in project preparation, and consultancy costs. The cost of relocation and resettlement amounted to about \$ 8,333 per affected family. All of this was regarded as very generous at the time, and essentially provided because of ADB's insistence. There were other relocation activities on-going. The Montalban site of the Pasig River project and another site near it hosted relocatees from non-Pasig areas such as squatters from North Triangle in Quezon City. These families did not receive the same entitlement package. This prompted the NHA and PRRC to comment that the ADB IR Policy and its approved RP created dual standards, social inequity among relocatees, and second class citizens even among similar low income families.

89. **Implementation Schedule.** The CBRP proposed a five-year program for relocation and resettlement. The first year was programmed for social preparation. The resettlement schedule proposed was:

Year 1	Social preparation
Year 2	1,513 squatter families
Year 3	2,554 squatter families
Year 4	2,089 squatter families
Year 5	1,426 squatter families

D. Compensation and Entitlements

90. **Compensation Package.** There was no actual compensation paid for structures occupied by APs in the PREM RP. As mentioned, no attempt to value the structures was done, as would have been in line with the RP. Instead the APs were resettled in completed housing units valued at PhP165,000 each. However, the housing units were not given as replacement for their former houses but were rented with option to buy after 5 years. For the first 5 years the housing units were leased to the relocatees with a minimum rental of PhP250 (\$5) a month. The lease could be renewed on the sixth year until the tenth year. Rentals would increase to

PhP500 until the tenth year. After the tenth year, the housing units would be available for purchase by the occupants with monthly amortization of PhP825 (\$9).

91. The sending local government units provided each family a food allowance for a minimum of 3 days and disturbance allowance ranging from PhP2,000–PhP7,000 (\$40–\$140) per family.

Table 12: Resettlement Plan Entitlement Matrix

Eligible Beneficiaries	Entitlement
1. Housing – one unit per family	
All families to be relocated from EPAs	Options (within Metro Manila or near Metro Manila Payment Scheme—rent with option to buy; purchase through subsidized mortgage
Poorest families (P2,500 per month or less income bracket)	Assistance—flexible rent scheme—prorated to capacity to pay (means testing); provided for a maximum of 12 months
2. Transport Assistance	
All families to be relocated from EPAs	Transportation to the resettlement site
All workers with jobs in Metro Manila and all college students attending colleges/universities in MM	Daily shuttle service to Metro Manila (for workers and college students—for 12 months)
Families who opt not to accept socialized housing schemes (estimated 500 families)	Families that opt for other destination—transport of family members and personal possessions including salvageable materials up to 80 km from Metro Manila within Luzon; or one way ticket for each family member for outside Luzon
3. Livelihood Development	
All adult member of the family; for low income earner household (P2,500 and less) one adult per family member undergoes livelihood trainings	Training—vocational skills training; small business development training and assistance Micro credit-loans Job placement—assistance to find jobs with local employers Cooperative development
4. Food Assistance	
All families to be relocated from EPAs	During transfer—3 days food assistance to be provided by sending local government units (LGUs) to every family being relocated Assistance for eligible low-income families—entitled to 50 kg sack of rice per month for maximum of 12 months (value equivalent to P1,000 per month per family) Families that opt for other destination—3 days food assistance to be provided by sending LGU
5. Education Assistance	
All elementary and high school students	Until schools are established within the resettlement site, every elementary and high school student will be guaranteed enrollment in the nearest public school. If the school is 5 km or more from the resettlement site, free transport will be provided for the students

EPA = environmental preservation area, kg = kilogram, km = kilometer, LGU = local government unit.



Accommodation in existing housing colonies, Summerfields

E. Livelihood/ Income Restoration

92. Relocation of squatter families however had in fact already commenced in June 1999, a year before the approval of ADB's loan and months before the finalization of the RP. This had been prompted by the order of then President Joseph Estrada, to fast track the clearing of the Pasig River easement and relocation of the squatter families. By the end of 1999, 915 squatter families were relocated to the resettlement sites without benefit of the entitlement package that was approved several months later. It has been alleged that the haste in initiating relocation prior to the approval of the ADB loan was made to avoid the stringent procurement procedures of ADB that might have needed to be followed after loan approval.

93. Demolition of structures and eviction of squatters undertaken in September 2000 when the RP was approved resulted in violent confrontation between the squatter families which led to the death of a sickly old woman resident and a member of the demolition crew. Several residents were injured. The ADB expressed its concern to the government and stressed that the eviction and relocation of squatter families should be delayed until the conditions at the resettlement sites improved, which included the provision of facilities and services such as water supply, power, schools and health centers; and the entitlements guaranteed by the RP. However, relocation proceeded in spite of the dire conditions in all resettlement sites. Basic utilities and services were not provided immediately and some took years to be completed. This made conditions in the resettlement sites difficult and adversely affected the acceptability of the resettlement sites to the relocatees. This was due to the limitation of EA budgets which should have been ensured during RP preparation. While PREMPP had prepared a program of relocation, no program for provision of basic services and facilities was formulated, and there was no clarity nor agreement on a timetable for the provision of such services.

Table 13: Summary of Relocation and Resettlement Operations as of 7 March 2006

LGU/ Point of Origin	Total HH for Relocation	Relocated	Resettlement Sites					OP	Balance
			San Jose Plains, Rodriguez, Rizal	MRB Condo C-5, Taguig	Summer- fields Subd., Trece Martinez City	Sunny Brooks 1, 2 and Country Meadows, Gen. Trias, Cavite	Belvedere Towns 2 and Belmont Hills, Gen. Trias, Cavite		
			KV I	KV II	KV III	KV IV	KV V		
A. Main River System									
1. Manila	4,759	2,176	1,199		169	541	32	235	2,583
2. Makati	904	841	97	240	321	109		74	64
3-meter eastment	272	272	31	240				1	0
10-meter eastment	633	569	66		321	109		73	64
3. Pasig	2,527	1,221	834		35				
4. Mandaluyong	639	429	36		308	40		45	201
5. Taguig	200								200
Subtotal	9,030	4,667	2,166	240	833	1,036	32	360	4,363
B. Tributaries									
1. Manila	205	180	40	0	20	95		25	25
2. Makati	330	330	5		68	224		33	0
3. Pasig	152	152	131			16		5	0
4. San Juan	119	119	110					9	0
5. Quezon City 3	77	377	377						0
6. Pateros	270	270	4			266			0
C. Urban Renewal Areas									
1. Makati	344								
Subtotal	1,797	1,428	667	0	88	601		72	369
Total	10,827	6,095	2,833	240	921	1,637	32	432	4,732

HH = household, LGU = local government unit, KV = Kasiglahan Village

Source: Pasig River Rehabilitation Commission.

94. Relocates in the Pasig resettlement sites were adversely affected by the distant location of the sites from their places of employment or income sources in Metro Manila (mostly between 7 and 30 km from Pasig). Because of the delay in the provision of basic utilities such as piped water and electricity; and services such as schools and health facilities, families had difficulty adjusting to life in the resettlement sites. Relocates interviewed stated that it has taken five years for them to identify themselves as residents of the relocation sites and the host municipalities.

95. There were a large number of unemployed residents in the resettlement area who used to be gainfully employed or had stable livelihood in their places of origin. They cited that they had multiple sources of income in their former locations through employment and livelihood activities and it was much easier to earn a living along the Pasig River because of its proximity to population and business centers. As such, their former communities provided markets for their respective livelihood activities since community members had sufficient incomes. Women found it easier to earn from part-time employment and livelihood activities near their homes as laundrywomen; house cleaners and vendors.

96. Training programs and seminars had not resulted in significant income generation and stable employment for relocates since the training programs were for home based enterprises such as sausage making; candle making; cooking and food preparation. APs claimed to the field survey team that these activities were not sustainable because they were selling to their fellow relocates who had limited purchasing power like themselves. The training programs were fragmented and did not include important aspects such as entrepreneurial values, marketing,

product design, and financial management. Capital for business was not readily available and the terms were too stringent for the borrowers to cope with.

F. Consultation and Information Disclosure

97. The consultation process was undertaken by nongovernment organizations (NGOs) and concerned local governments. Participation was limited to people's organizations and their leaders, who APs later claimed did not adequately inform and consult them about the impending eviction and resettlement. This was substantiated by prominent social scientists, community organizers and NGOs who attested that the resettlement plan was not adequately discussed with the APs. The NGOs pointed out that the APs threatened with eviction were not aware of specific aspects and conditions in the resettlement sites. Only leaders of community and people's organizations had visited the sites before actual relocation; and their views about the sites had not been adequately communicated to the APs. Moreover, community leaders and NGOs later stated that the site visits had been insufficient to inspect and evaluate the condition of the housing units; the adequacy of infrastructure and facilities; and the condition of the sites.

G. Issues

98. The resettlement operations slowed down significantly for several years after the installation of President Arroyo in 2001, who declared a moratorium ("no relocation policy") on resettlement after the upheavals experienced before during the Estrada administration. The relocation in fact did not stop completely but slowed down to a trickle during those years, and was mostly confined to voluntary relocatees. From 2000 to 2003 only 81 families were relocated. The pace of relocation picked up in 2004 with 561 families and in 2005 with 632 families resettled.

99. Other components of the project were delayed because of procurement delays, institutional issues as well as design problems. Procurement of consultants was delayed almost a year. The institutional issue resulted from having virtually two heads of the PRRC-the Budget Secretary and the Chairman of the Metro Manila Development Authority. The Metro Manila Development Authority Chairman initially disagreed with the sanitation component of PREMRP and when this was settled there was considerable delay in procurement for the component by the Metropolitan Waterworks and Sewerage System and the concessionaire. Moreover, the institutional set-up of PRRC was very unwieldy with separate agencies such as NHA handling specific components. It was difficult for PRRC to fast track the sub-projects because the agencies in charge were separate and independent in terms of their respective priority programs. The project was designed too ambitiously. Up to now, the urban renewal area component has not moved and the EPA component did not move as fast as it should have because of delays in the resettlement sub-component due largely to the moratorium of the current administration. About 4,000 more families still need to be resettled.

100. Staff support and guidance on ADB's IR Policy during project and RP preparation was intermittent and inadequate. In fact the Project had major design flaws and should have been mainly a relocation and livelihood restoration project, relying on detailed censuses and resettlement plans. The environmental side of PREMRP could have been a project on its own; the urban renewal side as well. The relocation aspect of the project has been greatly underestimated due to the emphasis on environmental aspects.

101. ADB policy on compensation at replacement cost was not strictly complied with. This is due to the limitations of legal mandates which restrict compensation for illegal settlers and the

apprehension of the EA that ADB policy which provides a generous compensation package might create an adverse incentive for more squatting; or set a standard for compensation in the future which the government cannot afford. The relocatees considered the house and lot provided to them an acceptable replacement of what they lost but complained about the dire physical and economic conditions in the resettlement sites.

H. Attitudes to Resettlement

102. A small survey of 50 affected families taken in 5 resettlement sites showed that 52% of respondents attested that they were better off at the resettlement sites compared to their original locations. Thirty percent stated that they were worse off while 18% said there was no change in their condition. Affected families often had to engage in different activities after their resettlement but were not prepared to do so even years later. For instance, relocatees in KV I were engaged in urban jobs in their former location but would have to engage in agricultural work in the new site.

103. Sixty-four percent of the respondents from the resettlement sites of the Pasig Project confirmed that they were not satisfied with accessibility and thought it was harder to get to destinations from the resettlement sites while roughly a third mentioned that this was not a problem. The majority (78%) were satisfied with the orderly environment. Almost half of the respondents were satisfied with access to services and utilities (52% and 46%, respectively) and eighty eight percent were satisfied with the housing conditions. Eighty-two percent were satisfied with the absence of flooding and another 6% were very satisfied.

104. However, when asked whether they were satisfied with the overall relocation and resettlement package, the majority were dissatisfied (50% not satisfied, 22% very dissatisfied) while only a fourth (28%) were satisfied. This response indicated that APs had difficulty comparing the advantages and disadvantages of the resettlement package.

Table 14: Post-Relocation Access to Basic Utilities and Services

	KVI		KVII		KV III		KV IV		KV V	
	San Jose Plains, Rodriguez, Rizal		C-5 MRB, Taguig		Summerfield, Trece Martirez City, Cavite		Sunny Brooke 1 and 2; Country Meadows, Gen. Trias, Cavite		Belveder Towne 2 and Belmont Hills, Gen. Trias, Cavite	
Year of entry of Relocatees	1999/2000		1998/1999		1999/2000		1999/2000		June 2005	
Basic Utilities										
Water	2003	Deep well	1999	Deep well	1999		1999		2005	
Electricity	2001	Meralco	1999	2001 MWCI	1999		1999		2005	
Telephone Line	none	Celfone signal	none	Celfone signal only	none	Celfone signal only	None	Celfone signal only	none	Celfone signal only
Community Facilities, Basic Services and School										
Kindergarten/Elementary	2002	By PRRC	None	Makati/Taguig	2004	Brgy. Osorio (by PRRC)	2005	Sunny Brooke II (by: PRRC)	2005	Housing units converted to classroom
High School	2002	By PRRC	None	Makati/Taguig	2004	Brgy. Osorio	2005	Sunny Brooke II	2005	Housing units converted to classroom
College	2005	By LGU	None	Metro Manila	2005	CSU/LGU	None	Dasma, etc.	None	Nearby tertiary schools
Church			none	Visiting Priest only	None	Town Proper	Yes	Christian churches	None	Nearby churches
Health Centers										
Infirmary	2003		None	Nearby infirmary	None	Nearby infirmary	None	Nearby infirmary	None	Nearby infirmary
Clinic	2000		None	Nearby clinics	None	Nearby clinics	None	Nearby clinics	None	Nearby clinics
Hospital	None	QC/Town proper	None	Osmak, etc.	None	Trece Martirez City	None	Gen. Trias/Dasma/Trece	None	Trece/Tanza/Gen. Trias
Police Station	None	Sub-station	None	Nearby Brgy. Outpost	None	Brgy. Outpost/Hall	None	Brgy. Outpost/Hall	None	Brgy. Outpost
Public Market	2001		None	Guadalupe, nearby markets	None	Talipapas	None	Brgy. San Francisco	None	Nearby Talipapas
Terminal	Yes	Jeep/tricycle	Yes	Tricycle	Yes	Tricycle	Yes	Tricycle	Yes	Tricycle
Community Center	Yes		Yes	Muti-purpose Hall	Yes	w/ swimming pool	Yes	Multi-purpose Hall	Yes	Multi-purpose Hall
Fire Station	None	LGU	None	Taguig/Makati City	None	Trece Martirez City	None	Brgy. and LGU	None	Brgy. and LGU
Ambulance Service	Yes	On-call	None	Public Hospitals	None	Trece Martirez City	None	Brgy. and LGU	None	Brgy. and LGU
Distance from the original site										
km/hour	25	1.5 hrs.	3 kms.	20 mins. (from Makati)	30	2.5 hrs.	25	2.5 hrs.	25 kms.	2–2.5 hrs.
	kms.				kms.		kms.			

hr = hour, km = kilometer, LGU = local government unit, MRB = resettlement site along C-5, MWCI = Manila Water Company, Inc. , PRRC = Pasig River Rehabilitation Commission .

Source: project documentation

I. General Findings from Field Visits and Other Information Sources

105. A focus group discussion was held in Kasiglahan Village I in Rodriguez, Rizal. Sixteen relocatees representing various homeowner associations and community organizations in the different areas of the resettlement site attended the discussion. The focus group discussion aimed to bring out the perspective of the affected person vis-à-vis the Resettlement Action Plan and sought to determine if the RP was complied with in the process of relocation and resettlement. Furthermore, it provided a forum for determining if there was just compensation for structures and land; and whether income was restored or even been improved after the relocation.

106. Most squatter families acknowledged that they had no rightful claim to the land but would be supportive of resettlement initiatives if provided with acceptable and comparable sites to enable similar if not better social networks, community facilities, utilities and services; and most importantly access to income opportunities.

Pasig River Environmental Management and Rehabilitation Sector Development Project Photo Documentation



Housing units and a sari-sari store in Kasiglahan Village I in Rodriguez, Rizal



Row House units in KV I (Rodriguez, Rizal)



Students in a newly built High School building (ADB funded) in KV I



A woman drives a trisikad as source of income for her family



The ADB team meets the school principal and the KV Manager



ADB-funded school building in Kasiglahan Village I



ADB-funded school building in Kasiglahan Village III in Trece Martirez City



Medium Rise Building (MRB) in C5, Tagiug – Kasiglahan Village II



Entrance Gate of Summerfield Subd. (Kasiglahan Village III)



A community center in KV III, Trece Martirez City



Well-furnished units at the left side is for open market and Pag-ibig financing while at the right side are units for Pasig River relocatees



Barangay Hall of Barangay San Francisco is located near Sunny Brook I Subd. in KV IV



A meeting of relocatees in KV IV, Sunny Brooke II in Gen. Trias, Cavite



Entrance gate of Sunny Brooke I (Kasiglahan Village IV)



This road leads to Kasiglahan Village IV in Gen. Trias, Cavite.

Housing units in Kasiglahan Village IV in Gen. Trias, Cavite



Two boys innocently ride an improvised banca in Pasig River



The Ayala Bridge and the Manila skyline at the background



The presence of industries along Pasig River contributes to its degradation



A motorized pump boat is still a familiar scene in the river