



**DERBA MIDROC CEMENT PLC.**

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## **Resettlement Action Plan**

**for Establishment of 5,600 tpd  
Greenfield Cement Project and Operation of  
Captive Mines near Derba Village,  
Oromiya Regional State,  
Federal Democratic Republic of Ethiopia**



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**HOLTEC CONSULTING PRIVATE LIMITED**

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## **ABBREVIATIONS**

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AfDB	African Development Bank
AIDS	Acquired Immunodeficiency Syndrome
DBE	Development Bank of Ethiopia
DMC	Derba Midroc Cement
EA	Environmental Assessment
EIB	European Investment Bank
ESIA	Environmental and Social Impact Assessment
ESMP	Environmental and Social Management Plan
EPA	Environmental Protection Authority
FDRE	Federal Democratic Republic of Ethiopia
HIV	Human Immunodeficiency Virus
km	Kilometer
m	Meter
mio	million
MIDROC	AI-Muwakaba For Industrial Development and Overseas Commerce
MSL	Mean Sea Level
OPC	Ordinary Portland Cement
pa	Per annum
PA	Peasant Association
PAP	Project Affected Person
PPC	Portland Pozzolana Cement
RAP	Resettlement Action Plan
STD	Sexually Transmitted Disease
t	tonnes
tpd	Tonnes per day
WB	World Bank



## **RESETTLEMENT ACTION PLAN**

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### **1.1 DESCRIPTION OF THE PROJECT**

Ethiopia is a land locked country. The countries surrounding Ethiopia are Eritrea, Djibouti, Somalia, Kenya and Sudan. The government, due to its foreign exchange crunch, as a rule, does not allow import of cement into the country. The shortage of cement has been causing severe setbacks to development and residential projects in the country.

Cement consumption in Ethiopia is concentrated in and around Addis Ababa. Addis Ababa, being the capital of Ethiopia, is seeing the maximum development, both in terms of infrastructure development and residential and commercial complexes/ buildings.

**MIDROC** (Al-Muwakaba For Industrial Development and Overseas Commerce) is a large group company having many business interests in Ethiopia, Saudi Arabia and other countries. **MIDROC** intends to develop a cement business in Ethiopia and a separate company, **DERBA MIDROC CEMENT PLC. (DMC)**, has been established for the purpose. **DMC** is proposing to install a greenfield cement plant of clinker capacity 5,600 tonnes per day (tpd) equivalent to a cement capacity of 7,500 tpd based on Derba limestone deposit.

The proposed project includes:

- ☐ Cement plant
- ☐ Captive mines
- ☐ New road from plant to mines
- ☐ New road from Derba to plant
- ☐ Upgradation of road from Chancho to Derba
- ☐ Conveyor belt from mines to plant
- ☐ Water pipeline
- ☐ Power transmission line

Ordinary Portland Cement (OPC) and Portland Pozzolana Cement (PPC) are proposed to be manufactured at the plant. Both the cements shall meet the requirements of Ethiopian National Standard No. EN-197. OPC shall be produced as per CEM-I - 42.5 grade and shall contain 95% clinker and 5% gypsum. PPC shall be produced as per CEM-II - 32.5 grade and shall contain 67% clinker, 28% pumice and 5% gypsum.

The cement plant is proposed to be located about 8 km from village Derba in Sululta Wereda in Shoa Zone of Oromiya Regional State, Federal Democratic Republic of Ethiopia (FDRE). The proposed mining area is located within the Anda Weizero Peasant Association in Sululta Wereda, Shoa Zone of Oromiya Regional State and is about 7 km (crow fly distance) from the Plant site.

The Derba Cement plant site can be reached from Addis Ababa, a distance of 70 km, via Chancho. The road from Addis Ababa to Chancho is good. However, the stretch from Chancho to Derba is a gravel road, which will be upgraded and strengthened to a black-





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topped road by **DMC**. A new road is being constructed by **DMC** from Derba to the plant site over a distance of 8 km.

A road will also be constructed by **DMC** from the plant site to the mining area. A conveyor belt from the mines to the plant site will transport the raw material from the valley to the plateau over an elevation difference of 800 m.

Power for the project will be drawn from a substation to be built at Chanco and a transmission line over a distance of 20 km will be built. The water requirement of the project will be met by ground water sources. Borewells will be located at Mulo Seya village and a pipeline will be laid over 16 km to the plant.

Topography of the project area and of the surroundings consists of plains, mountains and valleys. The plant site is located on a plateau with an elevation of 2380 to 2420 m above MSL whereas the mining site is located in a valley at an elevation of 1550 to 1650 m above MSL. The aerial distance between the plant and mining sites is around 7 km. The area immediately west, SW and north of the plant site consists of a steep gorge about 700 m deep. The elevation drops about 800 to 850 m over a distance of about 7 km from the plant site to the mining area.

## **1.2 POTENTIAL IMPACTS**

The following components of the proposed project involve acquisition of land:

1. Plant site
2. Mining site
3. New road from Derba to plant
4. Upgradation of Road from Chanco to Derba
5. New road from plant to mines
6. Right of way for conveyor belt from mines to plant, water pipeline & power transmission line

Land acquisition for the plant site, road from Derba to plant, road from Chanco to Derba and the water line has been completed. The payment of compensation and acquisition of land for the quarry area, road from plant to mines and right of way for conveyor belt and power transmission line is currently in progress.

### **1.2.1 PLANT AREA**

The plant site is located within Becho Kidane Mihret Peasant Association. The total plant area required is around 125 hectares, which has already been acquired by the company. The acquisition process was completed by the Oromiya Regional Government officials who verified the land records and evaluated the compensation package as per statutes (Details are given in Section 1.9.2.1). The plant area totaling 125.10 ha has been acquired from 94 landowners.

Three alternate sites were considered for the plant location, details of which are given in ESIA (Chapter 5). One site was in Derba village and another was located in the valley itself located close to the mining area. The first site was rejected being close to habitation, which would have lead to displacement of a large number of people. At the second option, sufficient flat land was not available and also transport of raw materials and finished cement from the valley to the highlands would have been difficult. In addition dispersion of air emissions from the



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cement plant would have been difficult and a stack of 800 m height would have been required for reaching the plateau level. The presently finalized site about 8 km away from Derba village was chosen since it is away from habitation and for ease in transportation of raw material and cement.

#### **1.2.2 MINING AREA**

The mining area is located within the Handa Weizero Peasant Association. Around 200 ha of the mining concession area is currently being explored by the Geological Survey of Ethiopia. Geological prospecting is in progress in the area at present and mining activities have not yet commenced. The concession area is in the process of being acquired. Uptil now, 7.79 ha of land has been acquired from 45 landowners (Details are given in Section 1.9.2.5).

#### **1.2.3 ACCESS ROADS**

The construction of three sections of roads is under progress:

- a. **Chanco to Derba** : The gravel road from Chanco to Derba will be upgraded to a black topped road. Land totaling 8.2 ha has already been acquired for this stretch of the road and land acquisition for the upgradation of this road is complete.
- b. **Derba to Plant Site** : A new road is being constructed from Derba to the plant site, over a distance of 8 km. Around 4.83 ha of land has been acquired from 37 landowners for this road and the landholders have already been paid monetary compensation for their land. The land acquisition for this road is complete.
- c. **Plant to Mining Site**: This road shall link the plant site to the quarry over an elevation difference of 800 m over a length of around 7 km. A total of 162.77 ha of land has been acquired from 204 landowners for this road. Seventy four (74) house owners have lost their dwellings in the land acquired for this road. The process of land acquisition for road from plant to mines is still in progress.

#### **1.2.4 BELT CONVEYOR/ WATER PIPELINE/ POWER TRANSMISSION LINE**

The acquisition of land for the right of way for belt conveyor and the power transmission line is in progress. 4.35 ha of land has been acquired from 16 landholders for the water supply line.

### **1.3 ORGANISATIONAL RESPONSIBILITY**

As per Ethiopian legislation detailed ahead, the complete responsibility of acquisition of land, and estimation of compensation to be paid and its disbursal is with the Regional Government.

In Ethiopia, all land belongs to the Government and is leased out on rental basis. As per statutes, the Government has to allocate land for a project and hand over the land to the project proponent who will pay a lease rental for the land. The responsibility of identification of existing landowners, checking the land records, calculation of compensation for land acquisition and its payment is with the Government.

The total monetary compensation to be paid to the landowners for land for the plant site has been calculated by the Oromiya Regional Government and the same has been deposited by **DMC** into individual bank accounts of the landowners. This compensation is on account payment and is being adjusted against the lease rental for the land. (Details are given in Section 1.8 ahead).



## 1.4 COMMUNITY PARTICIPATION

The project is proposed within Oromiya Regional State and the project area and the 10 km study area around it falls within North and West Shoa Zones.

There are five Weredas located within and around the project area:

*North Shoa Zone:*

- ☐ Sululta Wereda
- ☐ Mulo Wereda
- ☐ Yaya Gulele Wereda
- ☐ Wichale Wereda

*West Shoa Zone:*

- ☐ Adaberga Wereda

There are twenty eight (28) Kebeles or Peasant Associations (PAs) that are organized under the Weredas consisting of a number of settlement villages. The Kebele Peasant Association (PA) is the lowest governmental administrative unit of the rural area.

The following stakeholders were identified for consultation:

- ☐ Government officials at Federal, Wereda and Kebele levels
- ☐ Communities and people located in and around the project area

The focus community and individual groups, development agents, experts and government institutions have given their opinions, shared their experiences and discussed critical issues. During this consultation process, a number of project implementation related issues were identified by the stakeholders.

### 1.4.1 FEDERAL LEVEL GOVERNMENT OFFICIALS

At the Federal Governmental offices level, the Environmental Protection Authority (EPA) was consulted prior to the launching of the study. The office is the prime responsible governmental body concerning the environmental issues of the country.

The Federal EPA has no capacity either for monitoring or for environmental auditing. **DMC** will have its own Environmental Management Cell for overseeing the environmental management of its operations. It is proposed to engage third party auditors after approval of the party by the Federal and/ or Regional EPA.

### 1.4.2 WEREDA LEVEL GOVERNMENT OFFICIALS

Consultation was carried out with the Wereda level government offices that administer the project area. These offices are responsible for the activities taking place within their administrative capacities and are therefore directly concerned with any socio-economic issues of the project related to their specific area. The prime responsibility of the community rests on Wereda level and they will also be responsible for any socio-economic impacts of the project.



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Like the Federal EPA, the Wereda level offices at Chanco and the PAs do not have any capacity to undertake or assist in any social development activities, which will be undertaken by **DMC**. Thus the Environmental Management Cell to be set up in the Plant by **DMC** will have a strong Social set up to undertake social development activities in the area.

All the five Weredas listed above were included in the sample survey and their views are considered to best represent the entire views and responses of the people. A full coverage of the Weredas provides an exhaustive list of the impacts of the project and their associated recommendations proposed to overcome the anticipated negative impacts. The Wereda consultative meetings were held with a total number of 40 officials who are members of the Wereda Council Office. The recommendations of Wereda level officials are summarized below:

- ☐ Contain smoke, dust particles and discharges and minimize environmental pollution;
- ☐ Apply modern technology that can minimize the noise and other pollution from the factory;
- ☐ Extend health services to the local residents by constructing hospital or health center;
- ☐ Create awareness among people to combat the spread of HIV/ AIDS and other STDs and provide treatment for patients;
- ☐ Provide appropriate compensation for the people to be evicted from their land. In addition, project should seek ways and means of restoring their livelihoods;
- ☐ Create awareness among people to benefit from project related activities such as trading, etc.;
- ☐ Develop infrastructure, school, electricity, telecommunications, hospital, etc. for the community;
- ☐ Jointly seek remedial measures to regulate the unemployment rate in the project area;
- ☐ Assist the creation and operation of small and micro institutions;
- ☐ Launch reforestation program near the project site;

Community level discussion should continue to jointly identify and recommend corrective measures for the potential problems. This consultation will assist in maintaining good relationship between the project and the local community.

#### **1.4.3      KEBELE LEVEL GOVERNMENT OFFICIALS**

All the twentyeight Peasant Associations (Kebeles) affected by the project and falling within 10 km of the project site were made to express their views in a questionnaire specially formulated for the Consultation. The Peasant Associations (PAs) have an immediate contact with their surroundings so they can forward any specific issues related with the project.

#### **1.4.4      COMMUNITY GROUP DISCUSSIONS**

The consultative meetings at Kebele level were done with a total of 223 community members of the following three Kebeles:

- ☐ Anda Wezero Kebele which is the mining site;
- ☐ Becho Kidanemihret Kebele where the plant site is located;



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- ☐ Derba Gulele Beresa Kebele, the nearest Kebele to the plant site. Derba is under the administration of this Kebele PA.

These three Kebeles are located entirely within Sululta Wereda and were selected since most of the land acquisition has taken place in these communities.

#### **1.4.5 FOCUS GROUP DISCUSSION**

The Consultation was done through questionnaires prepared for this purpose. Accordingly, all of the 956 sampled households were made to fill their views towards the project specifically on the positive and negative impacts, as well as recommending remedial measures and other related issues. These large numbers of consulted individuals comprise of both sexes and are people having various types of immovable properties that will be affected by the project.

#### **1.4.6 TOTAL CONSULTED STAKEHOLDERS**

The overall number of the consultative participants from administrative and community levels total to 1,247 consisting of:

- ☐ 40 Wereda officials;
- ☐ 28 Kebele Peasant Associations council members;
- ☐ 223 community members consulted through community discussions;
- ☐ 956 individual household heads consulted privately.

The consultative meetings included people from different demographic characteristics and this gave a wider opportunity to gather satisfactory baseline information about the viewpoint of the people towards the implementation and the consequences of the project.

The issues that emerged out of the Public Consultation with the affected communities relevant to resettlement and compensation aspect are:

##### **Derba Gulele Beresa Community (Derba village – Close to the Plant site)**

- ☐ Give priority in job opportunities to the local people;
- ☐ Provide resettlement land for the project affected people (PAP);
- ☐ The displaced people need to be organized in associations and be engaged in various economic sectors.

##### **Becho Kidanemihret Community (Plant site)**

- ☐ The community and specifically the PAPs should get employment priority with the provision of appropriate training for unskilled persons;
- ☐ Provide compensation for the people whose lands will be taken by the construction of access roads;
- ☐ The extraction of construction materials without the provision of compensation should immediately be stopped;
- ☐ The overall attitude of the community is that the people specifically those whose lands are expropriated did not benefit from the project whereas on the contrary the negative impacts are much higher than the benefits.



## **Anda Weizero Community (Mining area)**

- ☐ Provide appropriate and adequate compensation for the affected people.

As it is observed, all communities are concerned about adequate and appropriate compensation being paid to them for their land. The affected communities have also proposed that suitable training may be imparted to them so that they can be gainfully employed in the cement project. Priority should be given to displaced communities in employment in the Cement project.

## **1.5 SOCIO-ECONOMIC STUDIES**

### **1.5.1 BACKGROUND**

A quantitative household survey was conducted on a carefully selected stratified random sample of 244 households from the project affected villages. This section describes the social and demographic characteristics of the affected population in more detail.

### **1.5.2 SOCIO-ECONOMIC PROFILE OF THE AREA**

#### **1.5.2.1 Religion & Ethnicity**

Residents of the project area are predominantly followers of the Orthodox Christian Religion (98.4%). According to surveyed results, population of the project affected area is almost entirely of the Oromo ethnic group (97.5%) and Oromiffa is the major language spoken in the area. The remaining 2.5% of the total households belong to Amhara ethnic group. None of the Project Affected Persons belong to ethnic minority groups.

#### **1.5.2.2 Housing and Settlements**

Traditionally, most of the houses in the project area are round-shaped wooden houses plastered with mud and roofs covered with grass. A recent development in the housing pattern in the project area is that farmers have moved from construction of houses with thatched roofs to corrugated iron sheets perhaps due to rise in income.

#### **1.5.2.3 Agriculture System**

The land use in the core area is dominated by cultivation, which is followed by grazing. The proportion of land used for agro-forestry, is comparatively very small.

The project area is mainly cultivated by means of traditional rainfed subsistence farming. The average farmland holding is about 2.5 ha per household. The main crops in the project area are cereals in crop rotation after two or three cereal cultivation periods. The perennial crops cover about 98.2% of the area occupied by the individual farms. The details of main crops grown in the area are given in **Table 1.1**.



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Village	Area under crop (ha)											Total
	Teff	Maize	Sorghum	Wheat	Barley	Oats	Chickpeas	Bean	Nug	Garlic	Others	
Becho Diddbe	1.29	0.03	0.15	0.35	0.01	0.03	0.16	0.2	0.05	0.03	0.01	2.3
Botoro	1.00	0.24	1.26	0.21	-	-	0.01	-	-	-	-	2.7
Gimbchu	1.13	0.50	1.00	-	-	-	-	-	-	-	-	2.7
Average	1.09	0.35	1.03	0.12	-	0.0	0.02	0.02	0.01	-	-	2.6
% of crop utilization	41.4	13.3	38.9	4.5	-	0.1	0.7	0.7	0.2	0.1	-	100.0

**Table 1.1 : Area under Major Crops in the Core Area**

Agriculture (crop production and livestock rearing) is the sole economic opportunity available to farmers in the project area. Despite some efforts launched recently to introduce irrigation, agricultural techniques adopted in the study area are by and large traditional.

The majority of farmers in the surveyed households perceived shortage of farmland as one of the most pressing agricultural problem in the proposed project area. Among other things, shortage of farmland, compounded by loss of soil fertility, erratic rainfall and inadequate supply of inputs are major problems that have been consistently eroding farmers' coping capacity and made them vulnerable. Therefore, the proposed project would help in building up asset base in the area to address the prevalent problems of:

- ❑ Shortage of finance for the purchase of farming inputs, absence of improved inputs and these include seeds, fertilizers, insecticides and miscellaneous inputs. The reasons accountable for this limitation is mainly higher purchase price as well as transportation cost.
- ❑ Use of traditional farming methods- The predominant technology used by farmers is the traditional plough drawn by a pair of oxen. The farmers use the bullock power mainly for land preparation and threshing. The topography and the non-availability of modern technology limit the growth of crop production in the area. Besides this, there is shortage of oxen in the area. Due to land scarcity the land is farmed without any gap to leave the land fallow and this leads to loss of soil fertility.
- ❑ Crop attack from monkeys, apes, rats and other wild animals are the other factors affecting agricultural crop production.

#### **1.5.2.4 Average Landholding**

Land is a very scarce resource in the project area. According to the survey results, a total of the surveyed 244 households had 680.1 ha of farmland. This translates into an average of 2.8 ha per household. However, this figure does not include landless farmers and those households who share their land with their family members. The majority of landless people gain access to land through some internal arrangements including leasing, crop sharing and other land sharing arrangements at family level. The land-rich 43.9% of the households owned nearly 62.3% of the total farmland available.

#### **1.5.2.5 Agro-forestry Practices**

There are different kinds of perennial trees (banana, orange, mango, coffee, chat and eucalyptus trees) under the ownership of the surveyed households and eucalyptus tree is the dominant tree species. However, the estimated volume of production and associated level of income from tree production per surveyed households is only 178 Birr (~20 USD/year).





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On the basis of the survey, there are constraints facing agro-forestry practices and these include scarcity of land and shortage or absence of improved seedling variety & nursery.

#### **1.5.2.6 Livestock**

Livestock, which serves as source of energy, food and income and means of transport, occupies an important place in the local economic life of the people in the project area. With suitable agro-ecology that provides adequate pasture and water for farmers in the project area, life without livestock is inconceivable. Farming techniques are traditional and disparity in ownership of livestock is remarkable. The main livestock in the area include cattle, equine, sheep/ goats, etc. Ownership of poultry and beehives is not significant.

#### **1.5.2.7 Poverty Profile**

##### **Income/ Consumption Dimension**

##### **Consumption/ Expenditure**

The results of the household survey carried out for the project area comprising of plant and mining areas reveal that the per capita consumption/ expenditure of the household and the population in the project area is estimated to be Birr 9214.37 and Birr 1722.77 respectively. According to the 2002 Development and Poverty Profile of Ethiopia the real per capita consumption expenditure of North and West Shoa zone, the area where the project is located, amounts to Birr 1087.2. The higher figure arrived at during the primary survey may partly be attributed to the time gap and prices used in the calculation of the data.

In accordance with the 2002 Development and Poverty Profile of Ethiopia, the proportion of people in absolute poverty is about 31.7% in North and West Shoa Zones. This is by far better than the National and Oromiya region absolute poverty figures of 39.9% and 44.2% respectively.

As indicated by the survey a significant portion of the expenditure incurred by people in the area is incurred on food. Food on average accounts for 56.4% of the household budget. Within the non-food category, clothing and house maintenance account for greater share of total expenditure (10.5 and 8.7%). Medical care and education budget contributed 4% and 0.8% of the total household budget respectively. Details of consumption/ expenditure are given in **Table 1.2**.

Consumption Items	Total Per capita Annual Consumption (Birr /HHH)	%	Per capita consumption of the population
<b>Food</b>	5,190.58	<b>56.4</b>	
Medical care	370.89	4.0	
<b>Non-Food</b>	4023.79	<b>43.6</b>	
Education	75.06	0.8	
Clothing	959.43	10.5	
House maintenance/ building	796.97	8.7	
Energy	53.35	0.6	
Water	13.96	0.2	
Transport	68.52	0.8	





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Consumption Items	Total Per capita Annual Consumption (Birr /HHH)	%	Per capita consumption of the population
Farm tools	92.24	1.0	
Farm inputs	189.96	2.0	
Hiring labor	146.50	1.7	
Land Rent	69.84	0.7	
Food livestock	111.89	1.3	
Animal Health	21.06	0.2	
Purchase of Animals	465.76	5.5	
Social/ Religious Ceremonies	300.62	3.0	
Others	287.74	2.6	
<b>Total</b>	<b>9214.37</b>	<b>100.0</b>	<b>1722.77</b>

**Note:** As per 2002 Development and Poverty Profile of Ethiopia, poverty indices are calculated based on the minimum calorie required for subsistence (2200 kcal and 1075 Birr when non-food expenditure is included)

**Table 1.2 : Annual Consumption/ Expenditure Pattern in the Project Area**

**Income**

The major source of employment and income in the project area is mixed farming, i.e. crop production and livestock. Apart from the heads of the households who are often the breadwinners of the family, other family members also contribute to family income through employment in farming and off-farm activities.

The most important part of the income accounting to over 88.5% originates from agricultural and related activities mainly from the production of cereals and vegetables, perennial crops, domestic animals and its products, agro-forestry products and renting of farming lands. The remaining activities, i.e., trading, employment, handicrafts and others represent the remaining income of the people. On the bases of the survey result, the annual per capita income of the households and population is computed to be Birr 10,287.62 and 1923.4 respectively as given below in **Table 1.3**.

Income Source	Average Annual Per capita Income (Birr/HHH)	%
Crop (Grain & Vegetables)	8,093.32	78.7
Perennial crops	177.72	1.7
Animals	649.28	6.3
Animal products/ by products	184.96	1.8
Agro-forestry products (including firewood charcoal)	325.36	3.2
Land Rent/ Leasing	4.57	0.4
Petty trading	33.32	0.3
Governmental permanent employment of family members	0.38	0.0
Labor of family members	75.34	0.7



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Income Source	Average Annual Per capita Income (Birr/HHH)	%
Handicraft/ trade of family members	17.70	0.2
Family Trading Activity	1.89	0.0
Financial support by family members and relatives	1.23	0.0
Pension		
Others	686.54	6.7
<b>Total</b>	<b>10287.62</b>	<b>100</b>

**Table 1.3 : Annual Income Pattern in the Project Area**

**Non-Income/ Consumption Dimension of Poverty**

**Demography**

The Plant and Mining sites are located close to Becho Dibdibe and Gimbichu villages within Becho Kidane Mehret and Handa Weizero Peasant Associations (PAs) respectively. The demographic details of the three PAs, viz., Becho Kidane Mehret (Plant area), Anda Weizero (Mining area) and Derba Gulele Beresa (the closest habitation of Derba) are given below:

Sn	PA	Population			Number of Households			Avg. Family Size	Population Density (persons/sq km)
		Male	Female	Total	Male	Female	Total		
1	Becho Kidane Mehret	804	872	1676	269	18	287	5.8	31.59
2	Anda Weizero	891	1611	2502	514	235	749	3.3	33.62
3	Derba Gulele Beresa	1825	2065	3890	1161	107	1268	3.1	147.46

The average population density is 70.9 persons/ sq km, which is, more than the national average of 50 persons/ sq km.

Females constitute 51.3% of the total population. Out of the total surveyed household heads (244) only 12.3% were female-headed households.

Average family size of the project area is about 5.3. This is classified as a large family size, which generally indicates the characteristics of a poor family.

**Education**

According to findings of the socio-economic survey, the overall literacy rate in the project area is very low. 81.5% of the surveyed household heads are illiterate whereas the remaining 18.5% are literate. Of this, less than a quarter of the household heads had formal education of which the majority was only till primary level.

Literacy rates are also disproportionate between sexes. For instance, while 88.5% of females are illiterate, the figure is 69.8% for males. This figure is very low compared to the Wereda average of 31%. Literacy rates are consistently higher for men than women throughout all levels of education.

Of the total household heads in the project area, 3.5%, 4.0%, 7.6%, and 1.5% and 1.5% have attained Lower Primary (1-4), Primary (5-8), and Secondary (9-10), Technical school and above grade 10 level education respectively.



## Farm Assets

The main source of livelihood in the project area is agriculture. Therefore, land ownership in the project area becomes an important determinant of welfare. The major crops of the area are teff, barley, maize, sorghum, chickpeas, wheat, etc. Trees grown include banana, orange, mango, coffee, chat and eucalyptus tree is the dominant tree species. The area is mainly cultivated by means of traditional rainfed subsistence farming.

According to the survey results, average landholding of the surveyed household is found to be 2.8 ha. The majority, nearly 90.9% of the surveyed households own more than 2 ha of land. In general the size of individual land holding of the farmers in the study area is better than the holdings on region and country levels. Thus farmers in the study area are likely to have better welfare status.

Landholding in hectare	Households (%)	Total Landholding (%)
≤1	6.1	1.0
1.1 - 2.0	15.6	8.1
2.1 - 3.0	34.4	28.6
> 3.1	43.9	62.3

**Table 1.4: Size of Landholding in the Surveyed Households in the Project Area**

## 1.6 PROCEDURE OF LAND ACQUISITION

The procedure for expropriation of land and payment of compensation has been very clearly documented in the Ethiopian statute and is presented in Section 1.8 ahead. For the proposed Cement project, **DMC** applied to the Government of Oromiya region for acquiring land. In order to estimate the compensation to be paid to landowners for acquiring the land, the Regional Government set up a Committee consisting of the following members;

- ☐ Investment Bureau of the Region
- ☐ Wereda officials
- ☐ Kebele heads
- ☐ PAs
- ☐ Individuals

The Committee evaluated the compensation to be paid to individuals whose land holdings were to be acquired on the basis of the extent of the holding, the yearly production from the land, its current market value, the livestock holding, etc. As per the current laws of Oromiya Region, compensation for 10 years period is paid.

The teff crop commands the highest market value in the area. Irrespective of the crop being cultivated in the agricultural lands being acquired, the compensation has been calculated as per teff crop only.

Though the responsibility of land acquisition and payment of compensation is the responsibility of the Regional Government, **DMC** are paying the monetary compensation as evaluated by the Regional Government to the landowners. This compensation is being paid on account and will be adjusted against the lease rent. To prevent the landowners from squandering away the money, **DMC** has opened bank accounts for all the affected oustees at



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the nearest bank at Fiche. Joint accounts are being opened in the names of husbands and wives so that the money is invested wisely with due consent from both the spouses.

A Grievance Cell has also been formulated wherein aggrieved landowners who feel dissatisfied can file their complaints and seek redressal. To make the process impartial and to ensure that the farmers are not exploited, the Government has kept the entire process of land acquisition under its control and the project proponent has no role in the negotiations or compensation calculation.

The complete Proclamation No. 280/ 2002 entitled Investment Proclamation and Proclamation No. 373/ 2003 entitled Investment (Amendment) Proclamation is enclosed as **Annex 1.1 and 1.2**.

### **1.7 INVOLUNTARY RESETTLEMENT POLICY**

AfDB's Involuntary Resettlement Policy has been developed to cover involuntary displacement and resettlement of people caused by a AfDB financed project and it applies when a project results in relocation or loss of shelter by the persons residing in the project area, assets being lost or livelihoods being lost or livelihoods being affected. The policy is set within the Bank's Vision in which poverty reduction represents the overreaching goal. It is meant to assist the Bank and borrowers to address the resettlement issues in order to mitigate the negative impacts of displacement and resettlement and establish sustainable economy and society.

The primary goal of the involuntary resettlement policy is to ensure that when people must be displaced they are treated equitably, and that they share in the benefits of the project that involves their resettlement. The objectives of the policy are to ensure that disruption of the livelihood of people in the project area is minimized, ensure that the displaced persons receive resettlement assistance so as to improve their living standards.

IFC's Performance Standard 5 on Land Acquisition and Involuntary Resettlement ensures that when displacement cannot be avoided, the project proponent will offer displaced persons and communities compensation for loss of assets at full replacement cost and other assistance to help them improve or at least restore their standards of living or livelihoods. The project proponents should provide opportunities to displaced persons and communities to derive appropriate development benefits from the project.

### **1.8 EXPROPRIATION OF LANDHOLDINGS**

Proclamation no. 455/ 2005 on 'Expropriation of Landholdings for Public Purposes and Payment of Compensation' has been promulgated by FDRE. The complete Proclamation is enclosed as **Annex 1.3** and its salient clauses are given below.

#### **1.8.1 POWER TO EXPROPRIATE LANDHOLDINGS**

1. A Woreda or an urban administration shall, upon payment in advance of compensation in accordance with this Proclamation, have the power to expropriate rural or urban landholdings for public purpose where it believes that it should be used for a better development project to be carried out by public entities, private investors, cooperative societies or other organs, or where such expropriation has been decided by the appropriate higher regional or federal government organ for the same purpose.



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2. No land lease holding may be expropriated unless the lessee has failed to honor the obligations he assumed under the Lease Proclamation and Regulations or the land is required for development works to be undertaken by Government.

#### **1.8.2 NOTIFICATION OF EXPROPRIATION ORDER**

1. Where a Woreda or an urban administration decides to expropriate a landholding in accordance with this Proclamation, it shall notify the landholder, in writing, indicating the time when the land has to be vacated and the amount of compensation to be paid.
2. The period of notification to be given shall be determined by directives; provided however, that it may not, in any way, be less than ninety days.
3. Any landholder who has been served with an expropriation order in accordance with the Article, shall hand over the land to the Woreda or urban administration within 90 days from the date of payment of compensation or, if he refuses to receive the payment, from the date of deposit of the compensation in a blocked bank account in the name of the Woreda or urban administration as may be appropriate.
4. Where there is no crop, perennial crop or other property on the expropriated land, the holder shall hand over the land to the Woreda or administration within 30 days from the date of receipt of the expropriation order.
5. Where a landholder who has been served with an expropriation order refuses to hand over the land within the period specified, the Woreda or the administration may use police force to takeover the land.

#### **1.8.3 RESPONSIBILITIES OF THE IMPLEMENTING AGENCY**

The implementing agency shall have responsibilities to:

1. Prepare detail data pertaining to the land needed for its works and send the same, at least one year before the commencement of the works, to the organs empowered to expropriate land in accordance with this Proclamation and obtain permission from them.
2. Pay compensation in accordance with this Proclamation to landholders whose holdings have been expropriated.

#### **1.8.4 BASIS AND AMOUNT OF COMPENSATION**

1. A landholder whose holding has been expropriated shall be entitled to payment of compensation for his property situated on the land and for permanent improvements he made to such land.
2. The amount of compensation for property situated on the expropriated land shall be determined on the basis of replacement cost of the property.
3. Compensation for permanent improvement to land shall be equal to the value of capital and labour expended on the land.
4. The cost of removal, transportation and erection shall be paid as compensation for a property that could be relocated and continue its service as before.



5. Valuation formula for determining compensation for various properties and detail prescriptions applicable there shall be provided for by regulations.

#### **1.8.5 DISPLACEMENT COMPENSATION**

1. A rural landholder whose landholding has been permanently expropriated shall, in addition to the compensation payable under Article of this Proclamation, be paid displacement compensation which shall be equivalent to ten times the average annual income he secured during the five years preceding the expropriation of the land
2. A rural landholder or holders of common land whose landholding has been provisionally expropriated shall, in addition to the compensation payable under Article of this proclamation, be paid until repossession of the land, compensation for lost income based on the average annual income secured during the five years preceding the expropriation of the land; provided, however, that such payment shall not exceed the amount of compensation payable under Sub-Article (1) of this Article.
3. Where the woreda administration confirms that a substitute land which can be easily ploughed and generate comparable income is available for the land holder, the compensation to be paid under Sub-Articles (1) and (2) of this Article shall only be equivalent to the average annual income secured during the five years proceeding the expropriation of the land

#### **1.8.6 VALUATION OF PROPERTY**

1. The valuation of the property situated on land to be expropriated shall be carried out by certified private or public institutions or individual consultants on the basis of valuation formula adopted at the national level.

#### **1.8.7 PROPERTY VALUATION COMMITTEES**

1. Where the land to be expropriated is located in a rural area, the property situated thereon shall be valued by a committee of not more than five experts having the relevant qualifications and to be designated by the Woreda administration.

#### **1.8.8 COMPLAINTS AND APPEALS IN RELATION TO COMPENSATION**

1. In rural areas and in an urban center where an administrative organ to hear grievances related to urban landholding is not yet established, a complaint relating to the amount of compensation shall be submitted to the regular court having jurisdiction.
2. Where the holder of an expropriated urban landholding is dissatisfied with the amount of compensation, he may lodge his complaint to the administrative organ established by the urban administration to hear grievances related to urban landholdings.
3. The organ shall examine the complaint and give its decision within such short period as specified by directives issued by the region and communicate its decision to the parties in writing.
4. A party dissatisfied with a decision rendered in accordance with above articles may appeal, as may be appropriate, to the regular appellate court or municipal appellate court within 30 days from the date of the decision. The decision of the court shall be final.



5. An appeal submitted, by any landholder served with an expropriation order may be admitted only if it is accompanied with a document that proves the hand over of the land to the urban or Woreda administration.
6. The execution of an expropriation order may not be delayed due to a complaint regarding the amount of compensation.

#### **1.8.9 RESPONSIBILITIES OF WOREDA AND URBAN ADMINISTRATIONS**

With respect to the implementation of this proclamation, Woreda and urban administrations shall have the responsibilities and duties to:

1. Pay or cause the payment of compensation to holders of expropriated land in accordance with this proclamation, and provide them with rehabilitation support to the extent possible.
2. Maintain data of properties from expropriated landholdings.

#### **1.9 VALUATION OF LAND & COMPENSATION FOR LOSSES**

The FDRE has issued the Proclamation No. 280/ 2002 on 2<sup>nd</sup> July 2002 entitled 'Investment Proclamation' and its amendment Proclamation No. 375/ 2003 dtd. 28<sup>th</sup> Oct 2007. This Proclamation promulgates the legislation applicable to private domestic investors.

As per relevant parts of this Proclamation, Part 10 of the 'Proclamation on Miscellaneous Provisions' states:

##### **1.9.1 ALLOCATION OF LAND**

1. Where a Regional Government receives an application for the allocation of land for an approved investment, it shall, on the basis of the Federal and its own laws, deliver within 60 days, the required land to the investor.
2. The Region shall allocate land for investment activities and transmit information on such allocations to the appropriate investment organ.
3. Each Region shall, in the allocation of land, give priority to approved investments.
4. The appropriate investment organ shall, in cooperation with the concerned regional executive organs, facilitate and follow up the allocation of land for approved investments.

##### **1.9.2 CALCULATION OF COMPENSATION**

The Government document showing the method of calculation of compensation for land and dwellings acquired for the **DMC** project is enclosed as **Annex 1.4**.

##### **1.9.3 ACQUISITION OF LAND**

The Cement project comprises of the following sections, which necessitate acquisition of land:

- ☐ Plant area
- ☐ Mining area



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- ☐ New road from Derba to plant site
- ☐ New road connecting Plant to Mines
- ☐ Upgradation of road from Chanco to Derba
- ☐ Right of way for Conveyor belt, water pipeline and power transmission line

**1.9.3.1 Plant**

The Plant area of 125 hectares has already been acquired. There are 94 landowners whose farming lands have been acquired for the plant site. All landowners have lost only a part of their landholding and no landholder has lost all his land.

The Oromiya Regional Government worked out the monetary compensation, which has been paid by **DMC** on an on account basis against lease rental, on the basis of the land price fixed by the Government. **DMC** has paid a compensation of 4,466,034.36 Birr to 94 farmers whose land has been acquired for the plant. This land comprises of both cultivated as well as grazing land.

Sn	Village	No. of landowners	Total area (ha)	Total compensation paid (Birr)	Acquisition Status
1	Becho Kidanemihret	94	125.10358	4,466,034.36	Complete

The details of the land and the compensation details are enclosed as **Annex 1.5**.

**1.9.3.2 Road from Derba to Plant**

Land for the 8 km road to be constructed from Derba village to the Plant has also been acquired. **DMC** has paid 349,143.60 Birr for a total of 4.83 ha land, which is, acquired from 37 landholders. The land comprises of both cultivated land as well as grazing land. The details are given in **Annex 1.6**.

Sn	Village	No. of landowners who have lost part of their land	Total area (ha)	Total compensation paid (Birr)	Acquisition Status
1	Derba Gulele Berisa PA	37	4.83	349,143.60	Complete

**1.9.3.3 Road from Plant to Mines**

This road shall link the plant site to the quarry over an elevation difference of 800 m over a length of around 7 km. DMC has acquired land as per details given below. The details of the Compensation are given in **Annex 1.7**.





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Sn	Village	Landowners who have lost part of their land			House owners who have lost houses		Acquisition Status
		Nos.	Total area (ha)	Total compensation paid (Birr)	Nos.	Total compensation paid (Birr)	
1	Ada Gimbic hu	116	139.70	5,186,497.10	78	1,229,898.50	In progress
2	Becho Kidane miehret	88	23.07	1,305,187.60			Complete
<b>Total Compensation paid</b>				<b>7,72,1583.20 Birr</b>			

#### 1.9.3.4 Road from Chancho to Plant

The road from Chancho to the plant site, which is presently a gravel road, will be upgraded and made black topped. Four new bridges alongside the old bridges will also be constructed. Land from 52 landowners has been acquired for this road and all these landowners have lost a part of their land holding.

Sn	Village	No. of landowners who have lost part of their land	Total area (ha)	Total compensation paid (Birr)	Acquisition Status
1	Derba Gulele Berisa PA	50	7.86	479,931.80	Complete
2	Becho Kidanemiehret	2	0.34	18,722.00	Complete
<b>Total</b>		<b>52</b>	<b>8.20</b>	<b>498653.80</b>	

#### 1.9.3.5 Mining Area

The mineral concession has been granted to **DMC** over almost 60 sq km area. Geological investigation is under progress by Ethiopian Geological Survey in around 2 sq km area currently to identify the potential initial mining block. The details of the land acquired in the mining area are given below. The details of Compensation are enclosed as **Annex 1.8**.

Sn	Village	No. of landowners who have lost part of their land	Total area (ha)	Total compensation paid (Birr)	Acquisition Status
1	Becho Kidanemiehret	4	0.75	41,607.00	Complete
2	Anda Weizero	32	6.21	201,200.70	In progress
3	Anda Weizero	9	0.83	6,099.19	In progress
<b>Total</b>		<b>45</b>	<b>7.79</b>	<b>248,906.89</b>	



### 1.9.3.6 Water Pipeline

Land totaling 4.35 ha has been acquired from 16 landholders in two villages for water supply. The details of the land acquired for the water supply are given below.

Sn	Village	No. of landowners who have lost part of their land	Total area (ha)	Total compensation paid (Birr)	Acquisition Status
1	Lilo Chebeka	4	2.50	33,819.60	Complete
2	Amara Sefer	12	1.85	12,595.35	Complete
Total		16	4.35	46,414.95	

### 1.9.3.7 Right of way for Conveyor belt/ power transmission line

The process for right of way for conveyor belt from mines to plant and power transmission line has not been completed.

The summarized section wise details for land acquired, details regarding the number of landholders who have partially/ completely lost their lands/ dwellings and the compensation paid are compiled in **Table 1.5**.



Purpose	Site/village name	Land owners who have lost total land			Landowners who have lost part of their land			Land owners who have lost houses			Total Compensation paid (Birr)	Whether acquisition completed or in progress
		Nos.	Total area (ha)	Compensation paid (Birr)	Nos.	Total area (ha)	Compensation paid (Birr)	Nos.	Total area (ha)	Compensation paid (Birr)		
Plant site												
	Becho Kidanemeheret	-	-	-	94	125.104	4,466,034.36				4,466,034.36	Completed
Road from Derba to Plant												
	Derba Gulele Berisa PA	-	-	-	37	4.83	349,143.60				349,143.60	Completed
Due to Quarry site												
	Becho Kidanemeheret	-	-	-	4	0.75	41,607.00				41,607.00	Completed
Road from Plant to Mines												
	Ada Gimbichu	-	-	-	116	139.70	5,186,497.10	78		1,229,898.50	6,416,395.60	In progress
	Becho Kidanemeheret				88	23.07	1,305,187.60				1,305,187.60	Completed
Road from Chancho to plant site												
	Derba Gulele Berisa PA				50	7.86	479,931.80				479,931.80	Completed
	Becho Kidanemeheret (Dibdebe)				2	0.34	18,722.00				18,722.00	Completed
Road for Water supply												
	Lilo-Chebeka				4	2.50	33,819.60				33,819.60	Completed
	Amara Sefer				12	1.85	12,595.35				12,595.35	Completed
Conveyor Belt/ Right of way In Progress												
Mining Area												
	Anda Wiezero				32	6.21	201,200.70				201,200.70	In progress
	Anda Wiezero				9	0.83	6,099.19				6,099.19	In progress
Power Transmission Line In Progress												
				Total	354	187.942	12,100,838.30			1,229,898.50	13,330,736.80	13,330,736.80

Table 1.5 : Details of Land Acquired and Compensation Paid



## 1.10 IDENTIFICATION OF VULNERABLE GROUPS

Vulnerable groups of people are identified as those who have lost all their landholding or have lost their dwellings as a result of land acquisition for this project. Their status and well being will be monitored closely over a considerable period of time. Considering the acquisition carried out up to now, there are no landowners who have lost all their landholding. All landowners whose lands have been acquired have lost a part of their land holding. Seventy-eight (78) persons have lost their dwellings. The list of these PAPs is enclosed as **Annex 1.8**.

## 1.11 SHELTER, INFRASTRUCTURE, AND SOCIAL SERVICES

The total land acquired by the project proponent is through the Oromiya Regional Government and the company has no direct role to play in the process as set out in the Ethiopian law.

The proposed Socio-economic Development Plan is presented in **Table 1.6**.

Sn	Issues	Action Plan
1	Employment and business opportunities	<p>□ Currently the following types of local labour is employed at the plant site:</p> <p style="padding-left: 40px;">Skilled : 10</p> <p style="padding-left: 40px;">Unskilled : 60</p> <p style="padding-left: 40px;"><b>Total : 70</b></p> <p>The local labour strength proposed during later construction stage will be as follows:</p> <p style="padding-left: 40px;">Skilled : 50</p> <p style="padding-left: 40px;">Semi-skilled : 50</p> <p style="padding-left: 40px;">Unskilled : 300</p> <p style="padding-left: 40px;"><b>Total : 400</b></p> <p>□ The Community Development Fund to be established by <b>DMC</b> (details given ahead) will help the interested locals in setting up small businesses like transportation, auto workshops, small eateries, and other small shops which shall come up to cater to the cement plant</p>
2	Community Development Fund	<p><b>DMC</b> is committing an annual contribution of Birr 250,000 per year to the project area for establishing a revolving fund to support/ supplement the efforts to help finance small scale businesses for the local communities. A Committee comprising of Sululta Wereda officials, PAs and <b>DMC</b> will oversee the implementation of this Fund. <b>DMC</b> shall continue the contribution till the cumulative contribution reaches Birr 2.5 million.</p>
3	Road Development	<p>Major road building and upgradation is being carried out by <b>DMC</b> for the project.</p> <p>□ Road from the Plant to mine will for the first time link the valley to the town of Derba and further. Villages hitherto</p>



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Sn	Issues	Action Plan
		<p>inaccessible or accessible through long mountainous foot trails will gain access to the highlands and the capital city of Addis Ababa.</p> <ul style="list-style-type: none"> <li>❑ The proposed bridge over Muger river will provide an access to the villages in the vicinity of the quarry and beyond. The villagers have to swim across the river currently if they have to come to the highlands.</li> <li>❑ The road from Chanco to Derba, which is presently a gravel road, will be converted to a tarred black-topped road, which shall provide a better connectivity.</li> <li>❑ There are presently four old, narrow bridges over small streams on the way from Chanco to plant site. New bridges will be constructed alongside these bridges thereby providing much improved infrastructure in the area.</li> </ul> <p>With improved roads, connectivity to towns like Addis Ababa, Chanco, etc. shall improve. Bus/ truck services shall increase in the area.</p>
4	Health Facilities	<p><b>Health facilities at Plant</b></p> <ul style="list-style-type: none"> <li>❑ A Health Centre staffed by a Doctor, a Nurse, Laboratory technician, pharmacist and other supporting staff will be set up within the plant which will serve the employees of <b>DMC</b>.</li> <li>❑ <b>DMC</b> plans to extend health facilities for the local community by establishing a Clinic at the plant site. The ownership and administration of the Clinic shall be with the Regional Government.</li> <li>❑ The estimated cost of the Clinic which shall be allocated by <b>DMC</b> in its budget is: <ul style="list-style-type: none"> <li>Establishment Cost : 300,000 Birr</li> <li>Health facility Cost : 200,000 Birr</li> <li><b>Total : 500,000 Birr</b></li> </ul> </li> <li>❑ <b>DMC</b> is willing to support the upgradation and upkeep of the established Centre by providing the Centre up to Birr 10,000 per month aimed at supplementing the running expenses like manpower.</li> <li>❑ In addition to the above, professional assistance to organize and run the Centre will be provided by <b>DMC</b> health professionals.</li> </ul> <p><b>Health facilities at Mines</b></p> <ul style="list-style-type: none"> <li>❑ The health facility at quarry site will also be established to the same standards as the plant facility.</li> <li>❑ The cost of health facility, which will be borne by <b>DMC</b>, is estimated as Birr 200,000. However, the administration and management of the health facilities will remain with the concerned office of the Regional Government.</li> </ul>



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Sn	Issues	Action Plan
		<ul style="list-style-type: none"> <li>❑ A financial assistance of Birr 10,000 per month will be given for supplementing the running expenses of the Health Centre.</li> <li>❑ <b>DMC</b> health professionals will extend close cooperation in periodic health surveys and during occurrence of any accidents, calamities, etc.</li> <li>❑ Diseases of high concern during the construction phase due to labour mobility are sexually transmitted diseases (STDs) such as HIV/ AIDS. <b>DMC</b> propose the following measures at the project level: <ul style="list-style-type: none"> <li>▪ Undertaking health awareness and education initiatives by imparting information and counseling to influence individual behaviour as well as promote individual protection, and protect others from infection.</li> <li>▪ Training health workers in disease treatment</li> <li>▪ <b>DMC</b> shall ensure ready access to medical treatment, confidentiality and appropriate care, particularly with respect to migrant workers</li> </ul> </li> <li>❑ <b>DMC</b> is proposing a number of measures to reduce the impact of vector-borne diseases like malaria in the workers and the local communities. <ul style="list-style-type: none"> <li>▪ Sanitation in and around the project area will be improved to eliminate breeding habitats</li> <li>▪ Use of repellants, clothing, netting, etc. will be promoted</li> <li>▪ <b>DMC</b> will make efforts to provide appropriate drugs to workers and collaborate with public health officials to help eradicate disease reservoirs</li> <li>▪ It is proposed to monitor and treat the migrating population to prevent disease spread</li> <li>▪ Educating project personnel and area residents on risks, prevention, and available treatment</li> <li>▪ Distribution of appropriate education materials</li> </ul> </li> </ul>
5	<b>Education Facilities</b>	<ul style="list-style-type: none"> <li>❑ <b>DMC</b> commits to build new or expand the existing elementary school at the plant and quarry sites and hand over the same to the concerned Government office for managing them.</li> <li>❑ <b>DMC</b> is allocating in its budget for expanding and upgrading the educational facilities at plant site and quarry. Cost of additional class rooms at plant site and quarry: Birr 500,000</li> </ul>



**Resettlement Action Plan: Greenfield Derba Cement Project: DMC, Ethiopia**

Sn	Issues	Action Plan
		Cost of facilities like desks, laboratory equipment, etc.: Birr 250,000 <b>Total: Birr 750,000</b>
6	<b>Vocational Training Centre</b>	A Regional Vocational Training Center is proposed to be established by Sululta Wereda at Chanco. <b>DMC</b> will contribute about Birr 224,000 for the establishment of Vocational (Health Extension Workers and Farmers Training) Centre.
7	<b>Water Supply</b>	<p><b>DMC</b> will help in improving the water supply in the area. As seen during the socio-economic baseline survey, almost all villages rely on dirty, non-potable stream water for their water requirement. This has lead to prevalence of water borne diseases.</p> <p>□ Water supply access will be extended to a total of seven villages around the plant and mining sites. These villages are Adero, Abale, Becho Kidanemehrat, Debedebe, Muger, Anda Wezero and Anda Botero. The amount of water, which shall be made available, is estimated to be 83,560 litres per day (assuming consumption of 20 l/ day) in the form of one water point per village. The water points shall be run by a Water Committee, which shall be established comprising of members of the community. The community will be expected to generate a small amount of revenue from the sale of water, so as to cover at least the maintenance cost of the system.</p>
8	<b>Communication</b>	With the establishment of the plant, <b>DMC</b> shall set up modern communication facilities like telephones, internet, etc. in the area, which will also be available to the local population.
9	<b>Electricity Power Line</b>	<b>DMC</b> will extend up to 2MW electric power line for the community along the Derba-plant road and around the plant site to facilitate personal connections for the community. However, the cost of individual connections and bills based on the consumption will have to be borne by the individuals.

**Table 1.6 : Socio-economic Development Plan**

Like the Federal EPA, all institutions, i.e., Wereda level offices at Chanco and PAs have no capacity to undertake and assist the project in social development plans. Thus **DMC** will have a complete Social Unit within its Environmental Management Cell to undertake the socio-economic development schemes in and around the project area.



## 1.12 IMPLEMENTATION SCHEDULE

A detailed implementation schedule has been devised for activities pertaining to land acquisition, payment of compensation and resettlement of PAPs.

A Steering Committee has been formed to oversee the complete process of compensation and resettlement. This Committee comprises of members from **DMC**. An Implementing Committee has been formed which is responsible to the management of **DMC** and Steering Committee. A Grievance Committee has also been formed for addressing the complaints of the PAPs. The Implementation Schedule for activities pertaining to land acquisition and resettlement issues is given in **Table 1.7**.





Activities	Responsible bodies	2006				2007				2008			
		1	2	3	4	1	2	3	4	1	2	3	4
<b>PHASE I</b>													
<b>Committee formation and Awareness Creation</b>													
Conducting Consultation meetings and create awareness among the affected people	DMC	x	x										
Formation of Steering Committee	DMC	x	x										
Formation of Implementing Committee	DMC and Steering Committee	x	x										
Formation of Grievance Committee	DMC and Steering Committee	x	x										
Provision of training to the Committee	DMC		x	x									
<b>PHASE II</b>													
<b>Compensation</b>													
Reassess names of the affected people	Implementing Committee		x	x	x	x	x	x	x				
Reassess Assets and properties of the affected people	Implementing Committee		x	x	x	x	x	x	x				
Preparing and recording compensation payment for project affected people	Implementing Committee		x	x	x	x	x	x	x				
Payment of cash compensation	Implementing Committee			x	x	x	x	x	x	x	x		
Resolving Grievance	Grievance resolution committee and Court		x	x	x	x	x	x	x	x	x	x	x
Construction of public services	DMC and Wereda Administration							x	x	x	x	x	x
<b>PHASE III</b>													
<b>Resettlement and Income Restoration</b>													
Resettlement	DMC and Wereda Administration				x	x	x	x	x	x	x	x	x
Income Restoration	DMC and Wereda Administration				x	x	x	x	x	x	x	x	x
<b>PHASE IV</b>													
<b>Monitoring</b>													
Monitoring and Monitoring Report	DMC, Steering Committee, Implementing Committee Financers and Grievance Committee		x	x	x	x	x	x	x	x	x	x	x
<b>PHASE V</b>													
Technical Support	DMC		x	x	x	x	x	x	x	x	x	x	x
<b>PHASE VI</b>													
<b>Evaluation Report</b>													
Evaluation	External Evaluator						x						x

Table 1.7 : Implementation Schedule



### 1.13 MONITORING AND EVALUATION

**Monitoring** refers to the collection, analysis, reporting and use of information regarding the implementation of compensation process. It will focus on the compensation process and its implementation as per the plan, general principles, guidelines, rules and regulations of Ethiopia.

The major tools of conducting the monitoring activity will be periodic progress reports (monthly, quarterly, yearly), field visits, Stakeholders meetings (alongwith representatives of Wereda administration, **DMC**, Project financiers, the contractors and the community and other concerned bodies). The purpose of monitoring will be to ensure that the implementation of compensation and resettlement is carried out as per plan and to take immediate corrective measures if any deviations are observed.

**Evaluation** will be made twice during the entire duration of compensation process. The first evaluation will be in the middle of the project duration (mid term evaluation) and the other at the completion of the project (final evaluation). The mid term evaluation will help to take timely remedial measures on issues, which may be hindering the implementation of the project before the completion of the project. The major issues to be evaluated will focus on replacement compensation, income restoration, public and community based compensation, the provision of technical assistance, adequacy of the unit rates, the inclusion of all the affected items of compensation, the effectiveness of the grievance redressal mechanism, etc.

Final evaluation will be done before the completion of the project. The evaluation will be done by an independent consultant to be approved by both **DMC** and the financiers.