

**Resettlement Policy Framework
 and
 Resettlement Action Plan
 for
 the Cairo Metro Line 3
 (Phase 3) Project**
 Reference Code: TA 2012 005 EG F10

Resettlement Policy Framework

12 September 2012

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List of Acronyms and Abbreviations

AFD	French Development Agency
ARAPs	Abbreviated Resettlement Action Plans
EC	European Commission
EEAA	Egyptian Environmental Affairs Agency
EIB	European Investment Bank
ESMP	Environmental and Social Management Plan
FGDs	Focus Group Discussion
GCR	Greater Cairo Region
IDA	International Development Association
IFIs	International Financing Institutes
MoT	Ministry of Transport
NAT	National Authority of Tunnels
NGOs	Non-Governmental Organisations
PAPs	Project Affected People
RAP	Resettlement Action Plan
RfP	Request for Proposal
RoW	Right-of-way
RPF	Resettlement Policy Framework
SLA	Sustainable Livelihoods Approach
SPSS	statistical package for the social sciences
SSI	Semi-Structured Interviews
ToRs	Terms of reference
UK DfID	UK Department for International Development
WB	World Bank

GLOSSARY

Terminology	Explanation
Abbreviated Resettlement Plan	Establish a baseline through the census of PAPs which will comprise socio-economic data, the inventory of assets lost, and the compensation and resettlement benefits awarded to the PAPs.
Census	Household survey that covers all Project Affected Persons irrespective of entitlement or ownership. It provides a complete inventory of all project affected persons and their assets. It can be used to minimize fraudulent claims made by people who move into the area affected by the project in the hope of being compensated and/or resettled
Compensation	Payment in cash or in kind to replace losses of land, housing income, and other assets caused by the project
Cut off Date	The date of the census prior to which, the occupation or use of the project area, qualifies residents or users of the project area as affected persons.
Project Affected Persons (PAPs)	Persons who are affected by the involuntary taking of land and / or the involuntary restriction of access to legally designated parks and protected areas.
Environmental Impact	An effect (both positive and negative) on an environmental resource or value resulting from infrastructure development projects.
Environmental and Social Impact Assessment (ESIA):	A systematic procedure for enabling the possible environmental and social impacts of development projects to be considered before a decision is made as to whether the project should be given approval to proceed.
Involuntary:	Actions that may be taken without the displaced person's informed consent or power of choice.
Involuntary Resettlement (IR):	The unavoidable displacement of people and/or impact on their livelihood, assets and common property resulting from development projects that create the need for rebuilding their livelihood, sources of income and asset bases.
Monitoring	The process of repeated observations and measurements of

Terminology	Explanation
Project Affected Person	environmental and social quality parameters to assess and enable changes over a period of time Includes any people, households, firms or private institutions who, on account of changes that result from the project will have their (i) standard of living adversely affected, (ii) right, title, or interest in any house, land (including residential, commercial, agricultural, forest, and/or grazing land), water resources, or any other moveable or fixed assets acquired, possessed, restricted, or otherwise adversely affected, in full or in part, permanently or temporarily; and/or (iii) business, occupation, place of work or residence, or habitat adversely affected, with or without displacement.
Public Involvement:	The dialogue encompassing consultation and communication between a project proponent and the public. It includes dissemination, solicitation and presentation of information
Rehabilitation/Resettlement:	A term often used to describe the process of reestablishing lifestyles and livelihoods following resettlement. The term is also used to describe construction works that bring a deteriorated structure back to its original conditions.
Resettlement Action Plan (RAP)	A time-bound action plan with a budget, setting out resettlement strategy, objectives, options, entitlements, actions, approvals, responsibilities, monitoring and evaluation.
Social Impact	An effect (both positive and negative) on a social issue resulting from infrastructure development projects.
Stakeholders	Those who have an interest in project development and who will be involved in the consultative process, and includes any individual or group affected by, or that believes it is affected by the project; and any individual or group that can play a significant role in shaping or affecting the project, either positively or negatively, including the host community/population.
Vulnerable Groups	Distinct groups of people who might suffer excessively from resettlement effects, such as, the old, the young, the handicapped, the poor, isolated groups and single parents.

EXECUTIVE SUMMARY

I. Introduction

The European Investment Bank (EIB) and French Development Agency (AFD) are co-financing the construction of Phase 3 of the Greater Cairo Metro Line 3. The Executive Agency and owner of the construction project is the National Authority for Tunnels (NAT). After handing over the work, assets will be transferred to the Egyptian Company for Metro Management and Operation (ECM).

Metro Line 3 was identified as a priority investment in the 'Transportation Study of Greater Cairo Region (1999) and the Transport Master Plan (2002). The total Metro Line 3 includes four phases, of which are phases 1 and 2 that are currently under construction, and construction in phase 4 will start in 2013. Regarding the Line 3 Phase 3, the project is divided into 3 sub-phases:

- Sub phase 3A from Attaba to Kit-Kat Square
- Sub-phase 3B from Kit-Kat Square to Rod El Farrag
- Sub-phase 3C from Kit-Kat Square to Cairo University

AFD has contracted EcoConServ to provide a Resettlement Policy Framework in order to have a clear idea on how the project will affect people and the ways to mitigate the negative effects. Furthermore, ensure that the project documentation and preparation activities are prepared in accordance with EIB standards and requirements.

The design, alignment and construction of Line 3 – Phase 3 of the Greater Cairo Metro system will directly and indirectly affect hundreds of thousands of metropolitan households and residents, daily commuters and frequent travellers, local small and medium businesses, farmers and property owners, local government, transportation and other public services' providers proximate to the new line. These are the immediate stakeholders of this project. Transportation and traffic flows, recreational areas and markets, schools, medical and religious facilities, access to neighbourhoods and buildings, personal safety and well-being through exposure to increased noise, disruption and pollution will all be significantly affected by the planned design, alignment and construction of the Metro line and stations in the highly-congested urban neighbourhoods of Line 3 – Phase 3.

The benefits of enhanced transportation for residents and commuters, neighbourhoods and businesses, from the *operation* of Metro Line 3 – Phase 3 are widely appreciated. Greater Cairo's experience with Lines 1 and 2 confirm that. The design, alignment and construction of the Metro project over several years in specific locales can, however, be an enduring hardship, hazard to safety and well-being, or permanent detriment. These negative environmental and social impacts should be taken in account.. It is important then that the design, alignment and construction aim at alleviating these negative impacts and community disruptions in a feasible manner.

II. The Resettlement Policy Framework

It is widely accepted that if the impact of the project is left unmitigated, involuntary resettlement under development projects may give rise to economic, social and environmental risks. The purpose of the Resettlement Policy Framework (RPF) is to address any cases of involuntary resettlement that may arise, as well as clarify the organizational arrangements that may be needed during sub-projects preparation and implementation phases. This includes compensating all Project Affected Persons (PAPs) for the loss of land, property, and livelihood resulting from displacement and resettlement, as well as assisting them in the relocation and the rehabilitation process. The objectives of the RPF correspond to those of the World Bank's policy on involuntary Resettlement, namely:

- To avoid or minimize (whenever possible) involuntary resettlement and land acquisition through design efforts.
- If involuntary resettlement and land acquisition is unavoidable, to execute resettlement and compensation activities as sustainable development programs
- To assist Project Affected Persons in their efforts to improve their livelihood and standard of living or at least return them to pre-displacement levels

When the exact extent of land acquisition becomes known during the implementation phase, site specific Resettlement Action Plan (RAP)s or abbreviated Resettlement Plan (ARPs) will be prepared, depending on the scale and severity of the impact. The resettlement process should be finalized prior to the commencement of any physical work.

III. Projects' Impacts and Vulnerable Population/ Project Affected Persons (PAPs)

Following are the potential impacts of the project:

Expropriation of lands

The following are the unfavorable impacts that might result due to expropriation and resettlement activities:

- Community disturbance might result due to the expropriation activities
- Changing the environment of children, particularly, schooling and other recreational places allocated for them.
- Transferring the affected people to remote alternative might affect their business (owners of shops) or affect their living conditions.
- Applying the resettlement activities by force might cause problems with the community people, especially, after the revolution.

Loss of arable lands in the Ring Road might affect the community people as well, as the land there is rapidly subjected to construction activity. Thus, the compensation process will not be based on the new nature of land, it will be based on its arable nature. Compensation might be of a low price compared to the market prices or the units provided might be of a different social standard. **The potential change in source of income**

It was predicted that the source of income might reduce temporarily due to the construction activities. Some of the categories that might be affected are as follows:

- 1- Shops in Boulak Abu el Ela, Imbaba and Gameat El Dewal and Zamalek
- 2- Vendors in Boulak El Dakroun and Boulak Abu El Ela

- 3- Other economic activities i.e. clinics , medical centers that might be closed temporary by construction work

Job availability

The most unfavourable impact reported is in the Boulak Abu el Ela case where there isn't an alternative place to resettle market rather than this active area. In addition to the fact that some shops hire old people who won't have an alternative job.

Access to basic services and utilities

Access to basic services (water supply, electricity, health services ...etc) might be affected in the whole area during the construction phase.

The potential utilities' diversity might also work against community people causing community disruption

Reduction in income of microbus and Tuk Tuk drivers due to the construction waste accumulation and traffic flow

In case of the mismanagement of structure waste it will affect the flow of traffic in the area which can possibly cause loss of income among small vehicles drivers.

Impact on health status and health seeking behaviours

The impact on health status might result from:

- 1- Noise and dust
- 2- Potential accidents in the site, for the workers or for community people
- 3- Lack of health facilities
- 4- No access to health facilities

Impacts on houses and dwellings due to the vibration

This is one of the most severe impacts that might result from the project due to the project, especially, because the project entails lots of digging activities.

The severance of the disturbance is relatively high in Zamalek as it is a quiet area

Potential subsidence for old dwellings

Old fragile houses are mainly located in old districts, of which Zamalek is of highest value.. Whereas, in Boulak Abu El Ela and Boulak El Dakrour the houses are in an extremely bad condition which might result in its collapse.

Impact on the political tensions

Political tension is one of the main problems that resulted from the 25th of January Revolution. Thus, it was recommended to investigate how the public will perceive the project which was high in general except among the Zamalek residents and the vendors of Boulak Abu El Ela and Boulak El Dakrour.

Impact on health status and health seeking behaviours

There might be a possibility of negatively affecting the health status of people in Zamalek due to the impact of the noise and congestion in the station

IV. Egyptian Legislations and EIB guidelines and the World Bank OP 4.12

This is a long list of all references to this RAP:

■ *Government of Egypt Relevant Legislation*

- Property Rights within the Egyptian Constitution
- Land Tenure and Related Laws to Land and Structures Expropriation
- Egyptian Civil Code
- Administrative Authority's Decision Making Responsibilities
- Physical Planning Law (Law 3/1982)
- Law 3 of 1982: added to the foregoing list acts aiming at the establishment of green areas and public parking.
- Prime Ministerial Decree No. 160 of 1991 : added to the list the establishment of governmental educational buildings
- Prime Ministerial Decree No. 2166 of 1994: added fishery farms established by ministries, governmental departments, local government units, and public authorities.
- Law 577/54, which was later amended by Law 252/60 and Law 13/62, lays down the provisions pertaining to the expropriation of real estate property for public benefit and improvement.
- Law No. 27 of 1956, which stipulates the provisions for expropriation of districts for re-planning, upgrading, and improvement, and the amended and comprehensive
- Law No.10 of 1990 on the expropriation of real estate for public interest.
- Expropriation of Ownership for Public Interest (Law 10/1990)
- Legal and Administrative Procedures for Transfer of Ownership and Compensation

■ *EIB Relevant Legislation*

Involuntary Resettlement

1. People whose livelihood is negatively affected by a project should have their livelihood improved or at minimum restored and/or adequately compensated for any losses incurred. As such, where physical or economic displacement is unavoidable, the Bank requires the promoter to develop an acceptable Resettlement Action Plan. The plan should incorporate and follow the right to due process, and to meaningful and culturally appropriate consultation and participation, including that of host communities.

Guidance Note 1: Involuntary Resettlement

- The screening process should:
- Identify the nature and magnitude of likely displacement and establish with the promoter the baseline data and a cut-off time where needed;
- Review previous resettlement prior to Bank involvement;
- Assess willingness of population to move/consultation processes developed;
- Assess the promoter's commitment and capacity to deal fairly with the issues;
- Determine type and cost of any technical assistance that may be required;
- Assess the capacity of public authorities to support the processes involved (e.g. approaches to issues of land acquisition and compulsory purchase; procedures for handling disputes, land registration, and the provision of social safety nets);
- Explore with the promoter alternative designs that might minimize displacement;

- Address the feasibility and appropriateness of proposed measures for restoring and preferably improving livelihoods;
- Assess the availability of adequate resources, including staff, time and funding, to appropriately carry out resettlement;
- Address the impoverishment risks (e.g. those resulting from changes from land based livelihood strategies to wage-based strategies, the security of alternative employment strategies, opportunities for employment in the company); and,
- Address arrangements for internal and/or independent monitoring and evaluation

Indigenous People and Other Vulnerable Groups

2. All policies, practices, programmes and activities developed and implemented by the promoter should pay special attention to the rights of vulnerable groups. Such groups may include indigenous people, ethnic minorities, women, migrants, the very young and the very old. The livelihoods of vulnerable groups are especially sensitive to changes in the socio-economic context and are dependent on access to essential services and participation in decision-making.
3. Where the customary rights to land and resources of indigenous peoples are affected by a project, the Bank requires the promoter to prepare an acceptable Indigenous Peoples Development Plan. The plan must reflect the principles of the UN Declaration on the Rights of Indigenous Peoples, including free, prior and informed consent to any relocation.

ILO Core Labour Standards In the case where there are gaps in implementing the core labor standards of the ILO, the promoter shall develop and implement verifiable programmes and procedures to ensure that the core labor principles and standards are adhered to or would be reached during project implementation. The objective is to prevent unacceptable forms of labor and employment practices and promote the development of the sound management of worker relations⁴¹.

A Human Rights-based Approach

4. Just as environmental standards aim to protect and improve the natural and built environment, social standards aim to protect the rights and enhance the livelihoods of people directly and indirectly affected by projects financed by the EIB. Social standards are intended to promote outcomes to the benefit of individual well-being, social inclusion and sustainable communities.
5. The EIB restricts its financing to projects that respect human rights and comply with EIB social standards, based on the principles of the Charter of the Fundamental Rights of the European Union and international good practices. The Bank does not finance projects located in countries declared “off-limits” by the European Council for EU financing, particularly due to violations of human rights.
6. Similarly, the EIB does not finance projects that give rise to conflicts or intensify existing conflicts. Additionally, the Bank takes into account that a number of countries where it operates face difficult post-conflict recovery and reconstruction efforts. When financing projects in such fragile states, the Bank is guided by the EU approach⁴⁰.

7. Within the EU and the Enlargement Countries, subject to any agreed phasing, the EIB assumes that EU social requirements, including international human rights conventions ratified by the EU, are correctly implemented within the framework of national law. However, where there is evidence that suggests otherwise, an appropriate social assessment is carried out by the Bank.
8. In all other regions of EIB operations, the approach of the EIB to social matters is based on the rights-based approach mainstreaming the principles of human rights law into practices through the application of its Social Assessment Guidelines (SAGs) (see Handbook). These requirements are also consistent with the social safeguard measures developed and applied by those MFIs with whom the Bank works closely.
9. There are relationships between environmental and social concerns and project quality and sustainability. For example, improved resource management, including stakeholder participation in decision-making, is related to opportunities that afford the promotion of more sustainable livelihoods. It is therefore recognized that in a project context, environmental and social concerns are often intertwined and are hence best assessed in an integrated framework. Promoters that seek EIB finance outside the EU are required to adopt the social standards regarding involuntary resettlement, indigenous people and other vulnerable groups, the core labor standards of the International Labor Organization (ILO) and occupational and community health and safety.

■ **World Bank Operational Policies**

- OP 4.12 – Involuntary Resettlement
- OP 4.11 – Physical Cultural Resources
- OP 4.01 – Environmental Assessment

In addition to the above mentioned regulations, the agricultural directorates are allowed to set a list of prices for the crops located within their Zones. As well as, they develop like a small decree of compensation where they put some rules for compensations:

- 1- Names of the committee members
- 2- The responsibilities of the committee
- 3- Some other precautions for the compensation activities:
 - a. In case of passing pipelines in gardens that have only trees inside, the square meter cost is 1.50 EGP
 - b. The vegetables and traditional crops lands should be compensated as mentioned in the annex 3
 - c. In case of work extension for more than one season, it is recommended to add at least 1500 EGP per feddan/season as rent for the lands. This will be in compliance with the price list provided by the governorate
 - d. In case of affecting any crops (outside the work area) they should be compensated of the same value
 - e. In case of using developed irrigation system 130 EGP compensation should be added to the Qirate value compensation

V. Gap analysis Between Egyptian and non Egyptian rules

The following are legal and regulatory gaps between the Egyptian law and Bank policy that might be applicable on this project and measures to be considered,

- **Temporary acquisition of land gap:** Lack of legal provision in Egyptian law to compensate temporarily occupied land for public interest. The lack of national law to protect project affected people from temporary acquisition of land fall short of the Bank's OP 4.12 objectives and principles. However for temporary acquisition of agricultural land for purposes of implementing irrigation and/or drainage works, the national procedures are aligned with the Bank's OP 4.12 measures.
- **The right of squatters gap:** The right of squatters has not been addressed in Egyptian law. This is major policy difference and gap with the Bank's OP 4.12. However, there are resettlement cases in which the Egyptian government has compensated squatters because of the political sensitivity.
- **Vulnerable groups gap:** Egyptian regulation has no provision on how vulnerable groups should be treated in case of involuntary resettlement. This is a major shortfall from the Bank's policy which states: "particular attention is paid to the needs of vulnerable groups among those displaced, especially those below the poverty line, the landless, the elderly, women and children, indigenous peoples, ethnic minorities, or other displaced persons who may not be protected through national land compensation legislation".
- **Disturbance allowance gap:** There is a difference between Egyptian law and the Bank's OP 4.12 addressing compensation for loss incurred as a result of business disturbance. Egyptian regulation makes no allowance for business disturbance losses while the Bank policy requires 10% of the total business loss compensation is paid as an income disturbance allowance.
- **Asset value increased due to previous public interest project gap:** The Egyptian law states that should the value of the expropriated property increase as result of prior public interest works in a previous project; such increase shall not be calculated in determining the compensation value. This is inconsistent with OP4.12 which requires full replacement cost for losses of assets attributable directly to the project.
- **Monitoring and Evaluation gap:** Monitoring or evaluation measures are not stipulated in Egyptian regulation. Lack of the necessary legal provision needed to put in place monitoring and evaluation measures can negatively impact the accountability and transparency Programs and plans may not be able to benefit from corrective action in cases of mistakes or receive rewards in cases of good performance.

VI. Eligibility and Entitlement matrix

- A. The first criterion for eligibility will be the cut-off date. If the residency was identified through the census survey, the owner will be entitled for compensation for their loss of properties and/or assistance for livelihood stabilization. On the other hand, if a person encroached the project area after the cut-off date, they will not be entitled to compensation
- B. The second criterion for eligibility will be the legal status of those who were qualified from the first criterion. Identified PAPs are basically classified into the following categories in the donor policies:
 - Those who have formal legal rights to land (including customary and traditional rights recognized under the laws of the country);

- Those who do not have formal legal rights to land at the beginning of the census, but have a claim to such land or assets; provided that such claims are recognized under the law of the country or process identified in the resettlement plan;
- Those who have no recognizable legal right or claim to the land they are occupying.
- Although Egyptian regulations do not mention entitlement of compensation for those who do not have legal rights, such persons have been compensated in the course of operational practice if they were previously regarded as the apparent owners of the affected properties.

VII. Institutional responsibilities

National Authority for Tunnels applies law 10/ year 1990 concerning property expropriation for public benefit. In addition, there is an article of the law that covers the issue of entitlement for compensation (article 20) was interpreted by NAT as “*those who own the asset/ house/land and those who rent it* i.e. tenants, farmers who rent the lands. According to the law, the tenants have no legal right for compensation. However, NAT provides them with the needed compensation that enables them to find alternative house or shop.

According to the Law, tenants are not entitled for compensation. Based on a verdict for the Supreme Court “The rental relation between owners and tenants is terminated in case of expropriation due to not being able to apply it” The termination of renting indicates that the tenants have no legal right for compensation.

Documents are essential to verify the ownership of assets. In case of not having documents, neighbors or surrounding people might be useful to declare the ownership or tenancy of the unit. Electricity receipt, telephone bill ...etc might be useful to tell about the person who should be compensated.

For temporary loss of business, it is crucial to have Tax Record in order to know about the daily profit that will be the basis for compensation identification. However, the majority of small businesses do not keep such records. In case of not having records the valuation of daily profit will be based on estimation of the compensation committee

Regarding the institutional capacity for the project, a compensation committee is formed in the NAT to apply all compensation activities. They are responsible for:

- 1- Participating in the rapid census for affected people
- 2- Coordination with the governorates to do the census for the expropriated assets
- 3- Prepare compensation strategy for the affected groups
- 4- Pay compensation for the affected groups (compensation means monetary or in kind)
- 5- Document all the activities done under the compensation activities

This committee work closely with the governorate. The following committees are supporting the compensation activities in the governorate:

- A **committee for owners compensation**
 - Head of district
 - GM for expropriation
 - Head of state property or his representative

- Department for Housing Survey
 - Committee for those recognized as entitled for compensation
- Based on a decree from the Minister of Irrigation and Water Resources 566/ 4-12-2008 that includes the following structure:
- Members of the governorate that the project is located in
 - A member from Housing Directorate
 - A member from Agricultural Directorate
 - Headed by the Measurement Authority

VIII. The valuation of assets

According to NAT procedures the valuation of assets is based on the following

- A. The market price in the area during the year of expropriation
- B. Similar cases registered in the Department for Real Estate *El Shahr El Aqary*
- C. Based on sales requests in the Department for Real Estate *El Shahr El Aqary*
- D. The level of fertility of the land
- E. The location of land (close to the main roads- served by different utilities)
- F. Plans for the land especially urbanization plans (possibility for construction activities)
- G. The most recent expropriation activities price
- H. Committing to the value of the crops (especially unique and rare trees)

NAT does not provide any assistance to the affected people in terms of training or rehabilitation for the affected groups. That is mainly due to the provision of fair compensation that reduces any impacts resulting due to the implementation of the project. Nevertheless, regarding the compensation assistance the following procedures are adopted by NAT compensation committee:

- A. Seeking for appropriate alternatives for routes in order to reach the maximum limitation for the affected areas
 - The route in Ismail Mohamed in Zamalek district
 - The route in El Bohy Street – Imbaba district
- B. Redesigning any parts of the route that might face any potential dense expropriation
 - Redesigning the route at the end of El Matar street in Imbaba
- C. Thinking about different strategies for compensation

For example, with regards to the market in El Bohy the compensation committee thought about :

- 1) rebuilding the market in a different place, 2) rebuilding it under the metro line in the same place after the finalization of construction work. as the metro will be viaduct and pay a daily compensation for the affected people during the construction for the loss of their business

IX. Grievances

NAT has different levels of grievances regarding compensations (**not for any other impacts**) that are as follow:

For owners

- 1- The right to reject the compensation provided, grievances might be sent to the district authority, the governorate, NAT (**It is foreseen that there is no authority to hand the grievances to which necessitate the assigning of a clear entity to get grievances**)
- 2- The compensation committee has a meeting to discuss the grievance in order to raise the compensation value (**but not change the route**).
- 3- In case of not being satisfied with the committee decision, the affected person might go to court. The court decision is compulsory for the committee to abide by if the case is in the benefit of the affected person. Otherwise appropriate compensation will be paid.
- 4- All negotiations with the owners are amicably applied. The decree for expropriation is not prepared by NAT at the beginning of implementation; all amicable procedures should be applied first. Previous project affected cases reported for NAT that they are fair in compensation valuation and they always committed to pay it.
- 5- In case of issuing Expropriation Decree and the project is not implemented in two years, then it is not valid and should be renewed

For tenants

- 1- The right to reject the compensation provided, grievances might be sent to the district authority, the governorate and NAT.

The tenancy relations according to the Supreme Court are not valid in case of land acquisition. Therefore,, the legal status of the affected people among tenants is relatively not strong. In case of not accepting the compensation and the tenant wants to go to court. The verdict will be against him

X. Public disclosure

It is crucial that the PAPs and other primary stakeholders get involved in the sub-project from the very early stages, and that relevant and adequate information about the subproject and its activities is provided to them in a timely manner The stakeholder engagement plan will be the best tool to apply in order to achieve the following objectives:

- Help to identify the sub-project impacts and the affected individuals, households, and communities (especially the most vulnerable groups)
- Allow for the collection of more accurate data for the socio-economic survey
- Make the delivery of entitlement and services more transparent
- Reduce the potential for conflicts and minimize the risk of sub-project delays
- Support the formulation and design of resettlement programs and rehabilitation measures that meets the needs and priorities of the affected people

Following the preliminary introductory meeting, the PAPs will be again consulted during the process of conducting the socio-economic survey where they will be interviewed and asked to present their ideas, concerns, and preferences on issue regarding land acquisition and replacement, resettlement sites, compensation, and income restoration measures.

If the sub-project is approved, the PAPs should be involved in the actual formulation of different options for the RAP. After the finalization of the RAP it shall be publicly disclosed to all PAPs and other relevant stakeholders in a meeting and in the Egyptian Gazette.

XI. Monitoring

It was notable that no monitoring for the compensation activities is applied. However, detailed compensation documentation is done due to paying money to the PAPs. That needs documentation in order to be audited by the Central Auditing Organization However; the Compensation Committee disclose their work in the governorate.

The compensation committee is always accompanied and assisted by the Housing Directorate from the governorate, Planning Directorate, Head of District...etc. Minutes of meetings for all activities should be prepared and signed by all counterparts

CHAPTER ONE: PROJECT BACKGROUND

1.1. The Project

The European Investment Bank (EIB) and the French Development Agency (AFD) are contemplating co financing the construction of Greater Cairo Metro Line 3 - Phase 3 (Hereinafter referred to as “the Project”). Cairo is Egypt’s and Africa’s biggest city, with 18 million inhabitants in 2008 and 27 million projected for 2027. Greater Cairo hosts 20% of Egypt’s population, 40% of employment, and accounts for about 50% of the country’s GDP. The Executive Agency and owner of the construction project is the National Authority for Tunnels (NAT). After the final handover of the work, the new assets were transferred for operation and maintenance to the Egyptian Company for Metro Management and Operation (ECM).

The current Cairo metro network consists of two lines with a total length of about 65 km which carry around 2 million passengers daily. The Cairo Metro Project is part of the Ministry of Transport (MoT)’s national plans for urban transportation in the Greater Cairo Region (GCR), which started with the realization of the first two lines. It will link various districts of the wider GCR, including New Urban Communities (NUCs), with the city centre. Line 3 was identified as a priority investment to serve the main transportation corridors of Greater Cairo in the 1999 Transportation Study of Greater Cairo Region. The 2002 Transport Master Plan confirmed the necessity to implement Metro Line 3 on the route identified in the previous study, serving the Cairo Business District and being an east-west connector to the of Greater Cairo region. The construction of a fourth metro line is expected to begin next year.

The proposed project will finance the design, construction and commissioning of Greater Cairo metro Line 3 Phase 3, which is in turn divided into three sub-phases: sub-phase 3A from Attaba to KitKat Square, sub-phase 3B, from Kit-Kat Square to Rod El Farrag, and sub-phase 3C, from Kit-Kat Square to Cairo University.

The total Metro Line 3 project includes four phases, of which phases 1 and 2 are already under construction. A subsequent Phase 4 will link downtown with Cairo’s international airport to the east, outside the scope of the present project. Initially the full Phase 3 of Cairo Metro Line 3 was designed to be underground. However, the Promoter is in the process of reviewing the design of sub-phases 3B and 3C in order to decrease the civil works cost and to minimize project’s negative impacts. So far an updated draft of a feasibility study is available, in which alternative vertical alignments such as at grade and elevated designs, to be combined with underground alignments for sub-phases 3B and 3C have been selected as the preferred alternatives (sub-phase 3A remains fully underground, as initially planned).

1.2. Potential socio-economic impacts of the project

Measuring the potential socioeconomic impacts of the project is one of the main elements that contribute to an appropriate identification for the Project Affected People (PAPs). Therefore, a great deal of attention is paid to measuring the socioeconomic impacts. This project has both positive and negative impacts which might be highlighted as follows:

1.2.1. Potential positive socio-economic impacts

The potential positive socioeconomic impacts are as follow:

During construction:

- 1) Enhancement of the source of income in those living in the Ring Road due to having some information about the construction of Metro line 3. Some of them started to develop small businesses in this area (small restaurants, cafes) to serve the potential workers. Now they started to generate profit out of their small businesses.
- 2) Regarding job creation, due to the nature of such projects that does not necessarily require highly skilled workers, the workers are mainly emigrants coming from different governorates and settling in squatter areas i.e. Ring Road, some of Imbaba's areas close to the Ring Road and Boulak El Dakrour. In addition to the unskilled workers, highly skilled workers and administrative staff might work with the contractor. There are no exact figures of the number of workers but the estimated figure is more than 2000 workers of different professions, skill levels and technicalities; as well as engineers.

It is always predicted that the majority of developmental projects might result in minor positive impacts during the construction phase due to the disturbances it causes to the community.

During operation:

The first main benefit that might result and change the living conditions completely is having such type of quick, cheap, accessible and safe means of transportation that might reduce the congestion in these highly populated areas. All areas reported that the quality of transportation will be better ***"It is great ... better to save ourselves from those reckless minibuss drivers"*** reported an old female vendor in Boulak El Dakrour.

The other positive socioeconomic impact that might result during the operation is summarized as follows:

- 1- Provision of source of income for those who will operate the metro and work on permanent basis in the Metro 3. Based on rough calculations, over 1500 direct jobs will be provided. In addition to that having such type of transportation will highly encourage people to have markets near the stations such as the case with Faysal Station and Giza station phase 2.

- 2- The Reduction in traffic congestions that might also result in indirect positive impact on different sectors i.e. tourism, trade and other sectors. Not only that but the expected modal shift will also improve the mobility (access to jobs, education, commerce, etc) of the local community especially in the poor and densely populated areas. Saving time reducing the number of car accidents will be of the major will be of the major benefits of the project.
- 3- Access to basic services and utilities another main important benefit that might enhance the lives of those living in poor areas. Residents in Boulak El Dakrour and Imbaba reported that having a metro will enable them to take their children to hospitals down town easily. ***“If we have a sick child it takes us about 2 hours to reach the hospital in El Qasr El Einy due to the traffic congestion... the child might die of fever whenvain roads are congested... but if we have a metro it will take us about 25 minutes maximum”*** reported a mid-age women in El Matar street- Imbaba.
- 4- Potential change in the microbus and 'Tuk 'Tuk drivers' income was one of the main unpredictable positive impacts as it was anticipated that they might lose their source of income. Nevertheless, based on interviews conducted with them in different areas they reported that they suffer a lot due to the traffic congestion and having a metro might accelerate their flow of movement, whixh will eventually result in more rounds. consequently made them able to have more round (the microbus name one trip to and from a place is a round). In Sudan Street close to Boulak El Dakrour station, there is another metro station “El Behos” phase 2. Many microbus drivers park there to take people to Boulak El Dakrour or other areas in Mohandeseen. Accordingly, this type of business will increase due to the expansion of the line.
- 5- This will have a positive impact on the health status due to the reduction of congestion and facilitating access to different health utilities.
- 6- Reduction of traffic congestion might be one of the main benefits resulting from the expansion of the project coverage.

1.2.2. Potential mixed in nature socio-economic impacts

What is meant by the potential mixed in nature impacts is that some impacts might have a positive or a negative effect in the same area. An example os such mixed is the Ring Road are effects as they will benefit (and started now) rise in the price of lands in one of the squatter areas. During the site visit to the Ring Road the majority of people interviewed reported that the land price now reached 3000 EGP per square metre. Before knowing about the project the land price did not exceed 600 EGP. This resulted in the landowners gaining a fortune before even starting the project. They predict another increase in the prices of lands and dwellings in the area during the operation phase. This is considered as a positive impact for the land and dwelling owners. However, this makes it difficult for young couples seeking an apartment in this area to get married as the prices will shoot up high.

The second mixed in nature impact reported was in Zamalek. This is related to job creation. Many people might find it easy to have jobs in Zamalek after having the new Metro, which will make job seekers get attracted to the area. However, the residents might find it difficult to accept the congestion and the infiltration of’ ***Inappropriate social groups that might step into the area***” reported an owner of the shop there.

Regardless of enhancing health conditions due to the reduction of congestion and upgrading the health seeking behaviours, Zamalek residents reported that they might get affected with psychological disturbance and wreck nerve due to the noise that will result from the people who will eventually use the metro; especially in the station area close to Spain and Algerian embassies.

1.2.3. Potential negative socio-economic impacts

The main predicted negative impacts reported during the field survey in different project areas mainly take place during the construction phase. In order to have a clear discussion about the negative impacts, they will be presented under the following titles: 1) Assessment and description of the impacts , 2) Proposed mitigation measures 3) Cost of applying mitigation measure 4) Residual impact after applying the proposed mitigation measures

The following table includes detailed information about the potential negative impacts during the construction mainly and during the operation

Table 1: Potential negative impacts and mitigation measures

Impact	Assessment and description of the impacts	Proposed mitigation measures	Cost of applying mitigation measures	Residual imp
During the construction				
The potential change in source of income	<p>It was predicted that the source of income might be reduced temporarily due to the construction activities. Some of the categories that might be affected are as follow:</p> <ul style="list-style-type: none"> 4- Shops in Boulak Abu el Ela, Imbaba and Gameat El Dewal and Zamalek 5- Vendors in Boulak El Dakrour and Boulak Abu El Ela 6- Other economic activities i.e. clinics , medical centers that might be closed temporary by construction work 	<ul style="list-style-type: none"> 1- A clear plan should be set in order to facilitate the moving process in different areas. That plan should contain some routes or access to the different economical activities 2- In case of affecting the access to different activities, fair market price based compensation should be paid prior to the implementation of the project 3- Alternative areas should be given to vendors to work in, especially instead of Boulak Abu El Ela street vendors 	All activities are part of the activities done by the contractor and NAT, except for the compensation for the loss of access to business that will be included in the budget for compensation and involuntary resettlement	Minor if mitigation measures and site management practices are applied
Job availability	The main unfavourable impact reported was the one mentioned in Boulak Abu el Ela in the case of not having an alternative market instead of the one in active area. As well some of the expropriated shops hire old people who might not have alternative place to work in	<ul style="list-style-type: none"> 1- Another market should be prepared there for the vendors, especially if it is in the surrounding area, 2- For the old people, there should be some type of arrangement with the Social Insurance Department to provide them with a monthly financial support (especially because, they are not more than 	No budget as it part of the Governorates budget to reallocate the vendors	The old people might be the unmitigated groups due to some administration complications

Impact	Assessment and description of the impacts	Proposed mitigation measures	Cost of applying mitigation measures	Residual imp
		5-10 people)		
Access to basic services and utilities	<p>Access to basic services (water supply, electricity, health services ...etc) might be affected in the whole area during the construction phase.</p> <p>The potential utilities diversity might also work against community people causing community disruption</p>	<p>For impacts on access to services during construction phase, it is recommended to do the following:</p> <ul style="list-style-type: none"> • Minimize the areas occupied by the construction sites to a practical minimum and make sure that access to services is minimally disrupted, especially for local residents. • Proper and sufficient pedestrian crossing points, as well as carefully designing entries and exists during construction phases. • The construction plan will also arrange to conduct the construction away from the seasonal activities e.g. utilize summer vacations to complete most of the air and noise generating activities when working next to schools. 	No foreseen additional cost for mitigation measures as it is mainly based on planning for the construction site	Minor if mitigation measures and site management practices are applied
Reduction in income of microbus and Tuk Tuk drivers due to construction	In case of not managing structure waste appropriately and affecting the flow of traffic, there will be a possibility of losing income among small vehicles drivers.	1- Clear traffic alteration mapping should be prepared and published in visible area	No further cost as it is part of the contractor activities	Minor if mitigation measures and site management

Impact	Assessment and description of the impacts	Proposed mitigation measures	Cost of applying mitigation measures	Residual imp
waste accumulation and traffic flow		2- Reduction of waste after developing a plan to dispose it according to the procedures mentioned in waste mitigation measures		practices are applied
Impact on health status and health seeking behaviours	<p>The impact on health status might result from :</p> <ul style="list-style-type: none"> 5- Noise and dust 6- Potential accidents in the site, for the workers or for community people 7- Lack for health facilities 8- No access to health facilities 	<ul style="list-style-type: none"> 1- All environmental procedures should be applied to reduce dust and noise 2- The site should be surrounded by fence in order to keep community people out 3- Health and safety procedures should be followed 4- Access to health facilities should be put into consideration 	No potential additional cost	Minor if mitigation measures and site management practices are applied
Impacts on houses and dwellings due to the vibration	<p>This is one of the most severe impacts that might result due to the project, especially, because the project contains too many activities of digging</p> <p>The sever of the disturbance is relatively high in Zamalek as it is quiet area</p>	All environmental procedures should be applied to reduce the impact	No further cost as it is part of the contractor activities	Minor if mitigation measures and site management practices are applied
Potential subsidence for old dwellings	Old fragile houses are mainly in the old areas Zamalek is of the highest value of these buildings. In Boulak Abu El Ela and Boulak El Dakrour the houses are in an extremely bad condition which might result in their collapse	All environmental procedures should be applied to reduce the impact	No further cost as it is part of the contractor activities	Minor if mitigation measures and site management practices are applied

Impact	Assessment and description of the impacts	Proposed mitigation measures	Cost of applying mitigation measures	Residual imp
Impact on the political tensions	Political tension is one of the main problems that resulted after the 25 th of January Revolution. Thus, it is recommended to investigate the perception of the population towards the project. The perception was generally high except among Zamalek residents and the vendors of Boulak Abu El Ela and Boulak El Dakrour	It is recommended to apply the stakeholder engagement plan activities in order to integrate the community to be supportive to the project	No further cost as it is part of the NAT activities	Minor if mitigation measures and site management practices are applied
<i>During the Operation</i>				
Impact on health status and health seeking behaviours	There might be a possibility to affect the health status of people in Zamalek due to the noise and congestion in the station	All environmental procedures should be applied to reduce the impact	No further cost as it is part of the contractor activities	Minor if mitigation measures and site management practices are applied
Negative impacts during operation is limited.				

1.3. Impacts related to involuntary resettlement and land acquisition

Construction activities may lead to the disruption of the livelihoods, commercial activities and social services for some Project Affected People (PAPs) on different sections of the metro route. Any livelihood activity taking place within pre construction/construction area, or any roadside shops, regardless of their legal status, may need to be temporary interrupted or permanently relocated, resulting in temporary or permanent loss of income generation opportunities, need special attention. More details on PAPs will be also discussed in relevance to resettlement in a separate Resettlement Policy Framework (RPF) document.

1.3.1. Potential impacts resulted due to the Involuntary resettlement

The following are the unfavorable impacts resulting from the expropriation and resettlement activities:

- Community disturbance might be resulted due to the expropriation activities
- Changing the environment of children, particularly, schooling and other recreational places allocated for them.
- Transferring the affected people to a remote alternative might affect their business (owners of shops) or affect their living conditions.
- Applying the resettlement activities by force might cause problems with the community people, especially, after the revolution
- Loss of arable lands in the Ring Road might affect the community people.
- As well, the land there is moving rapidly into construction lands.
- The lands in the Ring Road area are rapidly going under construction. The compensation will not be addressed based on its new constructed nature but on its arable nature.
- Compensation might be of a low market price or the units provided as an alternative might be of a different social standard.

1.3.2. Assessment and description of the impacts

Resettlement and expropriation have a permanent impact that resulted due to the implementation of the project. The project will result in limited impacts that are presented in detail in Annex 7. However the following are the major land acquisitions:

- El Bohy Street would induce the higher probability of causing land acquisition and resettlement due to the station construction. The potential expropriated lands are located in the middle of street (a market and a mosque). The market contains 166 shops rented from the governorate under Right to Benefit rules
- Potential loss of income during the construction phase in El Bohy street
- Maspero will result in land acquisition for some shops and a cinema
- 28 Feddans in the Ring Road will be expropriated
- A parking area close to Dar El Qadaa will be also expropriated
- (Detailed expropriation maps and information will be added)



Photo 1: El Bohy market



Photo 2: Lands in the Ring Road



Photo 3: Cinema in Maspero



Photo 4: Parking area close to Dar El Qadaa

Based on the entitlement characteristics, any one that might be affected due to expropriation should be compensated. Those who might be compensated can be summarized as follow:

- 1- Owners (lands- houses- movable assets...)
- 2- Commercial owners who lost their source of income temporarily during the construction. For example, a shop that will be obstructed by the fence of the construction area.
- 3- The tenants of the lands, shops or houses

1.4. Vulnerable groups

The SESIA team managed to define a multi-level analysis for vulnerability using the SLA. For instance, people living in poverty are not identified as vulnerable in the case of having alternative sources of living (education, manpower, supportive laws...etc)

The project will result in the following vulnerabilities based on different impacts result:

a. Vulnerable groups resulted due to the land acquisition activities

- 1- Affected people who rent apartments or shops who are not eligible for appropriate compensation might find difficulty in getting an alternative house or shop, in case of being pensioner with limited source of income, they will not be able to recover from the project impacts,

- 2- Affected people due to the expropriation of their shops in Boulak Abo El Ela commercial areas will find it difficult to have another source of income, particularly, if the compensation is too limited to purchase another unit in a similar commercial area.
- 3- People living in the Ring Road, particularly who have no legal right for compensation of their lands. The vulnerability might be high in case they can't prove that they are entitled for compensation, this group is defined by the NAT as “*Those who have the right for compensation*”
- 4- Students who are enrolled in schools close to their houses in Imbaba will be relocated in different areas. Their vulnerability might be high if they have no means of transportation or if they are handicapped.

b. Vulnerable groups resulted due to the effect on the socioeconomic

As the project might result some unfavorable economical impacts during the construction and operational phase. The potential loss of economy might result due to the construction process as many areas will be closed, particularly, the commercial areas. The vulnerable groups might be summarized as follows:

- 1- Poor elderly workers who work in the shops with no insurance coverage and no health care, discharged during the construction in case of any negative effect to the shops. They will not be entitled for compensation as they are not covered by any legal right for health care or insurance. In addition to that being too old will not make them acceptable to be hired by other shopkeepers,
- 2- Vendors who work in the project areas who can't work in other areas due to the distance or due to not having another area to sell their goods in i.e. the vendors in 26th of July street,
- 3- The widowed women who raise their children with no other source of income except selling goods in the streets, which will be blocked due to the construction. Their vulnerability will be relatively high in case of not being covered by any social insurance,
- 4- Female headed families in El Bohy market that will be demolished. In in case of not having an alternative place to work; their families will be in terribly vulnerable situation,
- 5- During the construction process the green areas in Gameat el Dewal El Arabia Street will be removed. This garden became the place for vendors (tea- snacks ...etc) to earn a living. They are mainly among poor people who rely upon a daily wage. Nevertheless, the effect on their source of income will not be compensated for.

c. Vulnerable groups resulted due to accumulation of wastes

- 1- Accumulation of wastes in the sites might result in many hazards on the surrounding communities. The hazardous effect will be high among those who are in a bad health condition, particularly, if they are of poor living conditions and uncovered with medical insurance umbrella ,
- 2- Accumulated wastes might result in disturbance to communities in case of preventing people from accessing different services. In case of having a critical

service i.e. pharmacy, medical service, bakery.... etc. that might be a big burden to different communities, particularly, old people, handicapped and children,

- 3- Accumulating wastes around restaurants might make people unwilling to go inside the restaurants, especially in case of having flies and smelly wastes; which will definitely the owners of restaurants.

d. Vulnerable groups resulted due to the air quality and dust

- 1- Allergic people who live in poor conditions will be the most affected groups. Especially, if they are not covered by medical insurance,
- 2- Young children who are allergic to dust might suffer due to the implementation of the project, especially, if they are of poor families who can't afford paying for their medical treatment

e. Vulnerable groups resulting from noise and vibration

- 1- Those are mainly the people who live in Zamalek as the level of noise in the other areas goes beyond that resulting from the metro. The vulnerability of these groups might be high if they are old people who were never used to such noise. Additionally, Noise might affect their nerve system.
- 2- Vibration of the metro during the operation might have a destructive impact on the areas, particularly, Zamalek, Boulak Abo el Ela and Boulak El Dakrour. Affected people might suffer terribly in case of any subsidies resulting from the dwellings. They will not be compensated easily. Therefore, they might be homeless for a period of time. This might lead them to suffer rough conditions

f. Vulnerable groups resulted due to the biodiversity and nature

- 1- Affecting biodiversity might result in a destructive conditions for the nature in Zamalek and the land in the ring road. Affecting green areas in Zamalek will make people disturbed but it will not subject them to a vulnerability condition. However, those who live in the ring road area might be affected due to the impact on their lands as previously mentioned in the socioeconomic vulnerability section. They are not entitled for compensation. However, they want to be compensated for their agricultural lands with the pricing of construction land which will result in disputes with the compensation committee; that will probably not be solved amicably

g. Vulnerable groups resulted due to the effect on the utilities

- 1- Affecting the utilities might result in a certain type of vulnerability especially among older people (who can't get water in case of affecting the water supply)
- 2- Affecting some activities like clinics and medical centers might affect the lives of patients during operations due to the need of water supply and electricity)

h. Vulnerable groups resulted due to the effect on the traffic flow

- 1- Traffic flow might be a problem to older people or to females, especially, if the streets are completely clogged. Old people will not have access to the means of transportation,

- 2- People mostly affected due to the traffic disturbance are white taxi drivers, Tuk Tuk drivers and microbus drivers who rely on their daily income. They have no alternative source of income. These groups are not compensated. Furthermore, their condition might be worse if they have to pay installments. They might not be able to pay for it.
- 3- In case of traffic jam during the transportation of patients to a health facility in the area might affect the lives of severe conditioned patients. Especially if they do not have access to other nearby health facilities.

i. Vulnerable groups resulted due to the effect health and safety

Children, elder people and those who suffer due to any accidents or health problems resulting from the project, including laborers, are not entitled to receive any compensation or additional services. They will be considered as vulnerable in case of being of poor conditions, facing a severe health problem resulting from the project, or if they are not covered by any type of medical insurance or they suffer due to poor medical insurance.

1.5. Compensation to PAPs

NAT is well-known for using a transparent and fair compensations scheme as part of their projects. Due to their long experience (started in 1986) and the fact that most of their projects require the acquisition of privately owned land, they got used to adopting socially-sensitive approaches that understand the importance of land and assets to the owner/users. Their approach includes transparent sharing of information, community participation and inclusion of various categories of the community and giving higher priorities to the interests of local communities as much as they can. As an indication of that, during the site visit that was conducted in different areas, people were not reluctant to give their lands to the Metro as they are famous for their good reputation regarding compensation and relocation. However, only in one case in Abassia people were completely against the Metro line.

Their compensation schemes are built according to their internal policies and regulations as well as the countries' policies which will be explored below. The Company's policies puts in consideration the following elements during the compensation:

- I. The market price in the area during the year of expropriation
- J. Similar cases registered in the Department for Real Estate *El Shahr El Aqary*
- K. Based on sales requests in the Department for Real Estate *El Shahr El Aqary*
- L. The level of fertility of the land
- M. The location of land (close to the main roads- served by different utilities)
- N. Plans for the land especially urbanization plans (possibility for construction activities)
- O. The most recent expropriation activities price
- P. Committing to the value of the crops (especially unique and rare trees)

According to both NAT policy and OP 4.12 of the World Bank, the compensation to PAPs should be paid before actual physical intervention or the expropriation of land or crops taking place against the signed contracts.

Regarding the institutional capacity for the compensation activities, a compensation committee is formed in the NAT to apply all compensation activities. They are responsible for:

- 6- Participating in the rapid census for affected people
- 7- Coordinating with the governorates to do the census for the expropriated assets
- 8- Preparing the compensation strategy for the affected groups
- 9- Paying the compensation for the affected groups (compensation means monetary or in kind)
- 10- Documenting all the activities done under the compensation activities

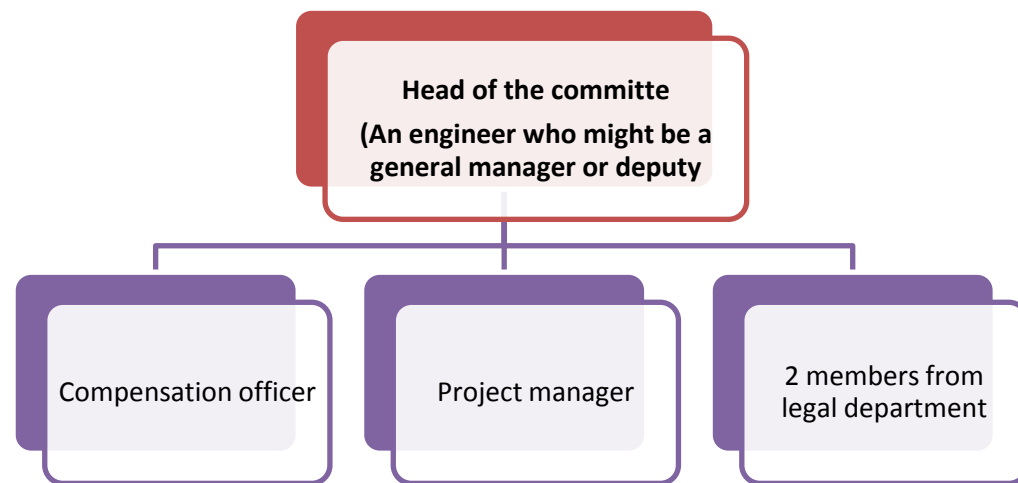


Figure: NAT compensation committee

This committee works closely with the governorate. The following committees are supporting the compensation activities in the governorate:

- ***A committee for owners compensation***
 - Head of district
 - GM for expropriation
 - Head of state property or his representative
 - Department for Housing Survey
- ***A Committee for those recognized as entitled for compensation***

Based on a decree from the Minister of Irrigation and Water Resources 566/4-12-2008 that includes the following structure:

 - Members from the governorate that the project is located in
 - A member from Housing Directorate
 - A member from Agricultural Directorate
 - Headed by the Measurement Authority

CHAPTER TWO: RPF PURPOSE AND OBJECTIVES

2.1 The Resettlement Policy Framework

It is a widely accepted fact, if the impacts of the project left unmitigated, involuntary resettlement under development projects may give rise to economic, social and environmental risks. The purpose of the Resettlement Policy Framework (RPF) is to address any cases of involuntary resettlement that may arise, as well as to clarify the organizational arrangements that may be needed during different phases of the project preparation and implementation phases.

This includes compensating all Project Affected Persons (PAPs) for the loss of lands, properties, and livelihoods resulting from displacement and resettlement, as well as assisting these people in relocation and rehabilitation. The RPF may be triggered whenever any of the project's activities entail the acquisition of land and / or the displacement of people, causing the loss of land, property, assets, access (to land, property, and assets), income, or sources of livelihood.

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

2.2 Objectives of the RPF

The objectives of this framework correspond to those of the World Bank's policy on involuntary Resettlement, namely:

- To avoid or minimize (whenever possible) involuntary resettlement and land acquisition through design efforts.
- If involuntary resettlement and land acquisition is unavoidable, to execute resettlement and compensation activities as sustainable development programs, whereby sufficient investment resources are provided to give the Project Affected Persons an opportunity to share in project benefits. Displaced and compensated persons shall be meaningfully consulted and given opportunities to participate in planning and implementing Resettlement Action Plan (RAP)s.
- To assist Project Affected Persons in their efforts to improve their livelihoods and standard of living or at least to restore them to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher.

Since the EIB and the World Bank requirements necessitate the preparation of an RPF for such cases, OP 4.12 on Involuntary Resettlement is triggered. A resettlement Policy Framework (RPF) will be the instrument implement should this issue arise. Since the

nature and extent of land acquisition/resettlement within the various projects is unknown at the time of appraisal, the key purpose of the RPF is to establish resettlement objectives, principles, organizational arrangements and mechanisms for any resettlement activities that may or may be necessary as a result of project activities. When the exact extent of land acquisition becomes known during the implementation phase, site specific Resettlement Action Plan (RAP)s or abbreviated Resettlement Plan (ARPs) will be prepared, depending on the scale and severity of impacts. The resettlement process should be finalized prior to the commencement of any physical works.

2.3 RPF Preparation

The RPF has been prepared by conducting several consultation activities with concerned Governmental departments, PAPs, neighboring communities and NAT. The preparation of the RPF is also based on the experience of NAT in other similar projects. The discussion with the concerned bodies included information about the Egyptian Laws, views on the application methods and timing of execution. Moreover, as part of the preparation of the ESIA and the RPF, public consultations were planned with the objectives of sharing the study's findings and get the feedbacks and comments of the concerned stakeholders.

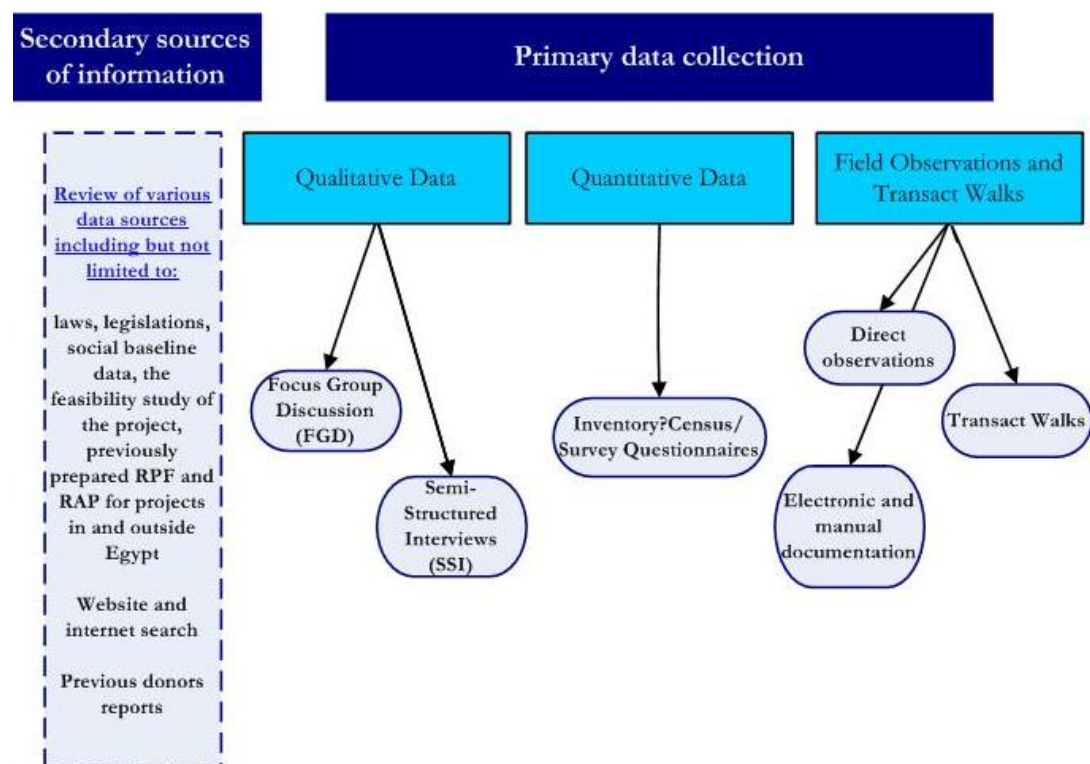


Figure 1 Summary for the tools used to prepare the Resettlement Policy Framework

CHATER THREE: LEGISLATIVE FRAMEWORK FOR RESETTLEMENT IN EGYPT

Resettlement and land acquisition issues under the proposed Project will be addressed under the guidance of the laws governing the Arab Republic of Egypt to this regard, EIB guidelines and the World Bank's OP 4.12. The RPF represents the reference to be used in managing land acquisition issues and addressing the involuntary resettlement and displacement of people related to WB financed projects. NAT be committed to complying with the national and WB laws and policies and to any future amendments to them. This chapter will discuss in detail the Egyptian legal framework

3.1. Institutional Arrangements

Property expropriation and compensation in Egypt is initiated and executed at central, local and, stakeholders levels. On the central level, the governmental agency in charge of the implementation of the expropriation acts issued for public interest is the Egyptian General Authority for Land Survey ("ESA"), except for projects handled by other entities pursuant to a law to be issued in this respect. ESA is charged with the formation of the expropriation and compensation committees.

Usually the executing body will be the concerned Ministry or Governorate. Accordingly, this executing agency would be responsible for paying the compensation to affected groups through ESA or under its supervision, offering alternative resettlement options, and implementing the resettlement project.

On the local level, several local departments and directorates are involved in the resettlement program which includes:

- **Directorate of Housing and Infrastructure**, this department is to be responsible for setting the alternative resettlement options for the affected group and participate in all operational procedures concerning defining compensation and setting improvement actions within informal settlements.
- **Department of Physical Planning**, this department is to be responsible for preparing the detailed plans for areas subjected to resettlement and provide all detailed maps and documents required to define the affected groups (e.g., roads right-of-ways, Set-backs,..)
- **Department of Amlak**, is to be responsible for providing all required documents for ownerships or tenure status within the affected areas with all attached historical documents for those properties that show the different transactions of the properties.
- **Department of Land Surveying**, is the main responsible body for defining the size, area and locations of different ownerships to be affected by the resettlement. It is also responsible for defining the compensation mechanisms and values in cooperation with ESA and other relevant local bodies.

- **Department of Social Affairs**, is to be responsible for conducting all field surveys required to define the affected groups, their socio-economic status, affordability level, their preference against different resettlement options and compensations mechanisms. Another major role to be played by this department is to mitigate the negative impact of resettlement whether during or after resettlement, through preparing rehabilitation programs for those affected group, and monitoring the impact of the process.
- **Department of Legal Affairs**, to deal with legal issues related to tenure and ownerships and resolve dispute between different involved parties
- **Head of Local Governorate Units (LGUs)** where the resettlement project takes place, to manage the overall project
- **Agricultural Associations**, they represent the Ministry of Agriculture on the villages level and they are the bodies in charge of assessing the compensation values related to the temporary or permanent acquisition of agriculture land and the compensation for crops and trees.
- **On the stakeholders level**, the relevant NGOs, CBOs and elected councils together with PAPs play crucial roles in ensuring that the participatory decision making, planning, implementation and monitoring process is inclusive and transparent.

3.2. Government of Egypt Relevant Legislation

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

Table 2: Summary of national regulations related to socio-economic environment

Title of legislation	Summary and how this legislation applies to this project	Year
EEAA guidelines related to the Public Consultation		
Law 4/1994 on Environmental Protection	<p>Consultation of the community people and concerned parties with the needed information about the project. All stakeholders should be invited . Paragraph 6.4.3 from Law 4/1994 on Environmental Protection provides detailed information on the scope of public consultation, methodology and documentation</p> <p>Paragraph 6.4.3 Requirements for Public Consultation</p> <ul style="list-style-type: none"> • Paragraph 6.4.3.1 Scope of Public Consultation • Paragraph 6.4.3.2 Methodology of Public Consultation • Paragraph 6.4.3.3 Documentation of the Consultation 	1994

Title of legislation	Summary and how this legislation applies to this project	Year
	<p>Results</p> <ul style="list-style-type: none"> • Paragraph 7 Requirement and Scope of the Public Disclosure 	
Land acquisition and involuntary resettlement		
Law 10/1990	<p>On Property Expropriation for Public Benefit identifies transportation projects as public benefit activities. It describes acquisition procedures as follows:</p> <ol style="list-style-type: none"> 1. The procedures start with the declaration of public interest pursuant to the presidential decree accompanied with memorandum on the required project and the complete plan for the project and its structures (Law 59/1979 & Law 3/1982 provided that the Prime Minister issues the decree); 2. The decree and the accompanying memorandum must be published in the official newspapers; • A copy for the public is placed in the main offices of the concerned local Government unit. <p>This law has specified, through Article 6, the members of the Compensation Assessment Commission. The commission is made at the Governorate level, and consisting of a delegate from the concerned Ministry's Surveying Body (as President), a delegate from the Agricultural Directorate, a delegate from the Housing and Utilities Directorate, and a delegate from the Real Estate Taxes Directorate in the Governorate. The compensation shall be estimated according to the prevailing market prices at the time of the issuance of the Decree for Expropriation.</p>	1990
Law 577/1954	Law 577/54 , which was later amended by Law 252/60 and Law 13/162, and establishes the provisions pertaining to the expropriation of real estate property for public benefit and improvement.	1954
Law 27/ 1956	<p>Law No. 27 of 1956, which stipulates the provisions for expropriation of districts for re-planning, upgrading, and improvement, and the amended and comprehensive Law No.10 of 1990 on the expropriation of real estate for public interest.</p> <p>The first article of Law No. 27 of 1956 allows for the expropriation of districts for their improvement, upgrading, re-planning, and reconstruction. Article 24 of Law 577/54 also stipulates that in case only partial expropriation of real estate property is required, and the remaining un-expropriated part will not be of benefit to the owner; the owner shall be given the right to submit a request within 30 days (beginning from the date of final disclosure of the list of the expropriated property) for the</p>	1956

Title of legislation	Summary and how this legislation applies to this project	Year
	<p>purchase of the entire area.</p> <p>It should be noted, that the new law has not restricted the right to request the purchase of the remaining un-expropriated portion of real estate whether it is a building or land.</p>	
<p>Egyptian Constitution (That was cancelled after the 25th of January Revolution but main issues related to private ownership was included in the new constitution declaration 2011)</p>	<p>The Constitution Chapter Two Part One: Social and Moral components</p> <p>The State shall guarantee equality of opportunity to all Egyptians and coordination between woman's duties towards her family and her work in the society, considering her equal to man in the political, social, cultural and economic spheres without detriment to the rules of Islamic jurisprudence</p>	
	<p>The Constitution Chapter Two: Economical components Article 29</p> <p>States that ownership subject to the control of people is protected by the State, and is divided into three types: public, co-operative and private property.</p>	1971
	<p>The Constitution Chapter Two: Economical components Article 34</p> <p>Declared that "Private ownership shall be safeguarded and may not be placed under sequestration except in the cases defined by law and in accordance with a judicial decision." Acquisition can only be exercised with respect to real property belonging to persons (individuals or corporation) or to State private property. State public property may not be expropriated; rather concerned administrative parties would agree with respect to such property either by divesting the property in question of its public characterization or by re-appropriating the said property to another public use or entity.</p>	1971
	<p>The Constitution Chapter Three: Public Freedoms, Rights and Duties Article 40</p> <p>All citizens are equal before the law. They have equal public rights and duties without discrimination due to sex, ethnic origin, language, religion or creed.</p>	1971
	<p>The Constitution Chapter Three, Public Freedoms, Rights and Duties Article 50</p>	1971

Title of legislation	Summary and how this legislation applies to this project	Year
	Specifies that no citizen shall be prohibited from residing in any place or be forced to reside in a particular place except in cases defined by law.	
	The Constitution Chapter Three, Public Freedoms, Rights and Duties Article 63 Specifies that every individual shall have the right to address public authorities.	1971
Constitutional Declaration 30th of March 2011	Constitutional Declaration Article 6 Public ownership is prohibited , It is the duty of every citizen to protect and support it in accordance with the law, private property is inviolable and may not be placed under sequestration except in circumstances prescribed by law and by virtue of a judicial, not be expropriated except for the public benefit and against compensation in accordance with law and the right of inheritance shall be guaranteed.	2011
Civil code 131/1948	Articles 802-805 recognizes private ownership right. <ul style="list-style-type: none"> • Article 802 states that the owner, pursuant to the Law, has the sole right of using and/or disposing his property. • Article 803 defines what is meant by land property • Article 805 states that no one may be deprived of his property except in cases prescribed by Law and would take place with an equitable compensation. 	1948
<i>Protection of communities Human Rights Laws</i>		
Law no. 94/2003	On establishing the National Council for Human Rights (NCHR) aims to promote, ensure respect, set values, raise awareness and ensure observance of human rights At the forefront of these rights and freedoms are the right to life and security of individuals, freedom of belief and expression, the right to private property, the right to resort to courts of law, and the right to fair investigation and trial when charged with an offence. This Constitution came into force after a public referendum on 11 September 1971 and was amended on 22 May 1980 to introduce the Shoura Council and the press.	2003
<i>Physical Planning Laws</i>		
Law no. 3/1982	Physical Planning Law (Law3/1982) Sixth chapter: Concerning District Renewal (this also applies for slums' redevelopment or resettlement projects) has obliged the concerned local body entitled to renewal to first plan and prepare the proposed relocation sites where the occupants of the original area under renewal or redevelopment, would be resettled. The concerned local body should first prepare these relocation sites to be suitable for housing and proceeding different activities of the relocates prior to their transfer to the	1982

Title of legislation	Summary and how this legislation applies to this project	Year
	<p>new site.</p> <p>Article 40 of this law stated that it is not allowed to commence with the resettlement before at least one month from officially notifying the PAPs with their new destination. Any occupant, who would be subjected to the resettlement and receives a new housing unit, has the right to complain of its unsuitability within 15 days of receiving the notification to a specialized committee formulated by the concerned governor. The committee should reach its decision concerning the complaint within a maximum one month period. However, the right to complaint does not include the location of the new resettlement site, rather it is only limited to the unit itself.</p> <p>The Law allows compensation by: (i) taking the value of the property; or (ii) postponing the taking of such value in full or in part until all or part of the area in question is sold.</p> <p>Article 47 authorized the concerned Governor to formulate compensation committee.</p>	

3.3. Property Rights within the Egyptian Constitution

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

The Egyptian Constitution recognizes three main types of ownership. Article 29 of the 1971 Constitution provides that “Ownership shall be under the supervision of the people and the protection of the State.

There are three kinds of ownership: public ownership, co-operative ownership and private ownership”.

In accordance with Article 34 of the Constitution: “Private ownership shall be safeguarded and may not be placed under sequestration except in the cases defined by law and in accordance with a judicial decision. It may not be expropriated except for the general good and against a fair compensation as defined by law. The right of inheritance shall be guaranteed in it.” According to this article, it is understood that procedures for private property expropriation are considered to be exceptional. The competent jurisdiction shall be entitled to take cognizance of the lawsuits raised by individuals against the administration for appropriate compensations.

It should be noted, however, that during the preparation of this RPF in April 2011, Egypt is passing a transition period after 25 January Revolution. This period involved a preparatory period for the production of a new constitution of the country since the

enforcement of the mentioned Constitution was weakened due to several political reasons. It is anticipated that the new constitutional articles will pay the due attention to protecting the rights of private property.

3.4. Land Tenure and Related Laws to Land and Structures Expropriation

There are three main forms of land ownership in Egypt:

Land ownership type	
Public or State land¹	(in Arabic <i>Amlak Amirya</i>), which is divided into the State's public domain that cannot be alienated and the State's private domain, which can be alienated generally through sale, lease, <i>Takhsiss</i> (i.e. transfer of ownership conditional on meeting certain criteria, such as keeping the land use unchanged and paying the remaining installments of the land price) or through <i>Haq Intifaa</i> ,
Private land	(in Arabic <i>Mulk horr</i>), which may be alienated/transferred freely
Endowment land	<i>Waqf</i> land (land held as a trust/endowment for religious or charitable purposes), which is often subject to covenants on transfer or use, and which is typically transferred through leasehold or usufruct.
Customary rights	there are some areas in Sinai and in the northern coast with implicitly recognized to land (<i>Urfi</i>) to the benefit of Bedouins. In these areas, someone wishing to acquire land often has to make two payments, first to the Bedouin claimant(s) for the right of use and then to the State to regularize and register their land tenure/ownership and be able to obtain services.

It is important to note that the Civil Code (No. 131 of 1948) recognizes *Hijaza* (i.e. possession of immovable/movable property without ownership) as a legitimate channel to acquire ownership of the property in question through adverse possession, provided that the *Hijaza* has been “peaceful, unchallenged and uninterrupted” for a period of 15 years². By Law, ownership through adverse possession does not, however, apply to State lands.

¹ The large majority of land in Egypt is public or State-owned desert land that is for the most part undeveloped (estimated to be 90-95% of the national territory).

² The Ministry of Local Administration estimates that 15.7 million Egyptians (22.3% of the population) live in 1,105 informal or squatter settlements, called *ashwa'iyat*, including unlawful urbanization of agricultural lands, unplanned/ unauthorized land subdivisions, and squatting on public or privately owned lands.

3.5. Egyptian Civil Code

Within the framework of the Constitution, *the Civil Code, in articles 802-805 concerning private property*, has recognized the private ownership right. Article 802 has stated that the owner, pursuant to the law, has the sole right of using and/or disposing his property. In Article 803, land ownership has been defined as land with all things above and below it and pursuant to the law, the property of the surface may be separated from the property of what is above or below it. Then, Article 805 provides that “No one may be deprived of his property except in cases prescribed by law and this would take place with an equitable compensation.”

3.6. Administrative Authority’s Decision Making Responsibilities

Main relevant laws governing expropriation and consequent compensation procedures include:

- **Physical Planning Law (Law3/1982)**

Law No. 3, 1982 for Physical Planning, in its Sixth chapter concerning District Renewal (this also applies for slums' redevelopment or resettlement projects) has obliged the concerned local body entitled to renewal to first plan and prepare the proposed relocation sites where the occupants of the original area under renewal or redevelopment, would be resettled. The concerned local body should first prepare these relocation sites to be suitable for housing and proceeding different activities of the relocates prior to their transfer to the new site.

Article 40 of this law stated that it is not allowed to commence with the resettlement before at least one month from officially notifying the PAPs with their new destination. Any occupant, who would be subjected to the resettlement and receives a new housing unit, has the right to complain of its unsuitability within 15 days of receiving the notification to a specialized committee formulated by the concerned governor. The committee should reach its decision concerning the complaint within a maximum one month period. However, the right to complaint does not include the location of the new resettlement site, rather it is only limited to the unit itself.

Law 3/1982 allows compensation by: (i) taking the value of the property; or (ii) postponing the taking of such value in full or in part until all or part of the area in question is sold.

Article 47 of Law 3, 1982 authorized the concerned Governor to formulate compensation committee.

In addition:

- Law 3 of 1982: added to the foregoing list acts aiming at the establishment of green areas and public parking.
- Prime Ministerial Decree No. 160 of 1991 : added to the list the establishment of governmental educational buildings

- Prime Ministerial Decree No. 2166 of 1994: added fishery farms established by ministries, governmental departments, local government units, and public authorities.
- Law 577/54, which was later amended by Law 252/60 and Law 13/62, lays down the provisions pertaining to the expropriation of real estate property for public benefit and improvement.
- Law No. 27 of 1956, which stipulates the provisions for expropriation of districts for re-planning, upgrading, and improvement, and the amended and comprehensive
- Law No.10 of 1990 on the expropriation of real estate for public interest.

3.7. Expropriation of Ownership for Public Interest (Law 10/1990)

Although, the constitution prohibits the expropriation of private property except for public interest against compensation determined pursuant to the law, Law 10 of 1990 concerning the Expropriation of Ownership for Public Interest was issued to reflect this constitutional mandate. In addition, expropriation of property is further regulated by Law 59 of 1979 concerning the Establishment of New Urban Communities and Law 3 of 1982 concerning Urban Planning.

The term **“public interest”** in the context of expropriation has been defined in Article 2 of Law 10/1990. The Article specifies the acts that are considered for public interest. These include:

- * Constructing, widening, improving, or extending roads, streets, or squares, or the construction of new districts.
- * Water supply and sewage projects, irrigation and drainages projects.
- * Energy projects.
- * Construction or improvement of bridges, cross roads for railway and tunnels
- * Transportation and telecommunication projects.
- * Urban planning purposes and improvements to public utilities.
- * Other acts considered as acts for public interests mentioned in other laws.

Article 2 of law 10, 1990, further delegates the Cabinet of Ministers to add other acts to the foregoing lists. Expropriation may not be limited to those land or buildings directly subjected to the previous acts but it could includes also any other neighboring properties that are deemed useful for the acts.

The law further stated that expropriation can be exercised only with respect to:

- Real property and not movable property. The term real property means, “Anything that is fixed in its space affirmed therein, which may not be moved without being damaged.” Accordingly, real property includes only land (whether agricultural or vacant, whether in urban or rural areas) and buildings above this land.
- Real property belonging to private persons (individuals or corporate) or to State private property.
- State public property may not be expropriated; rather the concerned administrative parties would enter into an agreement with respect to such property either by divesting the property in question from its public characterization or by re-appropriating the said property to another public use or entity.

According to Article 3 of the Executive Regulation of Law 10, a committee will be formed to determine the properties required for the public interest.

Article 6 of Law 10/1990, requires the Minister of Public Works and Water Resources to form a Committee within each governorate to be charged with the determination of compensation.

Article (20) of Law 10/1990 requires compensation to be determined on the basis of prevailing prices at the date of issuance of the expropriation decree.

- Law No. 63 of 1974 concerning safe distances on both sides of transmission lines and prohibited areas around transformers and electrical equipment according to their voltage levels.

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

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

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

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

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

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

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

This law was promulgated when the Egyptian Public Entity for Survey, one of the subsidiary departments for the Ministry of Water Resources and Irrigation, was the competent authority for performing the expropriation procedures. It is required that the Entity allocate the compensations values in its budget. The new amendment of this law states that the authority requesting the property expropriation shall be responsible for the payment of compensation value and in representing itself in legal litigations before the jurisdiction.

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

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

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

3.8. Legal and Administrative Procedures for Transfer of Ownership and Compensation

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

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

Enclosed with the decree is:

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

The steps for ownership transfer are highlighted below:

1. Preparation of a census of all property: The census shall be performed by commissions which consist of a delegate of the entity commissioned to perform the expropriation (i.e. the Governorate, Ministry of Agriculture, etc.) and one of the local officials from the Governorate. A registered notice shall be sent to notify the concerned person. All owners and those with rights or entitlements to the expropriated property shall meet up with the commission in the project area during the census process in order to guide the commission members with regards to their property rights. The commission shall report the minutes of the procedures, which shall include all property and their owner names and addresses. The members of the commission and the owners shall sign the census report. If anyone refuses to sign, this will be noted in the minutes of the session by justifying the reason for refusal. Entering the expropriated properties from then on shall be subject to the notification of the concerned person.
2. Preparation of statements and evacuation warnings: The expropriating entity shall prepare statements with the number and types of property that shall be expropriated, their size, location, owner's names and addresses, and compensation values (as per the census report). These statements shall be published in an official newspaper. The owners and tenants shall be warned that they must evacuate the property within a period of maximum 5 months. The owners shall be given a period of 30 days (from the date of submission of the statements) to present their complaints or grievances regarding the data in the statement. If the complaints were not submitted during this 30-day period, the data included in the statements shall be considered conclusive and shall not be

subject to any litigation or claim, and in this case the compensation amounts indicated in the statements shall be sent to the identified owners.

3. Transfer of ownership: For those owners with no complains or contestations, the transfer of ownership is simply made by having them sign specific forms for ownership transfer. For property which the owners have not signed the proper forms, the competent minister shall emanate a decision to expropriate the property. The forms and the Ministerial decrees shall then be deposited in the relevant Notary Office. This deposit regarding the real estate shall generate the effects caused by the declaration of the sale contract. According to it, the property shall be transferred to the administrative authority that expropriates the property, and the rights incumbent on the real estate shall be transferred to the compensation amounts.
4. Compensation assessment: Property expropriation shall only be made against a fair compensation in accordance to constitutional provisions. The legislator has put forth some principles which should be taken into consideration with regards to compensation assessment:
 - a. The compensation assessment for property expropriation shall not include structures, plants / crops, improvements / additions, or tenant agreements if it has been proved that the aforementioned acts were performed in order to acquire higher compensation. The legislator has provisioned that every act taken to this regard, after the publication of the decision for expropriation for public benefit in the official newspaper, shall be considered as an act performed for increasing the compensation value. Accordingly, these acts should be ruled out in the assessment of the compensation amount (Article 25: Law No. 577 of 1954, and Article 7: *Law No. 27 of 1956*).
 - b. If the compensation amount for the un-expropriated part, in projects other than urban planning, increases or decreases (due to activities causing general public benefit), the increase or decrease in amount should be taken into consideration so that the amount to be added or reduced shall not exceed 50% of the compensation value of the expropriated property (Article 19: *Law No. 577 of 1954*).
 - c. If the value of the property subject to expropriation for the upgrading or re-planning of districts /cities is increased as a result of the implementation of a public benefit project, the increase in value shall not be calculated in the compensation assessment if the property expropriation is performed within 5 years from the date of implementation in the previous project (*Article 20: Law No. 477 of 1954*).
 - d. For real estate subject to improvement due to public benefit works (district/city re-planning and upgrading projects), the owners shall be obliged to pay for the improvements, provided that the payment does not exceed 50% of the actual expenses for establishing or expanding the street or square which resulted in the improvement. This provision shall also be applicable if only part of the property within the district/city re-planning/upgrading projects is expropriated, and the authority in charge has deemed that that keeping part of the real estate by the owner does not conflict with the purpose of the intended project. The assessment of the aforementioned charges made by the authority in charge of organizing affairs shall not be subject to any appeal (*Law No. 577 of 1954*).

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

3.9. Disputes

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

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

3.10. Temporary Expropriation of Real Estate

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

Summarized below are the legal provisions for particular cases:

1. Occupation of Real Estate Property Prior to Expropriation: If the administration resorts to interim or temporary occupation of privately owned real estate, the time frame should be identified. However, if the temporary occupation is conclusive, the administration shall resort to the regular expropriation procedures (mentioned above). In order to save time, the new legislation has allowed the administration to occupy prior to the completion of the expropriation procedures (*Article 16: Law No. 577 of 1954*). According to the amendment of Law No. 252 of 1960, "except in emergencies and hasty cases that require the occupation of real estate to perform necessary preparation works, upgrading, and other work, temporary occupation of real estate for public benefit is

subject to a Presidential Decree (to be published in an official newspaper). The legislator has included some provisions guiding this case:

- a. The administration cannot resort to this before the issuance of the decision that the expropriation of this specific property is considered to be of public benefit.
- b. The real estate owner has the right to compensation for not being able to get access or use his / her property, starting from the date of actual occupation until the payment of the due compensation as a result of the property expropriation.
- c. The owner of the real estate has the right to dispute / contest the value of the assessed compensation, for preventing him/ her from using or gaining access to his / her property, through the same process for grievance redress on the assessed compensation for property expropriation. In this case, it will not be allowed to remove any structures or buildings (which have been occupied) until the re-estimation of value has been conclusively made.
- d. In the case of expropriation of districts, the property and buildings will not be expropriated until alternative dwellings have been provided for those who lost their homes.
- e. Temporary Occupation: If the administration needs to manage a real estate for an interim / temporary period that does not justify the expropriation of the property, and accordingly the administration takes over only the management while the ownership remains with its official owner.

Summarized below are the legal provisions for two particular cases:

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

expropriated and the administration shall be responsible for returning the property to the owner in its original status, at the time of occupation, along with compensation for any of spoilage or decrease in its value.

3.11. Expropriation Procedures

According to the Law 10, 1990 the expropriation procedures involves (i) declaration of public interest pursuant to a Presidential Decree accompanied with a memorandum on the required project and a complete plan for the project and its buildings (*Law 59/1979 and Law 3/1982 provide that the Prime Minister issues the decree*) and, (ii) the decree and the accompanying memorandum must be published in the Official Gazette. A copy for the public is placed in the main offices of the concerned local government unit. Based on these procedures, the operational steps go as follows:

1. The entity requesting the expropriation of the ownership of a real property for public interest ("Expropriating Entity") submits a memorandum with the request to the President or the Prime Minister (if a delegation of authority by the President is granted). The Egyptian General Authority for Land Survey ("ESA") has been defined as the Expropriation Entity, except for projects handled by other entities pursuant to a law to be issued in this respect.
2. The memorandum would explain the reasons for the request, stating the compensation to be offered to the concerned owner of the property, together with evidence that the compensation amount has been issued in the form a bank check in favor of Egyptian General Authority for Land Survey "ESA.
3. The compensation is usually determined in accordance to the prevailing price for land surrounding the expropriated land (the market price). These prices are taken from recorded contracts in the Real Estate & Authentication Offices. However, usually this entails a crucial problem that always faces such expropriation projects, as these prices are, in most cases, not real, since the parties to the contracts usually state lower prices in order to reduce charges and fees decided on the basis of data recorded in the contracts. Also it should be noted that the representatives of Egyptian Survey Authority (ESA) are assumed to be experts in evaluating land prices.
4. If approved, the President or the Prime Minister would issue the required decree declaring the property in question appropriated in the public interest and authorizing taking the property pursuant to direct enforcement procedures by the Expropriating Entity.
5. Once the authorizing decree is published, the concerned Expropriating Entity is authorized to enter into the property in question in the case of long-term projects and after giving notice of its intention to do so for other projects. The objective of such immediate authorization is to conduct necessary technical and survey operations, position landmarks, and obtain information on the property.
6. The Expropriating Entity shall communicate the authorizing decree to ESA, together with the information on the project to be executed and a drawing of the full project and

the real property needed in order to take procedures for expropriating the property in question.

7. A committee will be formed to determine the properties required for the public interest. The committee is to be composed of:

- a- A representative of ESA,
- b- A representative of the local government unit within which jurisdiction the project is located,
- c- The treasurer of the local area in question.

8. The committee shall declare its activities to the public 15 days prior to the commencement of its works.

9. The land survey department shall verify the information collected by the committee referred to in the preceding paragraph by comparing such information with that found in the official records.

10. The General Department for Appraisal within ESA shall inspect the property of the project in question, examine and complete the appraisal maps and lists of transactions concerning the property within the area of the project. It shall also prepare a consultative report with the estimated compensation for consideration by the Compensation Estimation Committee within ESA.

11. After depositing the compensation amount by the Expropriating Entity within ESA—the concerned local office—lists of all real properties and facilities being identified shall be prepared, their areas, location, description, names of their owners, and holders of property rights therein, their addresses, and the compensation determined by the Compensation Estimation Committee.

12. ESA shall thereafter officially notify the property owners, other concerned parties and the Expropriating Entity with the dates on which the lists prepared in accordance with the preceding paragraph shall be presented to them, at least 1 week prior to such presentation. These lists will be posted for a period of 1 month in the offices of the concerned local government unit and shall also be published in the Official Gazette and two widespread daily newspapers.

13. Owners of the properties and holders of rights therein shall be officially notified with an evacuation request within a period not to exceed 5 months from the date of their notification.

14. The holders of rights include: owners of beneficiary rights, using rights, housing rights, mortgaging rights, concession rights, hekr right holders

15. Court of Cassation decisions have resolved that rights holders are those who hold rights on the tenement and that, accordingly, the holders of leasing rights are regarded as right holders since they are holders of personal rights.

16. It is further resolved that lease agreements are terminated upon expropriation. Examples are: Court of Cassation, session of 1 January 1981 Technical office year 32 and Court of Cassation, session of 25 May 1967 Technical office year 18 no. 167.

17. Article (26) of Law 577 of 1954 states, “All the real suits shall not stop the procedures of the expropriation and shall not stop its results. The rights of the right holders are transferred to the compensation.”

3.12. Valuation and Compensation Methods

Determination of the valuation methods and compensation to be given to PAPs is made at two separate levels:

- The first is made by the Expropriating Entity in order to meet the requirement that the estimated compensation amount is deposited with ESA prior to proceeding with the remaining formalities as described in the preceding section.
- The second level is a review of that estimated compensation by the Compensation Estimation Committee within ESA.

The first level, as stated in Article 6 of Law 10/1990, requires the Minister of Public Works and Water Resources to form a Committee within each governorate to be charged with the determination of compensation (this contradict with Article 47 of Law 3, 1982 which authorized the concerned Governor to formulate this committee). The Committee shall be composed of a representative of ESA as chairman and the membership of representatives of certain departments within the governorate: the Agricultural, Housing and Infrastructure, and the Real Estate Tax Departments (in law 3, 1982, the committee is headed by the representative of Housing department and includes representative of Surveying Department, Real Estate Tax Department, Land Registration Department and local unit).

Compensation is determined pursuant to prevailing prices at the time the expropriation decree is issued and the estimated compensation amount shall be deposited with ESA within one month from the date of such decree. It is possible, if approved by the property owners or right holders to obtain in-kind compensation either in full or in part.

The second level is conducted by ESA. The Compensation Estimation Committee within ESA makes a final administrative determination of the compensation to be granted to property owners and rights' holders after having received a consultative report from the General Department for Appraisal within ESA.

All concerned parties, including the Expropriating Entity, have the right to object to the compensation determined in accordance with the foregoing rules before ESA and, thereafter, to ESA' ruling on the objection before the competent court. The following section describes the objection procedures.

The following rules concerning the determination of the compensation for expropriation of ownership are worth noting:

- Should the value of the un-expropriated part of the expropriated property increase or decrease due to the public interest works in projects other than zoning projects within cities, such decrease or increase shall be taken into consideration when determining the compensation amount.

- Compensation is determined in accordance with Article (20) of Law 10/1990 on the basis of prevailing prices at the date of issuance of the expropriation decree in question. The committee and the courts would look to expert opinion in determining the prevailing prices, taking into account prices stated in recorded contracts.
- Should the value of the expropriated property increase due to prior public interest works in a previous project, such increase shall not be calculated in determining the compensation value if expropriation is exercised within 5 years from the date of executing the previous public interest project.
- Compensation under Law 3/1982 can be in one of two ways: (i) taking the value of the property; or (ii) postponing the taking of such value in full or in part until all or part of the area in question is sold. In such event, the owner or holder of rights deserves compensation equal to the said value in proportion to the total value of the properties in question together with on behalf of the difference between the two values after deducting the costs of executing the project.

3.13. Grievance & Redress Procedures

The current Egyptian laws and regulation stated that the concerned owners and holders of rights have the right, within 30 days from the date of posting and publishing the lists and information of the expropriated properties, to object to the information contained in such lists. The objection is made to the main offices of the Expropriating Entity or the administration to which it is attached within the governorate in which the property is located.

In case of dispute between several individuals or parties on a single property, each party should present all evidences or documents that proof his/her rights within the next 90 days from submitting the memorandum of objection/ grievance. In case of failing to submit those required evidences, the grievance would be considered as not submitted. The responsible body for expropriation has the right to request additional documents deemed necessary and define proper period for submitting these documents. Usually in cases of informal settlements or illegal positions these documents might include:

- Registered contracts
- Cadastre registers, to determine source of ownership (or the history of the properties)
- Real estate tax registers (the compilation of these registers depended on the cadastre registers)
- “Forms of Change,” which enabled the authorities to determine the changes in ownership of each property before the date of completing cadastre.
- Any official documents recognizing the rights of the claimers such as court decision "Seha wa Nafaz".

The ruling of the Expropriating Entity on the grievance can be appealed to the court of first instance within whose jurisdiction the expropriated property is located. The appeal must be made within 60 days from the date of notifying the concerned parties with the Expropriating Entity's ruling on their objection.

1. The Expropriating Entity and the concerned owners and holders of rights have the right within 4 months from the last date on which the lists and other information are

posted (1 month after the posting date) to object to the determination of compensation by ESA before the competent court of first instance.

2. A list of properties for which no objection or appeal is made shall be prepared. No objection or dispute may thereafter arise with respect to these particular properties. Payment made to the owners and holders of rights in these properties shall be conclusive as to the fulfillment of the Expropriating Entity's payment obligations.

3. Non-objecting concerned persons shall execute and sign transfer of title forms in favor of the Expropriating Entity. For properties for which signed forms cannot be obtained, a ministerial decree declaring such transfer shall be issued in lieu thereof. The signed forms and the ministerial decree shall be deposited with the concerned Real Estate Office. The deposit thereof shall result in the full transfer of title ordinarily associated with a recordation of a deed of sale.

4. The non-deposit of the executed forms or ministerial decree with the concerned Real Estate Office for a period exceeding 2 years from the date of publishing the expropriating decree shall render the decree as null and void with respect to the properties for which the executed forms or the decree have not been deposited.

5. No objection or appeal shall prevent the property owner or holder of rights therein from collecting the estimated compensation amount.

6. Under current law and practice, the Government has wide powers in determining whether a project is a public interest project. This falls within the full discretion of the Government. Accordingly, objections to an expropriation decree cannot interfere with or limit the Government powers in this respect except where there is a clear misuse or abuse of this right that amount to bad faith on the part of the Government. An example of this bad faith is a case where a property is merely expropriated to harm the owner of the property. Allowable objections are usually based on whether the amount of compensation is sufficient or whether the property falls within the area defined under the expropriation decree.

7. The involvement of right holders usually results in one of the following scenarios with respect to objection procedures:

- The holders of rights may object to the amount of compensation in the event that they are of the opinion that the decided amount is not fair and that the title owner has not taken any objection. In such case, the holders of rights may use the right of their debtor (the titleholder) to preserve their interest.
- If the holders of rights decide not to object to the amount of compensation on behalf of the titleholder, they effect an attachment of the compensation amount to repay amounts due to them from the titleholders, if any.

NAT has a Compensation Committee They work closely with land holders and the Agriculture Associations in the Villages and other stakeholders.

3.14. Administrative Mechanisms and Appeal to Court

The Egyptian constitution allows any aggrieved person the right of access to Court of law as described by Law 10/1990 as follows:

1. The concerned owners and holders of rights have the right, within 30 days from the date of posting and publishing the lists and information of the expropriated properties, to object to the information contained in such lists. The objection is made to the main offices of the Expropriating Entity or the administration to which it is attached within the governorate in which the property is located.
2. The ruling of the Expropriating Entity on the objection can be appealed to the court of first instance within whose jurisdiction the expropriated property is located. The appeal must be made within 60 days from the date of notifying the concerned parties with the Expropriating Entity's ruling on their objection.

The Expropriating Entity and the concerned owners and holders of rights have the right within 4 months from the last date on which the lists and other information are posted (1 month after the posting date) to object to the determination of compensation by ESA before the competent court of first instance.

4. A list of properties for which no objection or appeal is made shall be prepared. No objection or dispute may thereafter arise with respect to these particular properties. Payment made to the owners and holders of rights in these properties shall be conclusive as to the fulfillment of the Expropriating Entity's payment obligations.

The following are principles set by the Administrative Courts:

- The competent administrative authority has freedom in selecting the appropriate property for expropriation. Accordingly, it was ruled that as long as the administration is not abusing its powers, its decision to select a particular plot to build a hospital is not subject to review. Similarly, the administration selection of a particular site to build a water treatment plant is not subject to review.
- The determination of the exact area (in square meters) to be expropriated is subject to the discretion of the administration and not subject to judicial review.
- Expropriating the ownership of land to extend sewage pipelines underneath it does not prevent the administration from appropriating the surface of the same land for public use.
- Courts have asserted their judicial review authority whenever the administration's exercises of its discretionary powers are for political or personal objectives aimed at spite.

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

3.15. Legal Requirements for Disclosure

The Egyptian legal requirements for disclosure as stated in Law 10/1990 can be explained in the following steps:

1. After depositing the compensation amount by the expropriating entity with ESA -the concerned local office- lists of all real properties and facilities being identified shall be prepared, their areas, location, description, names of their owners, and holders of property rights therein, their addresses, and the compensation determined by the compensation estimation committee.
2. ESA shall thereafter officially notify the property owners, other concerned parties and the expropriating entity with the dates on which the lists prepared in accordance with the preceding paragraph shall be presented to them, at least 1 week prior to such presentation. These lists will be posted for a period of 1 month in the offices of the concerned local government unit and shall also be published in the official gazette and two widespread daily newspapers.
3. Owners of the properties and holders of rights therein shall be officially notified with an evacuation request within a period not to exceed 5 months from the date of their notification.

CHAPTER FOUR: WORLD BANK SAFEGUARD POLICIES & EUROPEAN ENVISTMENT BANK

World Bank OP 4.12 on Involuntary Resettlement, EIB Guidance Note 1 on Involuntary Resettlement as part of the Environmental And Social Practices Handbook. Involuntary Resettlement and Economic Displacement are all safeguard guidance documents that were developed with main common objectives of mitigating the negative social impacts resulting from land taking or affecting the sources of livelihoods as a result of development project. The thorough review for the mentioned guidelines showed the following:

- All the mentioned policies are drawn with the general human rights framework in recognition for the protection of the ownerships and also safeguarding the interests of the poor and vulnerable groups in particular
- They accord in all the key principles and terminologies related to involuntary resettlement. The main guiding principle is that: where physical or economic displacement is unavoidable, the funding agency requires the promoter to develop an acceptable resettlement tool (this may include a Resettlement Policy Framework or a Resettlement Action Plan). The plan should incorporate and follow the right to due process, and to meaningful and culturally appropriate consultation and participation, including that of host communities.
- All the lists of reference of the various guidelines above include the WB OP 4.12 as an important and key reference addressing the international funding agencies requirements for addressing involuntary resettlement impacts.
- According to the WB's safeguard policy on Involuntary Resettlement, physical and economic dislocation resulting from WB funded developmental projects or sub-projects should be avoided or minimized as much as possible. Unavoidable displacement should involve the preparation and implementation of a Abbreviated Resettlement Action Plan (ARAP) or a Resettlement Policy Framework (RPF), to address the direct economic and social impacts resulting from the project or sub-project's activities causing involuntary resettlement.

The WB's policy on involuntary resettlement and the compensation of Project Affected Persons is clearly spelled out under the Bank's operational safeguard policy (OP) # 4.12.

4.1. World Bank Policy

4.1.1. Resettlement Instruments

- Resettlement Action Plan
- Resettlement Policy Framework
- Process Framework

In projects triggering OP 4.12 the task team must decide which of the above three instruments are appropriate for the project in question, and the necessary documentation must be prepared by appraisal.

A *Resettlement Action Plan* (RAP) or abbreviated RAP – depending upon the scale of impacts - is prepared when all the details of the project are known at appraisal.

In projects where the extent and location of resettlement and/or land acquisition cannot be known at appraisal, e.g. in projects with multiple sub projects, a *Resettlement Policy Framework* is prepared. An RPF should include information on how subsequent RAPs are developed both with regard to substance and process.

The third instrument, a *Process Framework* is applied in conservation projects that restrict access to legally designated parks or protected areas without acquiring the land outright.

Involuntary resettlement resulting from development projects, if unmitigated, will give rise to difficult economic, social, and environmental risks which may lead to: i) dismantling production systems, ii) impoverishing people when their productive assets or income sources are lost, iii) relocating people to environments where their productive skills may be less applicable and the competition for resources is greater, iv) resettling people into community institutions and social networks are weakened, v) dispersing kin groups and, vi) diminishing or losing cultural identity, traditional authority, and the potential for mutual help.

On the other hand well-designed and well-implemented resettlement programs may represent good development opportunities. By providing proactive mitigation measures, the policy is used to ensure that Project Affected Persons (PAPs) are not negatively affected by Bank financed projects. The Bank's involuntary resettlement policy is a road map to be used by practitioners in the identification, preparation, and implementation of WB funded programs with a focus on minimizing negative social and economic impacts on PAPs and their community as a whole.

With the above focus in mind, the following discussion presents a brief overview of OP 4.12 Policy Objective and Principles. The scope and coverage of the RPF and the subsequent process of preparing and approving a Resettlement Action Plan (RAP) are highlighted including the identification of different categories of PAPs, measures for protecting vulnerable PAPs, eligibility procedures and criteria as well as assets valuation.

4.1.2. Policy Objective and Principles

The principle policy objectives of OP 4.12 are:

- Involuntary resettlement should be avoided where feasible, or minimized, exploring all viable alternative project designs.
- Where it is not feasible to avoid resettlement, resettlement activities should be conceived and executed as sustainable development programs, providing sufficient investment resources to enable the persons displaced by the project to share in project benefits. Displaced persons should be meaningfully consulted and should have opportunities to participate in planning and implementing resettlement programs.
- Displaced persons should be assisted in their efforts to improve their livelihoods and standards of living or at least to restore them, in real terms, to pre-displacement levels

or to levels prevailing prior to the beginning of project implementation, whichever is higher.

4.1.3. Scope and Coverage of RPF

A Policy Framework covers direct economic and social impacts that both result from, and are caused by project:

- (a) The involuntary taking of land resulting in: (i) relocation or loss of shelter, (ii) lost of assets or access to assets and, (iii) loss of income sources or means of livelihood, whether or not the affected persons must move to another location.
- (b) The involuntary restriction of access to legally designated parks and protected areas resulting in adverse impacts on the livelihoods of the displaced persons.
- (c) Project activities resulting in involuntary resettlement that in the judgment of the Bank, are (i) directly and significantly related to the project, (ii) necessary to achieve project objectives as set forth in the project documents and, (iii) carried out, or planned to be carried out, contemporaneously with the project.

4.1.4. RAP Preparation and Approval Process

The RAP process involves the following and should be done at early design stage of project component:

- Categorization of project activities with respect to land needs
- Conduct socio-economic survey to determine assets and households affected
- Use of RAP where more than 200 individuals are affected, abbreviated RAP if scale and severity of impacts are more limited.
- Organize and conduct stakeholders consultation
- Linking the RAP with projects and projects

More details about the RAP/ ARP preparation process are included in Annex 3

4.1.5. Categories of Project Affected Persons (PAPs)

PAPs eligible for support may be classified in one of the following three groups:

- a) those who have formal, legal rights to land (including customary and traditional rights recognized under the laws of the country),
- b) those who do not have formal legal rights to land at the time the census begins but have a claim to such land or assets—provided that such claims are recognized under the laws of the country or become recognized through a process identified in the Resettlement Action Plan (RAP),
- c) Those who have no recognizable legal right or claim to the land they are occupying.

4.1.6. Vulnerable Groups

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

- i) Persons below the poverty line, the landless,
- ii) Elderly, women and children, indigenous peoples, ethnic minorities,
- iii) Project affected persons who may not be protected through national land compensation legislation.

Vulnerable people will be identified at socio-economic survey stage. Each RAP developed under the project will make precise provisions with respect to identifying and assisting vulnerable groups which include:

- i) Identification of vulnerable people and identification of the cause and impacts of their vulnerability, either through direct interviews by the Project social worker or through the community; this step is critical because vulnerable people often do not participate in community meetings, and their disability/vulnerability may remain unknown,
- ii) Identification of required assistance at the various stages of the process: negotiation, compensation, moving,
- iii) Implementation of the measures necessary to assist the vulnerable person,
- iv) Monitoring and evaluating continuation of assistance after resettlement and/or compensation took place.

Assistance may take the following forms, depending upon vulnerable persons' requests and needs:

- i) Assistance in the compensation payment procedure (e.g., going to the bank with the person to cash the compensation check),
- ii) Assistance in the post payment period to secure the compensation money and reduce risks of misuse/robbery,
- iii) Assistance in moving: providing vehicle, driver and assistance at the moving stage,
- iv) Assistance in building: providing materials, workforce, or building houses.
- v) Health care if required at critical periods: moving and transition period.

4.1.7. Eligibility Procedures and Criteria

A project triggering OP 4.12 is required to develop a procedure, satisfactory to the Bank, for establishing the criteria by which PAPs will be deemed eligible for compensation and other resettlement assistance. The procedure includes provisions for meaningful consultations with: (i) Project affected persons and communities, (ii) Local authorities, and, as appropriate, (iii) Nongovernmental organizations (NGOs), and (iv) Grievance mechanisms.

Consistent to paragraph 16 of OP 4.12, the following categories of persons will be qualified for compensation:

- Persons covered under paragraph 15(a) and (b) shall be provided compensation for the land they lose, and other assistance in accordance with paragraph 6.
- Persons covered under paragraph 15(c) shall be provided resettlement assistance in lieu of compensation for the land they occupy, and other assistance, as necessary, to achieve the objectives set out in this policy, if they occupy the project area prior to a cut-off date established by the borrower and acceptable to the Bank.
- Persons who encroach on the area after the cut-off date are not entitled to compensation or any other form of resettlement assistance.
- All persons included in paragraph 15(a), (b), or (c) are provided compensation for loss of assets other than land.

More information on Eligibility criteria is presented on Annex 4

4.1.8. Valuation of Assets

In compliance with paragraph 6 of the OP 4.12, a Resettlement Action Plan (RAP) or a resettlement policy framework should apply to impacts covered under paragraph 3 (a) of Bank's resettlement policy. Hence, the project covers the following measure:

(a) Measures to ensure that the PAPs are:

- Informed about their options and rights pertaining to resettlement,
- Consulted on, offered choices among, and provided with technically and economically feasible resettlement alternatives,
- Provided prompt and effective compensation at full replacement cost³ for losses of assets attributable directly to the project.

(b) If the impacts include physical relocation, the project includes measures to ensure that the PAPs are:

- Provided assistance (such as moving allowances) during relocation,
- Provided with residential housing, or housing sites, or, as required, agricultural sites for which a combination of productive potential, locational advantages, and other factors are at least equivalent to the advantages of the old site.

³ "Replacement cost" is the method of valuation of assets that helps determine the amount sufficient to replace lost assets and cover transaction costs. In applying this method of valuation, depreciation of structures and assets should not be taken into account. For losses that cannot easily be valued or compensated for in monetary terms (e.g., access to public services, customers, and suppliers; or to fishing, grazing, or forest areas), attempts are made to establish access to equivalent and culturally acceptable resources and earning opportunities. Where domestic law does not meet the standard of compensation at full replacement cost, compensation under domestic law is supplemented by additional measures necessary to meet the replacement cost standard. Such additional assistance is distinct from resettlement assistance to be provided under other clauses of para. 6. If the residual of the asset being taken is not economically viable, compensation and other resettlement assistance are provided as if the entire asset had been taken. The alternative assets are provided with adequate tenure arrangements. The cost of alternative residential housing, housing sites, business premises, and agricultural sites to be provided can be set off against all or part of the compensation payable for the corresponding asset lost.

(c) Where necessary to achieve the objectives of this policy, the RAP or RPF also includes measures to ensure that PAPs are:

- Offered support after displacement, for a transition period, based on a reasonable estimate of the time likely to be needed to restore their livelihood and standards of living,
- Provided with development assistance in addition to compensation measures described in paragraph 6(a) of the OP4.12,
- Provided with land preparation, credit facilities, training, or job opportunities.

According to paragraph 11 of the OP 4.12, preference should be given to land-based resettlement strategies for displaced persons whose livelihoods are land-based. Thus the project resettlement strategy should include:

- Resettlement on public land or on private land acquired or purchased for resettlement,
- Whenever replacement land is offered, PAPs are provided with land for which a combination of productive potential, locational advantages, and other factors is at least equivalent to the advantages of the land taken,
- If land is not the preferred option of the displaced persons, the provision of land would adversely affect the sustainability of a park or protected area, or sufficient land is not available at a reasonable price, non-land-based options built around opportunities for employment or self-employment should be provided in addition to cash compensation for land and other assets lost. The lack of adequate land must be demonstrated and documented to the satisfaction of the Bank.

According to paragraph 12 of the Bank's OP4.12, payment of cash compensation by project for lost assets is appropriate in situations where:

- Livelihoods are land-based but the land taken for the project is a small fraction of the affected asset and the residual is economically viable,
- Active markets for land, housing, and labor exist, PAPs use such markets, and there is sufficient supply of land and housing,
- Livelihoods are not land-based. Cash compensation levels should be sufficient to replace the lost land and other assets at full replacement cost in local markets.

In a situation where the PAPs incurred losses of income from business, the compensation method should be the following: (i) Estimate of net monthly profit of the business, based on records if any, on operator's statements, cross-checked by an assessment of visible stocks and activity, (ii) Application of this net monthly profit to the period during which the business is prevented to operate, (iii) A disturbance allowance of 10% of total compensation.

Annex 5 presents more information about assets valuation including types of affected assets and method of valuation. Annex 5 also presents the entitlement matrix for affected persons.

4.1.9. Implementation Procedures

Each eligible PAP will sign a compensation certificate together with the authorized project representative. The compensation certificate will clarify mutual commitments as follows:

- **On the Project side:** commitment to pay the agreed compensation, including all its components (resettlement package, in-kind compensation and cash compensation),
- **On the PAP's side:** commitment to vacate the land by the agreed date.

The format of payment certificates will be developed in order to be as easily understandable as possible to PAPs.

Compensation will be paid prior to the PAP vacating the land. Actual vacation will be monitored by project in cooperation with local authorities.

Several stakeholders are going to be involved in the implantation process of Resettlement Action Plan (RAP). However, their role would vary from leading the assigned task or just involved in implementation.

The financial resources to deal with resettlement would be determined based on the detailed plans for the proposed components that may entail resettlement action. However, both World Bank and the Government would allocate the necessary resources to carry out this task when it would be deemed necessary

4.1.10. Budget and Funding

Based on the preliminary quantitative estimate of affected assets and affected people presented, the budget for resettlement activities associated with the First Year should be prepared and a summary of implementation Plan presented.

It is assumed that compensation and land acquisition for resettlement sites will be funded by the project. Fund channeling arrangements are to be determined by the project.

As soon as the activities triggering IR have been identified and approved by NAT and the WB, realistic cost estimates shall be calculated based on the data collected from the socioeconomic survey on the estimated number of PAPs that are likely to be affected by the subprojects and the quantity and types of affected assets. The budget shall consider all of the anticipated impacts under the sub-project and calculate the cost (compensation, administrative costs and monitoring.... etc) according to actual replacement costs (at market value). NAT is fully responsible for any compensation for land acquisition. At the time of writing this report, as the exact routes have not yet been determined, it is very difficult to estimate the requirements and sources for a budget associated with the implementation of the OP 4.12.

4.1.11. Disclosure Requirements for Bank Resettlement Documents

The Bank insists on both the participation of PAPs and public disclosure of relevant resettlement documents. PAPs should be meaningfully consulted and should be given

the opportunity to participate in both planning and implementation of resettlement programs.

As part of the disclosure and transparent sharing of information, it is recommended that the lists of PAPs along with the types of compensations that are entitled to should be disclosed on a visible neutral location within the village (e.g. the Agriculture Association)

4.1.12. Consultation & Implementation Process

With regard to RPF/RAP disclosure, certain key steps should be followed:

- OP 4.12 requires that project discloses information: "As a condition of appraisal of projects involving resettlement, the borrower provides the Bank with the relevant draft resettlement instrument which conforms to this policy, and makes it available at a place accessible to displaced persons and local NGOs, in a form, manner, and language that are understandable to them. Once the Bank accepts this instrument
- as providing an adequate basis for project appraisal, the Bank makes it available to the public through its Info Shop. After the Bank has approved the final resettlement instrument, the Bank and the borrower disclose it again in the same manner."
- Circulation of the draft RPF for comments to all relevant institutions (e.g. concerned ministry, governorate, relevant land agencies, and others as appropriate),
- Communication of comments to the Consultant for incorporation into a final RPF, together with WB comments,
- Presentation of the executive summary of the draft RPF to the appropriate Egyptian authority by the Project.

Consultation on the RPF is to be organized by the appropriate government agency through the project. Information and consultation are proposed to be implemented in the course of the preparation of RAPs and ARPs.

Box 1: PAPs Participation Along the project Cycle

<u>1)Project Identification / Preparation</u> ⇒ Participate in the introductory public meetings ⇒ Informed about the project and RPF ⇒ Consulted During the socio-economic survey and spell out fears,	<u>2) Project Appraisal / Approval</u> ⇒ Communities (PAPs) are informed about the approved RAP/ARP
<u>3) Project Implementation</u> ⇒ PAP will be part of the compensation contracts ⇒ PAPs will be given the chance to express grievance and redress	<u>4) Project Monitoring & Evaluation</u> ⇒ Ensure PAPs views and concerns are concerned ⇒ Participate in evaluating the RAP/ARP process by being consulted

Source: Mokha 60 MW Wind Farm Resettlement Policy Framework (RPF), Yemen, EcoConServ, 2010

Initial information:

- sharing should coincide with the cut-off date (information should not be delivered in advance of the cut-off date to avoid encroachment of new arrivals);
- will be provided to potential PAPs on the project including resettlement and compensation principles as they are outlined in the RPF;
- should take the form of one public meeting for each project; and
- and consultation on RAP: once these are available in draft form, they should be discussed with local authorities (e.g. District executive and elected Councils) and affected communities, whose comments will be incorporated into final documents.

The above consultation process should be carefully documented. As the scope of works is not fully defined at this stage, consultations will be carried out once the interventions are definitely defined and PAPs are identified. This will be at the stage of development of individual RAP's.

4.1.13. Monitoring and Evaluation

Monitoring and Evaluation (M&E) are key components of the RPF/RAP. They have the following general objectives:

- Monitoring of specific situations or difficulties arising from the implementation, and of the compliance of the implementation with objectives and methods as set out in the RPF/RAP.
- Evaluation of the mid- and long-term impacts of the resettlement process on affected households' livelihood, environment, local capacities and economic development.

Monitoring aims to track project implementation will address the following aspects:

i) Social and economic monitoring:

- a) follow-up of the status of project affected persons,
- b) cost of housing in the displacement area,
- c) re-establishment of livelihoods including agriculture and other activities.

ii) Technical monitoring:

- a) supervision of infrastructure and housing construction where relevant,
- b) commissioning and testing of the technical components of the resettlement housing,

iii) Grievances and grievance management system,

iv) Assistance in livelihood restoration: agriculture and business re-establishment and assistance,

v) Keep and provide the following statistics on an annual basis:

- a) Numbers of households and individuals affected by Project activities,
- b) Numbers of households and individuals relocated as a result of Project activities and their destinations,
- c) Amounts of compensation paid,
- d) Number of grievances registered.
- vi) Annual monitoring report will be developed and issued by the project.

Evaluation is intended at ensuring that policies have been complied with and should provide feedback needed for adjusting strategic directions. The evaluation has the following specific objectives:

- General assessment of the compliance of the implementation of resettlement activities with objectives and methods as set out in this RPF,
- Assessment of the compliance of the implementation of resettlement activities with laws, regulations and safeguard policies as stated above,
- Assessment of resettlement and relocation procedures as they have been implemented, Evaluation of the impact of the resettlement and relocation programs on incomes and standard of living, with focus on the “no worse-off if not better-off” requirement,
- Identification of actions to take as part of the on-going monitoring to improve the positive impacts of the program and mitigate its possible negative impacts, if any.

While ensuring the evaluation process, the project will utilize:

- This RPF as its guiding instrument,
- The Egyptian laws and regulations as described above in Section 2 and as they stand as of the approval of this RPF.
- The applicable World Bank Safeguard Policies as they stand as of the approval of this RPF, i.e. OP 4.12 on “Involuntary Resettlement”.

Evaluation of resettlement activities will be part of general assessment and review activities undertaken for the Project as a whole.

4.2. The EIB Statement of Social Principles and Standards

4.2.1. Involuntary Resettlement

10. People whose livelihoods are negatively affected by a project should have their livelihoods improved or at minimum restored and/or adequately compensated for any losses incurred. As such, where physical or economic displacement is unavoidable, the Bank requires the promoter to develop an acceptable Resettlement Action Plan. The plan should incorporate and follow the right to due process, and to meaningful and culturally appropriate consultation and participation, including that of host communities.

Box 2: EIB roles and regulations regarding Involuntary Resettlement

Guidance Note 1: Involuntary Resettlement

The screening process should:

- Identify the nature and magnitude of likely displacement and establish with the promoter the baseline data and a cut-off time where needed;
- Review previous resettlement prior to Bank involvement;
- Assess willingness of population to move/consultation processes developed;
- Assess the promoter's commitment and capacity to deal fairly with the issues;
- Determine type and cost of any technical assistance that may be required;
- Assess the capacity of public authorities to support the processes involved (e.g. approaches to issues of land acquisition and compulsory purchase; procedures for handling disputes, land registration, and the provision of social safety nets);
- Explore with the promoter alternative designs that might minimize displacement;
- Address the feasibility and appropriateness of proposed measures for restoring and preferably improving livelihoods;
- Assess the availability of adequate resources, including staff, time and funding, to appropriately carry out resettlement;
- Address the impoverishment risks (e.g. those resulting from changes from land based livelihood strategies to wage-based strategies, the security of alternative employment strategies, opportunities for employment in the company); and,
- Address arrangements for internal and/or independent monitoring and evaluation

4.2.2. Indigenous People and Other Vulnerable Groups

11. All policies, practices, programmes and activities developed and implemented by the promoter should pay special attention to the rights of vulnerable groups. Such groups may include indigenous people, ethnic minorities, women, migrants, the very young and the very old. The livelihoods of vulnerable groups are especially sensitive to changes in the socio-economic context and are dependent on access to essential services and participation in decision-making.
12. Where the customary rights to land and resources of indigenous peoples are affected by a project, the Bank requires the promoter to prepare an acceptable Indigenous Peoples Development Plan. The plan must reflect the principles of the UN Declaration on the Rights of Indigenous Peoples, including free, prior and informed consent to any relocation.

ILO Core Labour Standards In the case where there are gaps in implementing the core labour standards of the ILO, the promoter shall develop and implement verifiable programmes and procedures to ensure that the core labour principles and standards are adhered to or would be reached during project implementation. The objective is to prevent unacceptable forms of labour and employment practices and promote the development of the sound management of worker relations⁴¹.

4.2.3. A Human Rights-based Approach

13. Just as environmental standards aim to protect and improve the natural and built environment, social standards aim to protect the rights and enhance the livelihoods of people directly and indirectly affected by projects financed by the EIB. Social standards are intended to promote outcomes to the benefit of individual well-being, social inclusion and sustainable communities.
14. The EIB restricts its financing to projects that respect human rights and comply with EIB social standards, based on the principles of the Charter of the Fundamental Rights of the European Union and international good practices. The Bank does not finance projects located in countries declared “off-limits” by the European Council for EU financing, particularly due to violations of human rights.
15. Similarly, the EIB does not finance projects that give rise to conflicts or intensify existing conflicts. Additionally, the Bank takes into account that a number of countries where it operates face difficult post-conflict recovery and reconstruction efforts. When financing projects in such fragile states, the Bank is guided by the EU approach⁴⁰.
16. Within the EU and the Enlargement Countries, subject to any agreed phasing, the EIB assumes that EU social requirements, including international human rights conventions ratified by the EU, are correctly implemented within the framework of national law. However, where there is evidence that suggests otherwise, an appropriate social assessment is carried out by the Bank.
17. In all other regions of EIB operations, the approach of the EIB to social matters is based on the rights-based approach mainstreaming the principles of human rights law into practices through the application of its Social Assessment Guidelines (SAGs) (see Handbook). These requirements are also consistent with the social safeguard measures developed and applied by those MFIs with whom the Bank works closely.
18. There are relationships between environmental and social concerns and project quality and sustainability. For example, improved resource management, including stakeholder participation in decision-making, is related to opportunities that afford the promotion of more sustainable livelihoods. It is therefore recognized that in a project context, environmental and social concerns are often intertwined and are hence best assessed in an integrated framework. Promoters that seek EIB finance outside the EU are required to adopt the social standards regarding involuntary resettlement, indigenous people and other vulnerable groups, the core labour standards of the International Labour Organization (ILO) and occupational and community health and safety.

CHAPTER FIVE: GAPS BETWEEN EGYPTIAN REGULATIONS AND EUROPEAN INVESTMENT WORLD BANK POLICIES

5.1 Overview

On the basis of the review and knowledge gained from chapters two and three of this paper, chapter three is geared toward comparing and contrasting Egyptian rules and regulations with the Bank's policies addressing involuntary resettlement. This part of the paper will illustrate similarities, differences and will further point to project implementation difficulties that may possibly arise.

5.2 Comparison and Contrast

As demonstrated in the following subsections, there are policy gaps between the two systems. These differences arise mainly from policy issues and implementation difficulties specifically related to: (i) calculation of compensation, (ii) temporary acquisition of land, (iii) temporary occupation of structure, (iv) temporary loss of business, (v) the right of squatters, (vi) resettlement at the new site, (vii) resettlement assistance, (viii) disturbance allowance, (ix) asset value increase, (x) assistance to vulnerable groups, (xi) access to timely and relevant information on sharing, (xi) grievance and redress mechanisms and, (xii) monitoring and evaluation.

5.2.1 Property Valuation/compensation

Both the Egyptian regulations and the World Bank Operation Policy (WBOP) 4.12 agree on the need to compensate at full cost any structure affected by a Bank financed project. According to Egyptian law the value of structures to be demolished because of a proposed action by the project is to be assessed by professional valuers, either from the Egyptian General Organization for Surveying "ESA", or from private offices certified by ESA. Similarly, OP 4.12 clearly provides methods⁴ to be used to calculate land and/or structure compensation rates, and requires evidence these rates are consistent with the policy principle of "full replacement value."

However, the evidence suggests all previous Egyptian practices of valuation have been substantially below the market full replacement value. This implementation problem emanated mainly from: (i) lack of valuation experience in ESA and (ii) absence of real market rate due to taxes and fees charged on properties.

The unit rates used for compensating farmers for loss of agricultural income due to the temporary acquisition of land for implementing irrigation and/or drainage works are updated in accordance with procedures described in Section 2.5 above. However more frequent updates (e.g. on an annual basis) of unit rates used for valuating crop compensation amounts is proposed.

5.2.2 Temporary acquisition of land

The Egyptian law provides no compensation for temporary occupation of land while the Bank policy suggests people affected by the project be paid compensation (i) equivalent to the net average income that would have been obtained from the land during the period of temporary acquisition and (ii) restoration of the land to its original productive use or full compensation of the cost of restoration.

The nonexistence of Egyptian law to protect people affected by the project from temporary occupation of their land is contrary to the objective and principles of the Bank's OP 4.12; and can cause implementation difficulties both for the Bank and the Egyptian government.

However for temporary acquisition of agricultural land for the implementation of irrigation and drainage works, Egyptian guidelines through the relevant Ministerial decrees include clear guidelines with regards to the application and payment of crop compensations. These crop compensations are intended to provide affected farmers with the full net value of income that would have been generated from agricultural production of the affected land. Additionally, any affected land is restored upon the implementation of irrigation and/or drainage works to its original condition as part of the contractor's obligations stipulated in the contract. In this regard, national crop compensation procedures are aligned with the Bank's policy and will be applied in the project.

5.2.3 Temporary occupation of structure

In compensating temporarily occupied structure, Egyptian law requires determination of the price per room or area to arrive at the market value. The law also provides tenants with an option to acquire alternative shelter but requires them to pay the difference, if any, in price. Whereas, the Bank's policy in involuntary resettlement requires:

(i) compensation to restore the structure to its original condition, (ii) inconvenience allowance if the temporary land acquisition produces minor difficulties and, (iii) alternative comparable accommodations, rental allowance for equivalent temporary housing, or payment for constructing temporary housing of a reasonable equivalent standard can be provided. If structures themselves are temporarily acquired, or use of the structure is precluded, compensation for moving and restoration expenses are covered.

However, Egypt practices suggest that people affected by projects are usually compensated below market price. This may be caused by capacity constraints both at individual and institutional staff levels of the (i) Real Estate & Authentication Offices and the (ii) Egyptian General Organization for Surveying "ESA."

5.2.4 Temporary loss of business

Egyptian law stipulates that compensation for temporary losses of business is determined by a consensus of a committee. Where people affected by a project lose their business temporarily, The World Bank policy recommends that: (a) the owner of the business is paid an equivalent amount to the estimated net loss and (b) if an affected business cannot continue in its current location, the business will be provided with new premises or rental allowance for new premises and, (c) the business should be compensated for the cost of relocation, business personnel and equipment from and to the new premises. The application of the provision in Egypt is far from what is stated by Egyptian law and the Bank's policy. In many cases compensation paid to businesses for temporary loss of income is usually below market price.

This is an issue related mainly to the capabilities of the committee involved and to the institutions facilitating the process; they include representatives of (i) ESA, (ii) the local

government unit within whose jurisdiction the project is located and, (iii) the treasurer of the local impacted area .

5.2.5 The right of squatters

While the right of squatters is not addressed in Egyptian law, the Bank's policy requires squatters be provided with resettlement assistance when their residences are affected by projects financed by the Bank, but no compensation for the land the squatters are occupying. Egyptian legislation has not recognized the rights of squatters. There have been resettlement cases in which the Egyptian government compensated squatters because of political sensitivity to the problem rather than because of provisions in the law or in compliance with the Bank's policy.

Egyptian practice in dealing with squatters' right has reflected that because of political pressure and the "social dimension", the government has been forced to provide an alternative for those groups of households either in terms of alternative shelter or cash.

5.2.6 Resettlement in a new site

According to Egyptian law, PAPs who are physically displaced are to be provided with replacement residential housing. However, they do not have the right to object to the location of the resettlement but only to the suitability of the housing in terms of area, design or relevant occupying issues. OP 4.12 states that PAPs who are physically displaced are to be provided with residential housing, or housing sites, or, as required, agricultural sites at least equivalent to the old site.

Moreover, the OP 4.12 requires (i) preference is given to land-based resettlement for displaced persons whose livelihoods are land-based, (ii) affected people should be offered various options for resettlement and not only one option as stated in Egyptian law, (iii) affected people should be at least resettled in an area equivalent to the old property or site and, (iv) affected people should be supported with a soft-loan that compensates the difference in value between the old and new property.

The notion that PAPs do not have the right to object to the location of the resettlement but only the housing suitability in terms of area, design or relevant issues is contradictory to OP 4.12 paragraph 3(a) which states PAPs should be "consulted on, offered choices among, and provided with technically and economically feasible resettlement alternatives.

5.2.7 Resettlement assistance

The Egyptian law makes no provision to provide resettlement assistance to project affected people whereas OP 4.12 offers support for a transition period. The OP 4.12 further requires that the cost of this assistance should be included in the overall Resettlement Action Plan (RAP).

Without equivalent practices between Egyptian law and the Bank's OP 4.12 it would be difficult to provide assistance to project affect people at their new resettlement site. It would be hard to ensure opportunities for project affected people to restore or improve their income and as well as being provided temporary income support if required.

5.2.8 Disturbance allowance

Egyptian regulations do not specify income disturbance allowances where the PAPs incurred losses of business income. On other hand, the WB OP 4.12 requires in addition to total business income loss compensation, a disturbance allowance of 10%. The lack of disturbance allowance provision is not in line with the OP 4.12, paragraph 12.

5.2.9 Asset value increased due to previous public interest project

The Egyptian law states that should the value of the expropriated property increase due to public interest work in a previous project, such increase shall not be calculated in determining the compensation value if expropriation is exercised within 5 years from the date of executing the previous public interest project. This stipulation is contrary to OP4.12, paragraph 6 which requires PAPs be “provided with prompt and effective compensation at full replacement cost for losses of assets attributable directly to the project.”

5.2.10 Vulnerable groups

Egyptian regulations have not addressed how vulnerable groups affected by expropriation of property should be treated. In contradiction to that fact , the World Bank OP 4.12 in paragraph 8 states the need to give special attention to the rights of vulnerable groups. It warrants it is the responsibility of government and the Bank underwritten project to ensure that venerable people are not excluded from redress measures within the overall resettlement actions. It further demands that Bank financed and other development projects pay particular attention to vulnerable groups, especially those below the poverty line, the landless, the elderly, women and children, indigenous peoples and ethnic minorities.

The absence of Egyptian legal provisions to complement the Bank’s policy in protecting venerable people makes it difficult to care and cater to the poor, to women, indigenous people, children, elderly, disabled, and people without title of right and to their host communities. This gap between Egyptian regulations and World Bank policy can have serious and far reaching consequences in the case of forced displacement/resettlement if the appropriate and acceptable government legal provisions are not provided to address the issue of venerable people.

5.2.11 Access to timely and relevant information

Egyptian law stipulates that PAPs be provided with timely and relevant information. This legal provision is in line with OP 4.12, which specifies that project affected persons and their communities be (i) provided with timely and relevant information, (ii) consulted on resettlement options, and (iii) offered opportunities to participate in planning, implementing and monitoring resettlement.

Despite the harmony/equivalency between Egyptian law and OP 12 regarding the importance of relevant information sharing in timely fashion, implementation experience in Egypt suggested that PAPs: (i) have not been consulted on resettlement options and (ii) have not been able to participate in planning, implementing and monitoring resettlement. In the absence of lack of access to information by PAPs, realizing the Egyptian law and the Bank’s policy into practical and participatory fashion will be

difficult. For crop compensation procedures however, the long established national procedures applicable include clear guidance for providing PAPs with timely information as presented in Sections 2.6 and 2.8 above. The implementation experience of these crop compensation procedures has been successful in the mobilization of farmers' participation. In order to maximize benefit from the workshops/consultations regularly conducted by EPADP and described in Section 2.4.2 above, it is proposed that the scheduling of workshops/consultations be done in coordination with the expected work plan for execution of drainage works.

5.2.12 Grievances & redress mechanisms

Egyptian law allows the creation of “Specialized Committees” to address grievances originating from misunderstandings of project policy, or resulting from conflicts among neighbors. The law allows one month to object to the decision of resettlement, four months to seek redress to the compensation value and three months in case of dispute between several individuals or parties on a single property.

Court cases in Egypt are known to require long periods of time before settlements can be reached. With intent to address the lengthy time the Egyptian court may require to process and resolve disputes, the Bank's OP 4.12 advances a “first tier grievance management mechanism”, which will be a function of the Project, to provide aggrieved people with an avenue for amicable settlement without necessarily pursuing a court case.

The absence of a first tier grievance mechanism in Egyptian law means there are difficulties to access grievance mechanisms addressing minor issues that otherwise should be resolved within a short period of time. The absence of such mechanism denies project affected groups the direct channel for grievance and delays resolution of disputes in an appropriate time prior to resettlement. In order to avoid delay in dispute resolution, it is essential for the government to consider adopting the first tier grievance redress mechanism advanced by the Bank OP 4.12. If need arises, aggrieved people would however remain free to open a Court case without having registered their grievance with this first-tier mechanism.

For crop compensation procedures resulting from irrigation and/or drainage works including subsurface drainage networks, two layers of a first tier grievance management mechanism exist as presented in Section 2.6 above. The presence of these layers, the Crop Compensation Committee and the Grievance Committee, provide a project-level medium for quick settlement of minor issues arising due to crop compensation procedures, amounts or other aspects.

5.2.13 Monitoring and Evaluation

While Egyptian regulations do not offer any monitoring or evaluation measures, the Bank's OP 4.12 does. It embraces monitoring and evaluating the social and economic impact on the affected groups. It requires measurement of the amounts of compensation paid, time taken to ensure compensation payment, number of grievances and redress cases received and addressed and objective feedback on the overall impact of the resettlement action on the affected group. The OP 4.12 explains procedures⁵ for a monitoring and evaluation process which should be incorporated into the Egyptian law. The current activities undertaken by the DAS include post-implementation interventions that involve close interaction with farmers. The nature of these interventions however

are oriented towards raising farmers' awareness with the benefits of the drainage systems as well as training them on simple maintenance activities.

The absence of monitoring and evaluation measures in Egyptian laws illustrates differences between the two systems. The lack of legally authorized resources can constrain accountability and governance mechanisms of Bank financed projects. The lack of equivalency between the Bank's and Egyptian policy can negatively impact on the very idea of the consultation, decision making and disclosure principles charted in the Bank's OP 4.12.

5.3 Identified Gaps

The subsequent paragraphs of this section will attempt to draw Egyptian and Bank's authorities' attention. It will set the stage for (i) further exploration and discussion between the Bank and the appropriate institutions in Egypt and for (ii) the appropriate Egyptian institutional bodies to take legal and administrative steps to move forward the following issues related to OP4.12 policy principles.

The gaps between Egyptian regulations and World Bank policies are summarized in the following Table.

Table 3: Comparison of Egyptian regulations with the World Bank policies and European Investment Guidelines

Topic	Egyptian legislative requirements	WB and EIB policy requirement	Practical Implication
Property Valuation/compensation	The unit rates used for compensating farmers for loss of agricultural income due to the temporary acquisition of land for implementing irrigation and/or drainage works are updated in accordance with procedures described. However more frequent updates (e.g. on an annual basis) of unit rates used for valuating crop compensation amounts is proposed.	<p>Compensation should be paid in a full market price according to the WB.</p> <p>The EIB People declared that those people whose livelihoods are negatively affected by a project should have their livelihoods improved or at minimum restored and/or adequately compensated for any losses incurred. As such, where physical or economic displacement is unavoidable, the Bank requires the promoter to develop an acceptable Resettlement Action Plan. The plan should incorporate and follow the right to due process, and to meaningful and culturally appropriate consultation and participation, including that of host communities.</p>	<p>Both the Egyptian regulations and the World Bank Operation Policy (WBOP) 4.12 agree on the need to compensate at full cost any structure affected by a Bank financed project. According to Egyptian law the value of structures to be demolished because of a proposed action by the project is to be assessed by professional valuers, either from the Egyptian General Organization for Surveying "ESA", or from private offices certified by ESA. Similarly, OP 4.12 clearly provides methods to be used to calculate land and/or structure compensation rates, and requires evidence these rates are consistent with the policy principle of "full replacement value."</p> <p>However, the evidence suggests all previous Egyptian practices of valuation have been substantially below the market full replacement value. This implementation problem emanated mainly from: (i) lack of valuation experience in ESA and (ii) absence of real market rate due to taxes and fees charged on properties.</p>
Temporary acquisition of land	The Egyptian law provides no compensation for temporary occupation of land	the Bank policy suggests people affected by the project be paid compensation (i) equivalent to the net average income that	The non-existence of Egyptian law to protect people affected by the project from temporary occupation of their land is contrary to the

Topic	Egyptian legislative requirements	WB and EIB policy requirement	Practical Implication
		would have been obtained from the land during the period of temporary acquisition and (ii) restoration of the land to its original productive use or full compensation of the cost of restoration.	objective and principles of the Bank's OP 4.12; and can cause implementation difficulties both for the Bank and the Egyptian government. However for temporary acquisition of agricultural land for the implementation of irrigation and drainage works, Egyptian guidelines through the relevant Ministerial decrees include clear guidelines with regards to the application and payment of crop compensations. These crop compensations are intended to provide affected farmers with the full net value of income that would have been generated from agricultural production of the affected land. Additionally, any affected land is restored upon the implementation of irrigation and/or drainage works to its original condition as part of the contractor's obligations stipulated in the contract. In this regard, national crop compensation procedures are aligned with the Bank's policy and will be applied in the project.
Temporary occupation of structure	In compensating temporarily occupied structure, Egyptian law requires determination of the price per room or area to arrive at the market value. The law also provides tenants with an option to acquire alternative shelter but requires them to pay the difference, if	the Bank's policy in involuntary resettlement requires: (i) compensation to restore the structure to its original condition, (ii) inconvenience allowance if the temporary land acquisition produces minor difficulties and, (iii) alternative comparable	Egypt practices suggest that people affected by projects are usually compensated below market price. This may be caused by capacity constraints both at individual and institutional staff levels of the (i) Real Estate & Authentication Offices and the (ii) Egyptian General Organization for Surveying "ESA."

Topic	Egyptian legislative requirements	WB and EIB policy requirement	Practical Implication
	any, in price.	accommodations, rental allowance for equivalent temporary housing, or payment for constructing temporary housing of a reasonable equivalent standard can be provided. If structures themselves are temporarily acquired, or use of the structure is precluded, compensation for moving and restoration expenses are covered.	
Temporary loss of business	Egyptian law stipulates that compensation for temporary losses of business is determined by a consensus of a committee. Where people affected by a project lose their business temporarily,	The World Bank policy recommends that: (a) the owner of the business is paid an equivalent amount to the estimated net loss and (b) if an affected business cannot continue in its current location, the business will be provided with new premises or rental allowance for new premises and, (c) the business should be compensated for the cost of relocation, business personnel and equipment from and to the new premises.	The application of the provision in Egypt is far from what is stated by Egyptian law and the Bank's policy. In many cases compensation paid to businesses for temporary loss of income is usually below market price. This is an issue related mainly to the capabilities of the committee involved and to the institutions facilitating the process; they include representatives of (i) ESA, (ii) the local government unit within whose jurisdiction the project is located and, (iii) the treasurer of the local impacted area .
The right of squatters	Not included in the legislation (Applied cases for resettlements revealed that squatters have been	The right of squatters is not addressed in Egyptian law, the Bank's policy requires squatters be provided with resettlement	Egyptian practice in dealing with squatters' right has reflected that because of political pressure and the "social dimension", the government has

Topic	Egyptian legislative requirements	WB and EIB policy requirement	Practical Implication
	compensated as a result of political sensitivity)	assistance when their residences are affected by projects financed by the Bank, but no compensation for the land the squatters are occupying Egyptian legislation has not recognized the rights of squatters. There have been resettlement cases in which the Egyptian government compensated squatters because of political sensitivity to the problem rather than because of provisions in the law or in compliance with the Bank's policy.	been forced to provide an alternative for those groups of households either in terms of alternative shelter or cash.
Resettlement in a new site	According to Egyptian law, PAPs who are physically displaced are to be provided with replacement residential housing. However, they do not have the right to object to the location of the resettlement but only to the suitability of the housing in terms of area, design or relevant occupying issues. OP 4.12 states that PAPs who are physically displaced are to be provided with residential housing, or housing sites, or, as required, agricultural sites at least equivalent to the old site.	Moreover, the OP 4.12 requires (i) preference is given to land-based resettlement for displaced persons whose livelihoods are land-based, (ii) affected people should be offered various options for resettlement and not only one option as stated in Egyptian law, (iii) affected people should be at least resettled in an area equivalent to the old property or site and, (iv) affected people should be supported with a soft-loan that compensates the difference in value between the old and new property.	The notion that PAPs do not have the right to object to the location of the resettlement but only the housing suitability in terms of area, design or relevant issues is contradictory to OP 4.12 paragraph 3(a) which states PAPs should be "consulted on, offered choices among, and provided with technically and economically feasible resettlement alternatives.
Resettlement assistance	The Egyptian law makes no provision	OP 4.12 offers support for a transition	Without equivalent practices between Egyptian

Topic	Egyptian legislative requirements	WB and EIB policy requirement	Practical Implication
	to provide resettlement assistance to project affected people	period. The OP 4.12 further requires that the cost of this assistance should be included in the overall Resettlement Action Plan (RAP).	law and the Bank's OP 4.12 it would be difficult to provide assistance to project affect people at their new resettlement site. It would be hard to ensure opportunities for project affected people to restore or improve their income and as well as being provided temporary income support if required.
Calculation of Compensation	According to prevailing prices in the affected area and assessed by a specialized committee for that purpose	Full replacement cost	This issue is crucial since all previous Egyptian practices of valuation have been substantially below the market rate due to: Lack of valuation experience in ESA No real market rate is defined due to taxes and fees charged on properties
Disturbance allowance	Egyptian regulations do not specify income disturbance allowances	where the PAPs incurred losses of business income. On other hand, the WB OP 4.12 requires in addition to total business income loss compensation, a disturbance allowance of 10%.	The lack of disturbance allowance provision is not in line with the OP 4.12, paragraph 12.
Asset value increased due to previous public interest project	The Egyptian law states that should the value of the expropriated property increase due to public interest work in a previous project, such increase shall not be calculated in determining the compensation value if expropriation is exercised within 5 years from the date of executing the previous public interest project.	This stipulation is contrary to OP 4.12, paragraph 6 which requires PAPs be "provided with prompt and effective compensation at full replacement cost for losses of assets attributable directly to the project."	The Valuation Committee should consider any rise in the prices in order to fulfil the requirement of paying compensation in a market price
Vulnerable groups	Egyptian regulations have not	In contradiction to that fact , the World	It warrants it is the responsibility of government

Topic	Egyptian legislative requirements	WB and EIB policy requirement	Practical Implication
	addressed how vulnerable groups affected by expropriation of property should be treated	Bank OP 4.12 in paragraph 8 states the need to give special attention to the rights of vulnerable groups.	and the Bank underwritten project to ensure that vulnerable people are not excluded from redress measures within the overall resettlement actions. It further demands that Bank financed and other development projects pay particular attention to vulnerable groups, especially those below the poverty line, the landless, the elderly, women and children, indigenous peoples and ethnic minorities. The PMU and Upgrading unit in each informal settlement should pay considerable attention for those groups and give them priority in selecting resettlement options and receiving financial support.
Access to timely and relevant information	Egyptian law stipulates that PAPs be provided with timely and relevant information.	This legal provision is in line with OP 4.12, which specifies that project affected persons and their communities be (i) provided with timely and relevant information, (ii) consulted on resettlement options, and (iii) offered opportunities to participate in planning, implementing and monitoring resettlement. EIB pays due attention to Public consultation and participation as it is a requirement not only of the EIA Directive but also of a number of other EU environmental laws. The EIB	Despite the harmony/equivalency between Egyptian law and OP 12 regarding the importance of relevant information sharing in timely fashion, implementation experience in Egypt suggested that PAPs: (i) have not been consulted on resettlement options and (ii) have not been able to participate in planning, implementing and monitoring resettlement. In the absence of lack of access to information by PAPs, realizing the Egyptian law and the Bank's policy into practical and participatory fashion will be difficult. For crop compensation procedures however, the long established national procedures applicable include clear

Topic	Egyptian legislative requirements	WB and EIB policy requirement	Practical Implication
		<p>recognizes the added value that interested and well-informed members of the public, especially those people affected by a project in the host country, can bring to the project environmental assessment process. Consultation and participation of concerned stakeholders during project preparation are expected to enhance sustainability and contribute to project success.</p> <p>Stakeholder concerns should be considered as early as possible in the project assessment process in order to reduce risks and provide for timely resolution of conflicts. For all projects for which the EIB requires a formal EIA, the promoter should conduct a meaningful, transparent, and culturally appropriate public consultation of affected communities and provide for a timely disclosure of appropriate information in a suitable form; there should be evidence that the views expressed have been considered. For all other projects, the Bank requires promoters to engage stakeholders in meaningful dialogue, as a citizens' right and to build support for efficient and timely project implementation. Outside the EU, national</p>	<p>guidance for providing PAPs with timely information as presented in Sections 2.6 and 2.8 above. The implementation experience of these crop compensation procedures has been successful in the mobilization of farmers' participation. In order to maximize benefit from the workshops/consultations regularly conducted by EPADP and described in Section 2.4.2 above, it is proposed that the scheduling of workshops/consultations be done in coordination with the expected work plan for execution of drainage works.</p>

Topic	Egyptian legislative requirements	WB and EIB policy requirement	Practical Implication
		law sets the minimum disclosure, consultation and participation requirements of the Bank.	
Grievances & redress mechanisms	<p>Egyptian law allows the creation of “Specialized Committees” to address grievances originating from misunderstandings of project policy, or resulting from conflicts among neighbors. The law allows one month to object to the decision of resettlement, four months to seek redress to the compensation value and three months in case of dispute between several individuals or parties on a single property.</p> <p>Court cases in Egypt are known to require long periods of time before settlements can be reached. With intent to address the lengthy time the Egyptian court may require to process and resolve disputes,</p>	the Bank’s OP 4.12 advances a “first tier grievance management mechanism”, which will be a function of the Project, to provide aggrieved people with an avenue for amicable settlement without necessarily pursuing a court case.	The absence of a first tier grievance mechanism in Egyptian law means there are difficulties to access grievance mechanisms addressing minor issues that otherwise should be resolved within a short period of time. The absence of such mechanism denies project affected groups the direct channel for grievance and delays resolution of disputes in an appropriate time prior to resettlement. In order to avoid delay in dispute resolution, it is essential for the government to consider adopting the first tier grievance redress mechanism advanced by the Bank OP 4.12. If need arises, aggrieved people would however remain free to open a Court case without having registered their grievance with this first-tier mechanism.
Rights of displaced people	<p>Displaced persons are provided timely and relevant information.</p> <p>Not consulted on resettlement options</p>	Appropriate and accessible grievance mechanisms to be established.	Affected groups should get access to full information about the resettlement process and options for compensation.

Topic	Egyptian legislative requirements	WB and EIB policy requirement	Practical Implication
	Not able to participate in planning, implementing and monitoring resettlement		<p>Participatory planning and decision making should be applied in resettlement options and compensation</p> <p>There is a need for ensuring that affected groups are offered the direct channel for grievance and receive redress in proper time prior to resettlement.</p> <p>The receiving of full compensation should be prior to resettlement.</p>
Monitoring and Evaluation	<p>While Egyptian regulations do not offer any monitoring or evaluation measures</p> <p>The absence of monitoring and evaluation measures in Egyptian laws illustrates differences between the two systems. The lack of legally authorized resources can constrain accountability and governance mechanisms of Bank financed projects. The lack of equivalency between the Bank's and Egyptian policy can negatively impact on the very idea of the consultation, decision making and disclosure principles charted in the Bank's OP 4.12.</p>	<p>the Bank's OP 4.12 does. It embraces monitoring and evaluating the social and economic impact on the affected groups. It requires measurement of the amounts of compensation paid, time taken to ensure compensation payment, number of grievances and redress cases received and addressed and objective feedback on the overall impact of the resettlement action on the affected group.</p>	<p>The OP 4.12 explains procedures⁵ for a monitoring and evaluation process which should be incorporated into the Egyptian law. The current activities undertaken by the DAS include post-implementation interventions that involve close interaction with farmers. The nature of these interventions however are oriented towards raising farmers' awareness with the benefits of the drainage systems as well as training them on simple maintenance activities.</p>

5.4.2 Recommendations

- When planning project and resettlement strategies, the affected group should be informed about the displacement and participate in defining resettlement options from the earliest stage of the process, that is even before issuing the decree for public interest,
- It is essential a cut-off date be clearly spelled out to assure the right of affected groups and yet avoid subsequent problems.
- It is critical to conduct a detailed economic study evaluating expected properties to be expropriated and this exercise should be carried out by a professional body (private or public) able to define the real-market value,
- It is important to consider establishing a specialized unit within the management of the project to address grievances at the early stages of the project and the inception of the Resettlement Action Plan (RAP). The unit should include representation from local governmental executive bodies in addition to representatives from the local affected community.
- It is imperative to undertake a detailed socio-economic study focusing on the affordability of the probable impacts on assets and livelihoods of affected people with particular attention to vulnerable subsets.
- The process governing Resettlement Action Planning (RAP) and implementation should have full transparency and project affected people must have their voice heard and incorporated into the overall program via an established project unit.
- It is important to enlist high profile government officials as champions at an early stage of the process. Their role is vital in implementing and solving urgent conflict issues and this is crucial for building the trust within local communities to assure the project's success.
- Craft and operationalize fair, quick and transparent grievance and redress mechanisms.
- Active involvement of traditional leaders within the local community is also a cornerstone for the success of the project.

In addition to the above recommendations, it is also important to focus on the following issues in order to close existing policy gaps:

- Right of squatters to be compensated
- Right of customary owners to be compensated
- Valuation of compensation should be based on the date of implementing the resettlement not the date of issuing the decree of public interest.
- Publication of list of properties should be done in compliance with the law.
- Disputes over land or structure ownership or tenure should be solved through a specialized committee to expedite PAP compensation payments.
- Compensation should be defined based on transparent criteria that cover both real market value and transfer cost. This is to be applied to residential and economic activities for different tenure status (e.g., owners, tenants, squatters, customary owners).
- Compensation is to be paid prior to displacement/ resettlement (in case of crop compensations, they should be paid not later than the timing on which the income generated from the agricultural activity would have been made in-line with the procedures stated in this RPF report.
- Compensation is valued based on date of implementation rather than date of issuing decree.

- For poor households and vulnerable groups, compensation should be linked with soft loans for paying the price of alternative housing or job opportunities
- Resettlement option is to be avoided and to be ranked as the least preferred option.
- In case resettlement is inevitable, the option with minimum number of displaced people should be selected
- The resettlement decision should be supported with detailed technical documents (maps, drawings, reports) showing the scope of resettlement.
- All technical steps and procedures should be explained to affected people prior to resettlement in order that they be prepared for displacement.
- Several committees should be established for preparation, implementation, management, assessment of compensation and monitoring of project operations. Those committees should include representatives from different central and local executive bodies to ensure the coordination of different tasks within the process.
- The role of NGOs and CBOs will include, but is not limited to, mediating, informing and supporting socio-economic aspects related to resettlement.
- NGOs and CBOs could play important roles in bridging the gaps between the government and local communities, especially during the displacement process.
- Affected families should be offered various options for displacement and resettlement in locations for resettlement and compensation mechanisms
- The affected people should have the right to claim redress about a resettlement location.
- The compensation value should be based on real market assessment that can enable the affected group to have equivalent shelter or economic value
- An effective monitoring mechanism should be established to follow up on the impact of the resettlement process on the livelihoods of affected persons
- Rehabilitation programs should be designated for affected groups to overcome the negative impact of resettlement
- Socio-economic support from local government and NGOs will be provided for displaced persons during and after the resettlement (e.g., small and short-term credit for transfer and for start-up of new business, soft-loans for housing improvement).

CHAPTER SIX : RAP PREPARATION, REVIEW AND APPROVAL

6.1. About Resettlement Action Plan

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

Once the project activities have been identified, they should be screened by NAT to determine whether or not they will necessitate the involuntary resettlement of people within the determined project area. For the purpose of this RPF, the following section will present the main steps for the preparation of the RAP/ARP.

According to Annex A of the WB's OP 4.12 on IR, the sub-project RAP should the following design criteria:

Box 3: Design Criteria for RAP

- A description of the sub-project and a discussion of how the displaced will maintain or upgrade their living standards
- Identification of potential impacts
- Objectives of RAP
- Site selection for new settlement, along with relocation risks and reconstruction;
- A census survey of displaced persons and valuation of assets
- Relevant findings of the socio-economic study
- Legal framework
- Institutional framework
- Eligibility criteria and eligible PAPs
- Valuation and compensation for losses
- Services offered after relocation (e.g. employment , electricity, etc.) based on an assessment of their needs
- Resettlement measures
- Site selection, site preparation, relocation, provision of services (facilitation of relocation)
- Housing, infrastructure, and social services
- Environmental protection and management
- Community participation
- Integration with host populations
- Grievance procedures
- Organizational responsibilities and timetable (what institution is

responsible for implementation of the relocation)

- Implementation schedule
- Costs and budget
- Monitoring implementation and outcomes
- Evaluation

The same reference also highlighted the key minimum elements that an abbreviated plan (ARP) should covers. This is listed in Box II below.

Box 4: Minimum Elements to be included in ARP

- Project activities requiring acquisition of land or other assets with required details such as sketch maps
- A census survey of displaced persons and valuation of assets
- Officially certified enumeration of the persons affected and the types of impact
- Entitlements, description of compensation and other resettlement assistance to be provided and the bases of compensation rates
- Consultations with displaced people about acceptable alternatives
- Institutional responsibility for implementation and procedures for grievance redress
- Time table for implementation of the action
- Arrangements for monitoring and implementation
- A timetable and budget

6.2. RAP and the Project Cycle

6.2.1. PRA during Project Identification

Project Screening

During the screening phase, cadastral information might involve gathering information about land ownership, structures and uses of the land that would be directly affected by the works, either temporarily or permanently. This information shall be verified by a qualified consultant who shall provide written and visual records and enumerate all economic, residential or other ownerships and uses of the land that would be affected, along with an estimate of the number of people affected by type of impact.

This same phase should also include conducting introductory meetings with communities, including PAPs and vulnerable groups, in order to inform them about the project and to disseminate the prepared RPF and inform people about their rights and entitlements.

Preparation of the Socio-economic Survey

Following the identification of the project component that may necessitate involuntary resettlement, the next step would be prepare a socio-economic study, in which baseline data within the project's target areas is collected. The study should be carried out by a social and resettlement consultant assisted by the local community leaders. It should examine the nature of the impacts; the socio-economic and cultural setting, local organizations, and social risks, total land holdings, affected assets as well as the indicators that would ensure that the project affected people, at minimum, regain their former quality of life or, preferably, are enabled to improve it. The information should be collected from PAPs and related household members or dependents. This information will be put in writing and used in the preparation of the RAP and in determining the appropriate compensation and assistance for each affected individual / household. Box III below shows the objectives of socio-economic survey.

Box 5: The Socio-economic Survey Objectives

- Introduce the project to the PAPs
- Collect census data to identify PAPs on the individual and household levels
- Description of the affected households including information about livelihoods and production and labor systems, standards of living and an analysis of their legal rights and informal entitlements and any issues of potential conflict
- Collect census data to identify vulnerable and severely affected PAPs
- Collect census data on the overall socio-economic environment of the affected communities
- Statement of the magnitude of the expected loss (total or partial) of assets and the extent of physical or economic displacement
- Identify stakeholders
- Identify impacts of the sub-project on the livelihoods of the PAP (i.e. property, structures, income, etc.)
- Identify any concerns or worries the PAPs may have
- Identify the resettlement preferences of the PAPs

Preparation of RAP

For projects that will trigger IR and will require the preparation of the RAP/ARP, their preparation should be considered prior to the appraisal phase. The preparation of the RAP/ARP should consider the key design criteria previously presented in Boxes I and II above.

6.2.2. RAP during Project Appraisal

The prepared RAP/ARP needs to be reviewed by an appraisal committee from the project team as well as other relevant local or central authorities and then sent for final approval by the Bank. The RAP/ARP will include the proposed mitigation measures and this will help in making a decision as to whether or not the project shall be implemented. The prepared RAP/ARP shall take into consideration the communities concerns and

worries raised in the process of putting together the socio-economic survey. The WB should clear the RAP/ARP and approve it for implementation.

6.2.3. RAP during Project Implementation

1- Prior to the project implementation, PAPs that have been determined to be eligible for compensation should be compensated in accordance with the approved project's RAP/ARP. This includes providing the PAPs with cash compensation, preparing the resettlement sites with the adequate structures and facilities, and / or providing different development and transitional assistance measures to assist the displaced persons.

2- A cut off date should be determined by one month from the disclosure of the census and contradictory verifications of the census by the PAPs. Persons who encroach onto the area after the cut-off date are not entitled to compensation or any other form of resettlement assistance. Affected individuals, households, and communities, who have been identified earlier under the socio-economic survey, will be consulted about their compensation preferences.

3- The PAPs will be formally informed through written or verbal notification (in case some of the PAPs are illiterate) delivered in the presence of at least one public official. NAT as well as any local resettlement mechanism that might be initiated (e.g. Local Resettlement Committee) will arrange meetings with the affected individuals / households to document the lands acquired by the sub-project throughout the implementation period and discuss the compensation process.

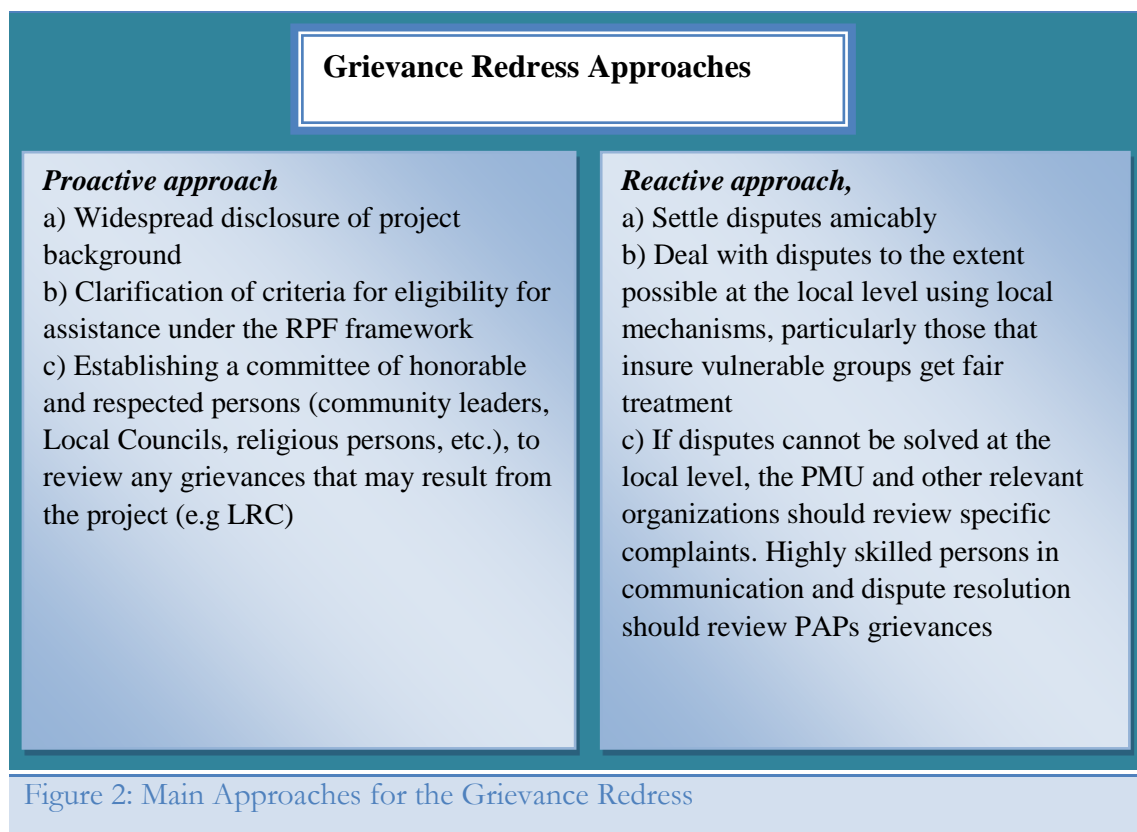
4- The PAP will be required to sign a contract detailing the acquired land plots and / or partially or completely affected structures and the corresponding types of compensation (i.e. cash or in-kind) that have been agreed upon. The signature of the compensation contracts as well as the actual payments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

5- A grievance mechanism should be devised in order for the PAPs to be able to voice their concerns, complaints, or dissatisfaction with any part of the compensation process and seek redress. The RPF sets the outline of the grievance mechanism that should be agreed upon and used by the project in case RAP/ARP is triggered. Simply, complaints can be made concerning the:

- Non-fulfilment of contracts,
- Compensation entitlement,
- Types and levels of compensation,
- Compensation policy, acquisition / destruction of land or assets,
- Resettlement, or development or transitional assistance.

The grievances should be addressed to local mechanisms or special committees that could be formed as an independent instrument for the purpose of receiving and responding to grievance in order to ensure that PAPs grievances are treated fairly and timely. The committee should collect and review the grievances (in coordination with the representative local public official) monthly and NAT should also play a role in facilitating the response to these grievances. Particular attention will be paid to vulnerable groups. It is also very important for the committees to ensure proper documentation for all grievances and their resolution within timely manner for the monitoring process. Capacity building of the local committees is essential in order to enable them to efficiently implement the different activities under the RAP/ARP (this will be mentioned in more details below).

World Bank OP. 4.12 emphasizes that the PAPs should be heard. Therefore, they should be fairly and fully represented in an appropriate way. It is recommended to minimize the cases that are taken to the court in order to avoid long and tiring litigation. However, if the grievances or other disputes cannot be resolved through administrative action, the PAPs can initiate legal proceedings in accordance with provincial and national law and have recourse to the Appellate Courts and the Supreme Court but this should be maintained as a last option. The grievance redress approaches could be divided into proactive and reactive approaches as illustrated under Figure I below.



6.2.4. RAP during Monitoring and Evaluation (M&E)

Monitoring and Evaluation (M&E) are key components of the RAP/ARP and have the following objectives:

- Monitoring of specific situations or difficulties arising from implementation and of the compliance of implementation with objectives and methods set out in the RAP/ARP;
- To verify that project activities have been effectively completed with respect to quantity, quality and timeliness;
- Evaluation of medium and long-term impacts of resettlement on affected households' livelihood, environment, local capacities and economic development.

In carrying out all activities related to monitoring, evaluation and supervision, consideration will be given to the vulnerability issues. The different vulnerable groups referred to above should be consulted during the monitoring process in order to insure that their concerns are handled fairly. Regular monitoring of the RAP implementation will be conducted internally, by Gasco, as well as externally by an independent monitoring agency, hired by the WB.

- Internal Monitoring

Internal monitoring of the implementation of the project RAPs will be the responsibility of Gasco which includes a staff member dedicated to monitoring results. This should be done in full collaboration with locally devised resettlement mechanisms. Gasco will oversee the progress in resettlement preparation and implementation through regular progress reports. Gasco should collect information every month from the different resettlement committees. A database of resettlement monitoring information should be established and updated monthly. Quarterly internal monitoring reports should be prepared by Gasco and submitted to the WB. Quarter reports shall include information about the various monitoring indicators as presented in Box IV below.

A wide range of tools could serve for monitoring purposes. The previously mentioned socio-economic survey can serve as a participatory tool for defining monitoring indicators. Moreover, periodic Participatory Rapid Appraisals (PRA) will allow consulting with the various stakeholders (local government, Local Committees, NGOs, community leaders and PAPs). They will involve obtaining information, identifying problems and finding solutions through participatory means, which may include key informant interviews, focus group discussions (FGD), community public meetings, structured direct field observation, and in-depth case studies of problems or success stories.

Box 6: Guidelines for the Monitoring Indicators

The main indicators that will be monitored regularly are the following:

- a) Checking that the screening activities that have been carried out in order to determine the need for the preparation of a RAP
- b) Payment of compensation to PAPs in various categories, according to the compensation policy described in the RAP; with special focus on the vulnerable

groups and no discrimination according to gender, tribal backgrounds or any other factor

c) Delivery of technical assistance, relocation, payment of subsistence and moving allowances

d) Delivery of income restoration and social support entitlements

e) Public information dissemination and consultation procedures

f) Adherence to grievance procedures and outstanding issues requiring management's attention and equality of access

g) Attention given to the priorities of PAPs regarding the options offered

h) Co-ordination and completion of resettlement activities and award of civil works contracts

- External Monitoring

In accordance with WB requirements for consultant procurement, Gasco should hire an organization for the independent monitoring and evaluation of RAP/ARP implementation. The organization should be specialized in social sciences and experienced in resettlement monitoring. The organization should start its work as soon as the updated RAP has been approved.

The rationale behind hiring an external institution is to ensure that the overall objective of the resettlement plan is achieved in an equitable and transparent manner. In addition to reviewing the issues covered by the internal monitoring progress report, the external agency shall also evaluate and assess:

- The competence and effectiveness of the project implementing agencies (Gasco)
- Adequacy of compensation, development and transitional assistance techniques provided for the PAPs
- Ability to reach the most vulnerable PAPs
- Consultation and public disclosure of the RAP
- Effectiveness of the grievance redresses mechanism

Evaluation, however, is intended to insure that policies (both Egyptian and the WB's) have been adhered to and provide the feedback needed for adjusting strategic directions. Evaluation, thus, has the following objectives:

- General assessment of the compliance of resettlement activities with the objectives and methods as set out in this RPF
- Assessment of the compliance of resettlement activities with the laws, regulations and safeguard policies cited above
- Assessment of resettlement and relocation procedures as they have been implemented
- Evaluation of the impact resettlement and relocation has on incomes and standard of living, with the focus on the poor and the most vulnerable
- Identification of actions to improve the positive impacts of the program and mitigate its possible negative impacts

While carrying out the evaluation process, the project will utilize:

- This RPF as the guiding instrument
- Egyptian laws and regulations as described in a preceding chapter
- The World Bank's OP 4.12 on Involuntary Resettlement

The evaluation of resettlement activities will be part of general assessment and review activities undertaken for the project as a whole.

CHAPTER SEVEN : ESTIMATED POPULATION DISPLACEMENT, ELIGIBILITY CATEGORIES AND METHODS OF VALUATING OF AFFECTED GROUPS

7.1 Estimated population displaced

Land acquisition is one of the most important impacts that might affect the project implementation. As noted by NAT, the total area to be expropriated is 38.798 m² permanently, while the temporary land acquisition is 4133 m².

Those who will be compensated are 241 entities among which only four will be affected temporarily. The total lands that will be compensated for is 10651 m² while the temporarily expropriated land will be 468 m². Regarding mosques, cinemas, schools and youth sports, they were presented as one affected unit. That will be changed during the RAP

Table 4: List of affected people who will be compensated

Area	Entity	Total affected group	Location	Metro Station	Type	Ownership	Permanent lands	Temporarily lands
Zamalek Station	Private Villa	1	Ismail Mohamed Street	Zamalek Station	None	unknown	0	145
Imbaba Station	Imbaba Station	1	Small mosque (Zawiah)	Imbaba Station	One floor Mosque	Private	158	0
Imbaba Station	Imbaba Station	1	Mosque (Gamea El Anwar El Zateiah)	Imbaba Station	Ground floor	Private	761	0
El Bohy Station	El Bohy Station	1	Mosque (El Badr)	El Bohy Station	3 floors	Government	653	0
Kit Kat station	Youth sport center	1	El Sudan street	Kit kat station	Wall fence	Government	166	0
Annex 3 A 1	Corsal Diana Cinema	1	N 17 El Alfy street	Ventilation Shaft	Access area	Unknown	108	0
Maspero	Corsal Cinema	1	No. 70 from 26th of July Street	Maspero station	Cinema	unknown	500	0
Zamalek Station	Dar El Tarbea El Hadeitha American School	1	Ismail Mohamed Street	Zamalek Station	Garden	Unknown	0	270
Zamalek Station	Dar El Tarbea El Hadeitha American School	1	Ismail Mohamed Street	Zamalek Station	Store	School	0	18
Zamalek Station	Dar El Tarbea El Hadeitha American School	1	Ismail Mohamed Street	Zamalek Station	Teacher class	School	0	35
Kit Kat station	Shops public market 4 kiosks	4	El Sudan street	Kit kat station	4 light shops	unknown	100	0
Maspero	Shops	7	Beside corsal cinema	Maspero station	Shops	Private	720	0

Area	Entity	Total affected group	Location	Metro Station	Type	Ownership	Permanent lands	Temporarily lands
Maspero	Building	8	N.72 of 26th of July Street	Maspero station	Shops	unknown	850	0
Maspero	Building	8	N.74 of 26th of July Street	Maspero station	Post office	unknown	900	0
Imbaba Station	Imbaba Station	9	9 shops Imbaba Station	Imbaba Station	Ground floor	Private	726	0
Imbaba TBM Shaft and cut&cover	Imbaba TBM Shaft	9	Market Cut&cover after Tbm Shaft	Cut&cover after Tbm Shaft	Concrete shops	Government	1571	0
Imbaba Station	Imbaba Station	20	Ground and 5 floors	Imbaba Station	6 floors	Private	365	0
El Bohy Station	El Bohy Station	166	1 floor shops (market)	El Bohy Station	1 floor shops	Government	3073	0
Total		241					10651	468

Source: NAT and Systra expropriation sheets

The majority of the project's impacts were limited. Due to the fact that the Metro Line implementation started three decades ago, the promoter (NAT) has a wide experience in the land acquisition process. Reviewing the Rapid Participatory Assessment done by NAT to identify the affected people and relying upon the data collected during the different site visits applied during the RPF preparation, it was notable that the areas that will be affected by land acquisition are seven areas distributed in two governorates namely Cairo and Giza, (the areas are 26th of July, Maspero, Zamalek, Kit KAT, Sudan and Gameat El Dewal, Imbaba and El Bohy street). In addition to that 28 Feddans will be expropriated in the Ring Road area (No information provided about them). Therefore, the analysis excludes those 28 Feddan

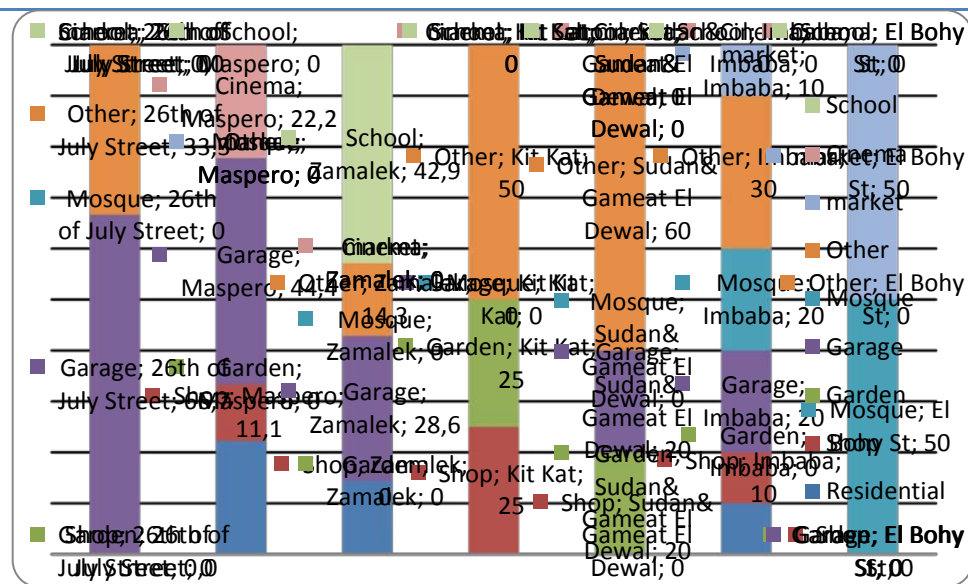


Figure 3: %Distribution of affected entities by area

About a quarter of the affected items are considered garages or parking areas. The residential buildings represent only 27.5% of the total affected plots reported. Public gardens are included as well as mosques. 25.0% of the total affected plots are categorized as other i.e. Side walk area in Zamalek, Public Area Wadi El Neil Station, Gameat El Dewal El Arabia Part of the service need, Right of Way for ENR rail, Youth sport centre, Ground area Kit Kat square, Toilet building and sewage facility. Residential areas represents only 10% while shops were 7.5%

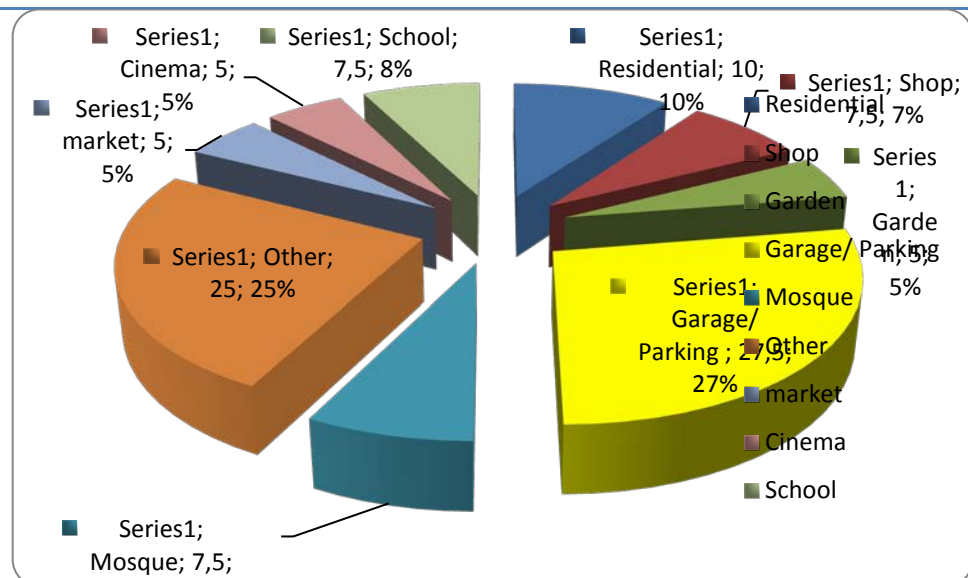


Figure 4: %Distribution of affected entities

Who owns the land is one of the major concerns that should be highlighted; because the compensation should be paid to the affected people who are in most of the cases the

owners. 15.0% of the lands needed are owned by individuals. The government owns about 37.5% of the land properties that are to be expropriated. One of the plots of lands needed is owned by a company named Maspero Company. Public areas represent about 9.0% of the total lands. All lands that are categorized under public and governmental lands; these areas are not entitled to compensation. Detailed land acquisition table was put in Annex Seven

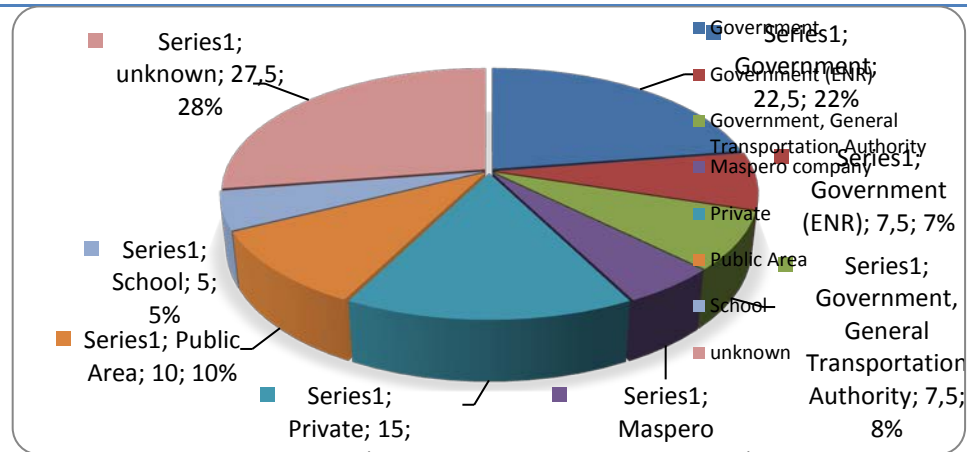


Figure 5: %Distribution of affected entities by its ownership

Since this is the first time NAT has to implement land acquisition and resettlement procedures within the framework of donor (EIB, AFD) policies, thus, consideration should be given to their basic principles, before implementation within the Egyptian framework. Achieving donor requirements successfully is a must to minimize the gaps, as mentioned in the following Box

Box 7: The main EIB policies to be applied by NAT

- Effective measures to minimize impacts and compensate for losses must be agreed upon with the people who will be affected if involuntary resettlement is required.
- PAPs who will be resettled involuntarily and/or whose livelihood will be affected must be sufficiently compensated in a timely manner.
- Project proponents must make efforts to empower PAPs, improve their standard of living, income opportunities, and production levels, or at least restore them to their pre-project status.
- PAPs and their communities must be consulted during the preparation, implementation and monitoring of their involuntary resettlement plans, including measures to prevent the loss of their livelihood.
- As described, donor policies focus on appropriate compensation and participation of PAPs.
- Since socio-economic surveys on public opinions reveal the importance of appropriate compensation, it is essential for the project to consider the involvement of PAPs. The project should observe the following principles at the time of detailed study of land acquisition and resettlement in order to provide appropriate measures and compensation for the PAPs:
- By examining all possible alternatives from an engineering, environmental and social perspective, land and property acquisition will be avoided or minimized as much as possible.

- PAPs must be consulted with in a meaningful and timely manner in order to reflect their opinion on the resettlement plan and to promote their participation for planning and implementing of the resettlement plan.
- Compensation will be provided in a timely manner based on the agreement with PAPs, and will be completed not later than the date of evacuation.
- Compensation for loss of assets, income and business will be based on replacement cost in order to improve the livelihoods, standards of living or income opportunities of PAPs, or at least restore them to their pre-project levels.
- All PAPs living, working, and doing business in the project area before the cut-off date will be entitled to compensation.
- Necessary institutional arrangements, including grievance mechanisms, will be assured for preparation and implementation of resettlement in a timely manner.
- Adequate financial arrangements will be committed and arranged within the time frame to cover the cost of land acquisition, resettlement, and rehabilitation.
- An appropriate monitoring, reporting, and evaluation framework will be assured in the resettlement management system.

7.2 Eligibility and entitlement

The criteria for eligibility can be summarized as follow:

- A. The first criterion for eligibility will be the cut-off date. If the residency was identified through the census survey, the owner will be entitled for compensation for their loss of properties and/or assistance for livelihood stabilization. On the other hand, if a person encroached the project area after the cut-off date, they will not be entitled to compensation
- B. The second criterion for eligibility will be the legal status of those who were qualified from the first criterion. Identified PAPs are basically classified into the following categories in the donor policies:
 - Those who have formal legal rights to land (including customary and traditional rights recognized under the laws of the country);
 - Those who do not have formal legal rights to land at the beginning of the census, but have a claim to such land or assets; provided that such claims are recognized under the law of the country or process identified in the resettlement plan;
 - Those who have no recognizable legal right or claim to the land they are occupying.
 - Although Egyptian regulations do not mention entitlement of compensation for those who do not have legal rights, such persons have been compensated in the course of operational practice if they were previously regarded as the apparent owners of the affected properties.

Considering EIB policies and Egyptian legal status, the categorization for entitlement to compensation in the project will be proposed as follows:

Table 5: Project affected people and eligibility

Project affected people	Eligibility
Residential/ shop owners	PAPs who have legal rights to real estate and/or property (including customary and traditional rights recognized under the laws of Egypt)
	PAPs identified at the cut-off date and regarded as apparent owners of properties by the assessment committee. (who have legal documents)
	PAPs identified at the cut-off date and regarded as apparent owners of properties by the assessment committee. (Who don't have legal documents)
Residential/ shop tenants	PAPs who have legal rights to real estate and/or property (including customary and traditional rights recognized under the laws of Egypt)
	PAPs identified at the cut-off date and regarded as apparent tenants of properties by the assessment committee. (Who have legal documents)
	PAPs identified at the cut-off date and regarded as apparent tenants of properties by the assessment committee. (Who don't have legal documents)
Lands owners	PAPs who do have legal rights to land and/or property at the cut-off date but have a claim to such land or assets that are recognized under the laws of Egypt, or will become recognized through a process of legalization (to be elaborated);
	PAPs who do not have legal rights to land and/or property at the cut-off date but have a claim to such land or assets that are recognized under the laws of Egypt, or become recognized through a process of legalization (to be elaborated); (Who have legal documents)
	PAPs who do not have legal rights to land and/or property at the cut-off date but have a claim to such land or assets that are recognized under the laws of Egypt, or become recognized through a process of legalization (to be elaborated); (Who don't have legal documents)

Source: Meeting with the head of compensation committee in NAT

Entitlement

The entitlement to compensation and assistance of livelihood stabilization shall be defined according to Egyptian regulations in compliance with EIB's policies. Entitlement shall be categorized based on the proposed eligibility to the loss:

Table 6: Entitlement matrix and type of compensation

Type of lose	Entitled person	Type of compensation
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Mosque	BoD of mosque	<ul style="list-style-type: none"> • Monetary compensation to be paid in full market price • Or rebuild the mosque of the same area in different place
Youth center fence	BoD of youth center	<ul style="list-style-type: none"> • Monetary compensation to be paid in full market price • Or rebuild the fence of the same area in different place
Public Garden/ governmental plots of lands	Governmental entity	<ul style="list-style-type: none"> • No compensation for the loss of land
Market	Owners of the shops or kiosk	<ul style="list-style-type: none"> • Provide cash compensation at replacement cost of land of equal size and use, with similar or improved public infrastructure facilities and services and located in the vicinity of the affected land, plus the cost of any registration and transfer taxes. • Build another market for the affected groups
Owners of shops and houses	Individuals who have formal legal ownership rights to land	<ul style="list-style-type: none"> • Provide cash compensation at replacement cost of land of equal size and use, with similar or improved public infrastructure facilities and services and located in the vicinity of the affected land, plus the cost of any registration and transfer taxes. <p>In the case that there are structures on the land, provide cash compensation at replacement cost for the materials used to rebuild the structures or to partially repair an affected structure.</p>
Owners of shops and houses	Individuals who do not have formal legal ownership rights to land but have temporary or leasing rights	<ul style="list-style-type: none"> • In the case that there are structures on the land which have been built by the users, provide cash compensation at replacement cost for the materials used to rebuild the structures or to partially repair an affected structure. <p>Provide development and transitional assistance in locating new replacement lease land</p>
Tenants of shops and houses	Individuals who have any recognizable legal right or	<ul style="list-style-type: none"> • Provide alternative shop in similar areas

	claim to the land	<ul style="list-style-type: none"> • Provide monetary compensation
Tenants of shops and houses	Individuals who don't have any recognizable legal right or claim to the land	<ul style="list-style-type: none"> • Provide alternative shop in similar areas • Provide monetary compensation
Loss of source of income or access to source of income	Owner or workers in formal registered businesses	<ul style="list-style-type: none"> • Provide transitional cash compensation until new permanent employment is secured based on net income (for a maximum period of 6 months). • Provide development assistance to PAPs (i.e. training in specific areas) in order to help them to maintain and/or improve their income generation potential and access to gainful employment.

Source: Meeting with the head of compensation committee in NAT

CHAPTER EIGHT: ORGANIZATIONAL & INSTITUTIONAL RESPONSIBILITIES

8.1. Institutional responsibilities

National Authority for Tunnels applies law 10/ year 1990 concerning property expropriation for public benefit. In addition, there is an article of the law that covers the issue of entitlement for compensation (article 20) was interpreted by NAT as *“those who own the asset/ house/ land and those who rent it i.e. tenants, farmers who rent the lands. According to the law, the tenants have no legal right for compensation. However, NAT provides them with the needed compensation that enables them to find alternative house or shop.*

According to the Law, tenants are not entitled for compensation. Based on a verdict for the Supreme Court *“The rental relation between owners and tenants is terminated in case of expropriation due to not being able to apply it”* The termination of renting indicates that the tenants have no legal right for compensation.

Documents are essential to verify the ownership of assets. In case of not having documents, neighbors or surrounding people might be useful to declare the ownership or tenancy of the unit. Electricity receipt, telephone bill ...etc might be useful to tell about the person who should be compensated.

For temporary loss of business, it is crucial to have Tax Record in order to know about the daily profit that will be the basis for compensation identification. However, the majority of small businesses don't keep such records. In case of not having records the valuation of daily profit will be based on estimation of the compensation committee

Regarding the institutional capacity for the project, a compensation committee is formed in the NAT to apply all compensation activities. They are responsible for:

- 1- Participating in the rapid census for affected people
- 2- Coordinate with the governorates to do the census for the expropriated assets
- 3- Prepare compensation strategy for the affected groups
- 4- Pay the compensation for the affected groups (compensation means monetary or in kind)
- 5- Document the whole activities done under the compensation activities

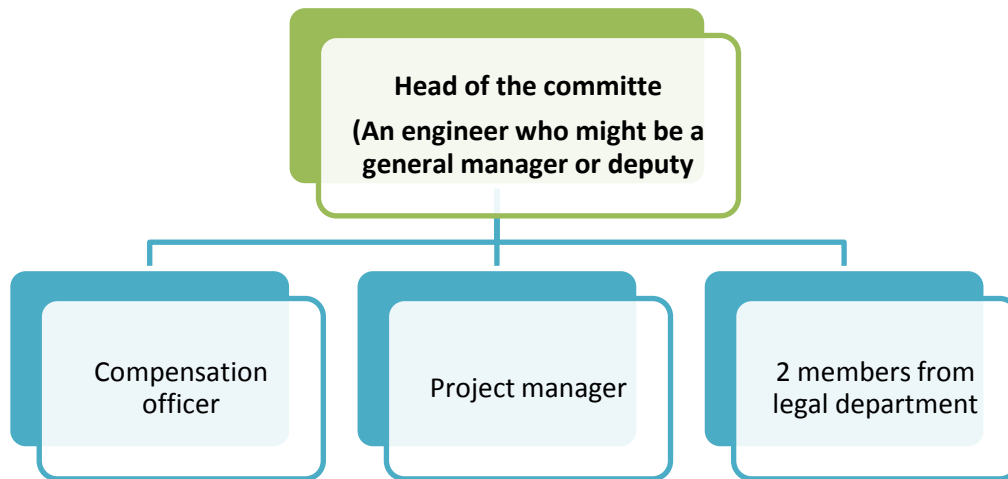


Figure 6: NAT compensation committee

This committee works closely with the governorate. The following committees are supporting the compensation activities in the governorate:

- A ***committee for owners compensation***
 - Head of district
 - GM for expropriation
 - Head of state property or his representative
 - Department for Housing Survey
- Committee for those recognized as entitled for compensation
Based on a decree from the Minister of Irrigation and Water Resources 566/4-12-2008 that includes the following structure:
 - Members from the governorate that the project is located in
 - A member from Housing Directorate
 - A member from Agricultural Directorate
 - Headed by the Measurement Authority

CHAPTER NINE: ESTIMATED BUDGET FOR THE RAP EXECUTION

As it was mentioned before the budget can't be identified during the RPF as the following elements play a major role in the assessment of compensation:

- Q. The market price in the area during the year of expropriation
- R. Similar cases registered in the Department for Real Estate *El Shahr El Aqary*
- S. Based on sales requests in the Department for Real Estate *El Shahr El Aqary*
- T. The level of fertility of the land
- U. The location of land (close to the main roads- served by different utilities)
- V. Plans for the land especially urbanization plans (possibility for construction activities)
- W. The most recent expropriation activities price
- X. Committing to the value of the crops (especially unique and rare trees)

In addition the compensation type is not identified; hence, the project affected people might receive cash compensation or in another form. (this applies to private entities only). Another barrier raised during the identification of potential compensation is the exaggeration of people regarding the proposed amount of compensation. Based on a meeting conducted with the head of the legal compensation committee in NAT, he reported that the compensation for the affected plots should be calculated according to the type of compensation, the cost of reconstruction and the cost of alternative units. The following is the potential affected entities that should be compensated and the estimated budget (which will be more clarified during the RAP). Based on the estimations (comparing with previous metro lines and the actual construction per meter 1500 EGP) the total cost is around 38 million EGP for the whole affected people. However, in two cases one of which is if the government provided low cost units to the affected groups, the amount might be reduced or in another case in a villa in Zamalek if it was not affected during the construction .

Table 7: Total Estimated compensation cost

Area	Entity	Total affected group	Location	Permanent lands	Temporarily lands	Type of compensation	Cost
Zamalek Station	Private Villa	1	Ismail Mohamed Street	0	145	Reconstruct	290,000
Imbaba Station	Imbaba Station	1	Small mosque (Zawiah)	158	0	Reconstruct	237,000
Imbaba Station	Imbaba Station	1	Mosque (Gamea El Anwar El Zateiah)	761	0	Reconstruct	1,141,500
El Bohy Station	El Bohy Station	1	Mosque (El Badr)	653	0	Reconstruct	979,500
Kit Kat station	Youth sport center	1	El Sudan street	166	0	Reconstruct	332,000

Metro Line3, Resettlement Policy Framework

Annex 3 A 1	Corsal Diana Cinema	1	N 17 El Alfy street	108	0	Cash	540,000
Maspero	Corsal Cinema	1	No. 70 from 26th of July Street	500	0	Cash	2,500,000
Zamalek Station	Dar Tarbea Hadeitha American School	El 1 El	Ismail Mohamed Street	0	270	Reconstruct	540,000
Zamalek Station	Dar Tarbea Hadeitha American School	El 1 El	Ismail Mohamed Street	0	18	Reconstruct	36,000
Zamalek Station	Dar Tarbea Hadeitha American School	El 1 El	Ismail Mohamed Street	0	35	Reconstruct	70,000
Kit Kat station	Shops public market kiosks	4 4	El Sudan street	100	0	Cash	500,000
Maspero	Shops	7	Beside corsal cinema	720	0	Cash	3,600,000
Maspero	Building	8	N.72 of 26th of July Street	850	0	Cash	4,250,000
Maspero	Building	8	N.74 of 26th of July Street	900	0	Cash	4,500,000
Imbaba Station	Imbaba Station	9	9 shops Imbaba Station	726	0	Cash	3,630,000
Imbaba TBM Shaft and cut& cover	Imbaba TBM Shaft	9	Market Cut&cover after Tbm Shaft	1571	0	Cash	7,855,000
Imbaba Station	Imbaba Station	20	Ground and 5 floors	365	0	Cash	1,825,000
El Bohy Station	El Bohy Station	166	1 floor shops (market)	3073	0	Cash	6,146,000
Total		244		17198	468		38,972,000

CHAPTER TEN: PUBLIC CONSULTATION AND DISCLOSURE

During the preparation phase and upon the identification of the activities that will necessitate IR, public meetings were held in the areas where resettlement and displacement may take place to introduce to the affected communities, and other primary stakeholders, general information on the sub-project and resettlement policies and procedures. Information will be given to the PAPs and other stakeholders on:

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

It is crucial that the PAPs and other primary stakeholders get involved in the sub-project from early stages, and that relevant and adequate information about the sub-project and its activities is provided to them in a timely manner. The stakeholders' engagement plan will be the best tool to apply in order to achieve the following objectives:

- Help identify the sub-project impacts and the affected individuals, households, and communities (especially the most vulnerable groups)
- Allow for the collection of more accurate data for the socio-economic survey
- Make the delivery of entitlement and services more transparent
- Reduce the potential for conflicts and minimize the risk of sub-project delays
- Support the formulation and design of resettlement programs and rehabilitation measures that meets the needs and priorities of the affected people

Following the preliminary introductory meeting, the PAPs will again be consulted during the process of conducting the socio-economic survey where they will be interviewed and asked to present their ideas, concerns, and preferences on issue regarding land acquisition and replacement, resettlement sites, compensation, and income restoration measures.

If the sub-project is approved, the PAPs should be involved in the actual formulation of different options for the RAP. After the finalization of the RAP it shall be publicly disclosed to all PAPs and other relevant stakeholders in a meeting and in the Egyptian Gazette.

The stakeholders' points of views will be taken into consideration upon the actual implementation of the RAP. The PAPs will give a chance to express their concerns with regards to the implementation of the RAP through the grievances and redress mechanism mentioned above. It will be amongst the main objectives of the monitoring and evaluation phase to ascertain that the PAPs complaints have been addressed and that they have been informed about the organizational procedures for resettlement throughout the entire process.

The RPF annexes

Annex 1: The Eligibility criteria for the PAPs

Eligibility Criteria

The aim of including the eligibility criteria in the RPF is to ensure that PAPs who suffer a complete or partial loss of assets or access to assets shall be clearly defined and recognized as eligible for some kind of assistance, according to their legal rights to the land, if it can be proven that they occupied the land before the claim cut-off date. The Bank OP4.12 specifically proposes three general categories for eligibility, as follows:

Category One: Individuals who have formal legal rights to land

Type of Entitlement:

- Compensation for loss in land and assets at full replacement cost.
- In case of physical relocation, provide assistance during relocation (i.e. moving allowances) and residential housing and / or agricultural sites with productive and location advantages equivalent to the lost sites.
- Support after displacement, until livelihoods and standards of living are restored to pre-displacement levels.
- Development assistance in addition to compensation measures (i.e. land preparation, credit facilities, training, job opportunities).

Category Two: Individuals who do not have formal legal rights to land, but have a claim to such land or assets⁴

Type of Entitlement:

- Compensation for loss in land and assets at full replacement cost.
- In case of physical relocation, provide assistance during relocation (i.e. moving allowances) and residential housing and / or agricultural sites with productive and locational advantages equivalent to the lost sites.
- Support after displacement, until livelihoods and standards of living are restored to pre-displacement levels.
- Development assistance in addition to compensation measures (i.e. land preparation, credit facilities, training, job opportunities).

Category Three: Individuals who have no recognizable legal right or claim to the land they are occupying⁵

Type of Entitlement:

- Resettlement assistance as appropriate (i.e. land, assets, cash, employment, etc.).

⁴ provided that such claims are recognized under Egyptian laws or become recognized through a process identified in the involuntary resettlement plan

⁵ i.e. squatter settlements, disputed ownership

In addition, all individuals in possession of properties (i.e. land, houses, structures) that may be adversely affected by any of the sub-projects' activities (i.e. construction, rehabilitation, etc.) shall also be eligible for some sort of compensation which shall be identified in the resettlement plan (RAP) depending on the type of damage.

Annex 2: Method of valuating of affected assets and compensation

The valuation of losses in assets depends on the type of lost asset. For physical assets, market value should be assessed to estimate the replacement cost. This should consider any associated costs to bring the asset to pre-displacement value. The WB also gives big attention to intangible assets although estimating their value is a relatively subjective process. Alternative opportunities should be provided to PAPs as a way for compensating their loss for intangible assets.

Table 8: Types and Examples of Affected Assets and the Method of Valuation

Type of lost asset	Examples assets	on Replacement Cost
Tangible/ physical asset	Agricultural Land	Equals the pre-project or pre-displacement, whichever is higher, market value of land of equal productive potential or use located in the vicinity of the affected land, plus the cost of preparing the land to levels similar to those of the affected land, plus the cost of any registration and transfer taxes.
	Urban Land	Equals the pre-displacement market value of land of equal size and use, with similar or improved public infrastructure facilities and services and located in the vicinity of the affected land, plus the cost of any registration and transfer taxes.
	Houses / Other Structures	Equals the market cost of the materials to build a replacement structure with an area and quality similar to or better than those of the affected structure, or to repair a partially affected structure, plus the cost of transporting building materials to the construction site, plus the cost of any labor and contractors' fees, plus the cost of any registration and transfer taxes.
Non tangible/ non physical asset	<ul style="list-style-type: none"> ▪ Access to employment opportunities, ▪ Public services, ▪ Natural resources, Social capital 	can not easily be valued in monetary terms the sub-projects should attempt to establish access to equivalent resources and earning opportunities that are acceptable to the PAPs

Source: WB OP 4.12

In order to assess the value of compensation to be paid to PAPs and based on Law no 21 of 1995 concerning Land and Real Estate, and Estimation Committee (EC) should be in charge of estimating the value of compensation. The law stipulates the formation and responsibilities of EC. It also gives other considerations like the cases when the affected asset is owned by more than one owner. It is recommended to put into consideration the eight items of lands evaluation developed by NAT

- A. The market price in the area during the year of expropriation
- B. Similar cases registered in the Department for Real Estate *El Shahr El Aqary*
- C. Based on sales requests in the Department for Real Estate *El Shahr El Aqary*
- D. The level of fertility of the land
- E. The location of land (close to the main roads- served by different utilities)
- F. Plans for the land especially urbanization plans (possibility for construction activities)
- G. The most recent expropriation activities price
- H. Committing to the value of the crops (especially unique and rare trees)

Annex 3: Entitlement matrix for Affected Persons

Type of Losses	Level of Impact	Entitled Person(s)	Compensation Policy & Standards	Implementation Issues
Agricultural Land				
Loss of arable and grazing agricultural land or access to it	Permanent (complete or partial) loss of arable and grazing land located in the sub-project site	Farmers / Individuals who have formal legal ownership rights to land	<ul style="list-style-type: none"> • Provide cash compensation at replacement cost for the lost land⁶ plus the cost of preparing the land to levels similar to those of the affected land, plus the cost of any registration and transfer taxes. • Provide cash compensation for loss of crops or trees at replacement cost. 	<ul style="list-style-type: none"> • A list of available arable and grazing land in each affected commune • A list of PAP and entitled persons • Consultations and formal agreement with PAPs on type of compensation (cash or in-kind)
Loss of arable and grazing agricultural land or access to it	Permanent (complete or partial) loss of arable and grazing land located in the sub-project site	Farmers / Individuals who do not have formal legal ownership rights to land but have temporary or leasing rights	<ul style="list-style-type: none"> • Provide development and transitional assistance in locating new replacement lease land. • Provide cash compensation for loss of crops or trees at replacement cost. 	<ul style="list-style-type: none"> • If available and requested by the PAPs and agreed to by the sub-project and concerned authorities: provide equivalent land nearby, of similar size, value, and quality • In case of relocation, provide assistance to farmers during

⁶ Calculated at entitlement cut-off date.

Type of Losses	Level of Impact	Entitled Person(s)	Compensation Policy & Standards	Implementation Issues
Loss of arable and grazing agricultural land or access to it	Permanent (complete or partial) loss of arable and grazing land located in the sub-project site	Farmers / Individuals who do not have any recognizable legal right or claim to the land	<ul style="list-style-type: none"> • No compensation for land. • Provide landless PAPs with resettlement assistance in securing temporary or lease rights to replacement land • Provide cash compensation for loss of crops or trees at replacement cost. 	<p>and after the relocation process</p> <ul style="list-style-type: none"> • Provision of assistance to farmers to develop new crops and improve production for both crops and livestock • Poor and vulnerable PAPs (including the landless) will not be displaced until replacement land is provided
Loss of arable and grazing agricultural land or access to it	Temporary (complete or partial) loss of all or part of arable and grazing land located in the sub-project site	Farmers / Individuals who have formal legal ownership rights to land	<ul style="list-style-type: none"> • No compensation for land if returned to owner in less than one year. • Provide cash compensation equivalent to the replacement cost at market price of renting the land during the temporary use. • Provide cash compensation for loss of crops or trees at replacement cost and compensation for loss of net income from subsequent crops that cannot be planted for the duration of the lease. 	<ul style="list-style-type: none"> • If the temporary loss continues for more than one year, PAPs will be given a choice of either continuing with the temporary arrangements, or selling the affected land to the sub-project at full replacement cost at current market value • Provision of development assistance to enable farmers / land owners to restore land

Type of Losses	Level of Impact	Entitled Person(s)	Compensation Policy & Standards	Implementation Issues
Loss of arable and grazing agricultural land or access to it	Temporary (complete or partial) loss of all or part of arable and grazing land located in the sub-project site	Farmers / Individuals who do not have formal legal ownership rights to land but have temporary or leasing rights	<ul style="list-style-type: none"> No compensation for land if returned to owner in less than one year. Provide cash compensation equivalent to the replacement cost at market price of renting the land during the temporary use. Provide cash compensation for loss of crops or trees at replacement cost and compensation for loss of net income from subsequent crops that cannot be planted for the duration of the lease. 	to its previous condition or better quality by providing measures to improve land quality in cases of land being adversely affected.
Loss of arable and grazing agricultural land or access to it	Temporary (complete or partial) loss of all or part of arable and grazing land located in the sub-project site	Farmers / Individuals who do not have any recognizable legal right or claim to the land	<ul style="list-style-type: none"> No compensation for land if returned to owner in less than one year. Provide cash compensation for loss of crops or trees at replacement cost. 	<ul style="list-style-type: none"> Provision of development and resettlement assistance to landless PAPs with no legal rights.
Urban Land (Residential and /or Commercial)				

Type of Losses	Level of Impact	Entitled Person(s)	Compensation Policy & Standards	Implementation Issues
Loss of urban residential or commercial non-arable land or access to it	Permanent (complete or partial) loss of urban residential or commercial non-arable land	Individuals who have formal legal ownership rights to land	<ul style="list-style-type: none"> • Provide cash compensation at replacement cost of land of equal size and use, with similar or improved public infrastructure facilities and services and located in the vicinity of the affected land, plus the cost of any registration and transfer taxes. • In the case that there are structures on the land, provide cash compensation at replacement cost for the materials used to rebuild the structures or to partially repair an affected structure. 	<ul style="list-style-type: none"> • A list of available non-arable land in each affected commune • A list of PAP and entitled persons • Consultations and formal agreement with PAPs on type of compensation (cash or in-kind) • If available and requested by the PAPs and agreed to by the sub-project and concerned authorities: provide equivalent land nearby, of similar size, value, and quality
Loss of urban residential or commercial non-arable land or access to it	Permanent (complete or partial) loss of urban residential or commercial non-arable land	Individuals who do not have formal legal ownership rights to land but have temporary or leasing rights	<ul style="list-style-type: none"> • In the case that there are structures on the land which have been built by the users, provide cash compensation at replacement cost for the materials used to rebuild the structures or to partially repair an affected structure. • Provide development and transitional assistance in locating new replacement lease land 	<ul style="list-style-type: none"> • Provision of development and resettlement assistance, mainly in the form of transition allowances for severely affected PAPs (transition subsistence allowance for food,

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

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

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

Type of Losses	Level of Impact	Entitled Person(s)	Compensation Policy & Standards	Implementation Issues
Loss of standing crops, trees, or plants or access to them	Permanent (complete or partial) loss of standing crops, trees, or plants	Farmers or individuals who cultivate the land and who have formal legal ownership rights to the land on which the crops are	<ul style="list-style-type: none"> Provide cash compensation for loss of crops, trees, or plants at replacement cost. 	<ul style="list-style-type: none"> A comparative list of the prices of agricultural products in local markets. A list of tree and plant species in the commune area. The sub-project activities should take into consideration the cropping patterns and seasons in order to avoid partial or complete loss – if possible.
Loss of standing crops, trees, or plants or access to them	Permanent (complete or partial) loss of standing crops, trees, or plants	Farmers or individuals who do not have formal legal ownership rights to land on which the crops are but have temporary or leasing rights (tenants)	<ul style="list-style-type: none"> Provide cash compensation for loss of crops, trees, or plants at replacement cost. 	
Loss of standing crops, trees, or plants or access to them	Permanent (complete or partial) loss of standing crops, trees, or plants	Farmers or individuals who do not have any recognizable legal right or claim to the land on which the crops are	<ul style="list-style-type: none"> Provide cash compensation for loss of crops, trees, or plants at replacement cost. 	

Type of Losses	Level of Impact	Entitled Person(s)	Compensation Policy & Standards	Implementation Issues
Income or Access to Income (Commercial, Business, and Industrial Activities)				
Loss of source of income or access to source of income	Permanent loss of income source or access to it	Owner or workers in formal registered businesses	<ul style="list-style-type: none"> • Provide transitional cash compensation until new permanent employment is secured based on net income (for a maximum period of 6 months). • Provide development assistance to PAPs (i.e. training in specific areas) in order to help them to maintain and/or improve their income generation potential and access to gainful employment. 	<ul style="list-style-type: none"> • A list of available commercial, industrial, and business activities in each affected commune • A list of PAP and entitled persons. • The Environmental and Social Officer shall assist in the provision of development assistance to severely affected PAPs and vulnerable groups (i.e. design training programs, formalizing informal activities, access to credit, including them in the sub-project's contractors' specifications wherever possible).
Loss of source of income or access to source of income	Permanent loss of income source or access to it	Owner or workers in informal unregistered businesses	<ul style="list-style-type: none"> • Provide transitional cash compensation until new employment is secured based on minimum wage per month in the respective district (for a maximum period of 6 months) • Priority shall be given to severely affected PAPs in the provision of any relevant employment in the activities related to the sub-project. 	

Type of Losses	Level of Impact	Entitled Person(s)	Compensation Policy & Standards	Implementation Issues
Loss of source of income or access to source of income	Temporary loss of income source or access to it	Owner or workers in formal registered businesses	<ul style="list-style-type: none"> Provide cash compensation for the duration of business/income generation that is disrupted based on net income. 	
Loss of source of income or access to source of income	Temporary loss of income source or access to it	Owner or workers in informal unregistered businesses	<ul style="list-style-type: none"> Provide cash compensation for the duration of business/income generation that is disrupted based on the minimum wage per month in the respective district. 	

Type of Losses	Level of Impact	Entitled Person(s)	Compensation Policy	Implementation Issues
Community Resources				
Loss of community assets or access to them	Permanent (complete or partial loss) of community physical assets	All members of the community	<ul style="list-style-type: none"> Affected land will be replaced in areas identified in consultation with affected communities and relevant organizations and authorities. Provide alternative or similar resources to compensate for the loss of access to community physical resources 	<ul style="list-style-type: none"> A list identifying community physical assets and resources (i.e., public hospitals, markets, fishing areas, grazing areas, fuel, or fodder). If income loss is

Loss of community assets or access to them	Temporary (complete or partial loss) of community physical assets	All members of the community	<ul style="list-style-type: none"> • Restoration of affected community buildings and structures to original or better condition • Provide alternative or similar resources to compensate for the temporary loss of access to community physical resources 	expected due to the loss in any community assets, compensation for this loss shall be in the form of development assistance to restore the livelihoods of the PAPs.
Loss of socio-economic and/or social-cultural relationships / networks or access to them	Permanent (complete or partial loss) of community non-physical assets	All members of the community	<ul style="list-style-type: none"> • Provide development assistance to enable community members to take advantage of income restoration measures noted above. • Provide alternative or similar resources to compensate for the loss of access to community social capital. 	<ul style="list-style-type: none"> • Identify different forms of social capital from PAPs' point of view (i.e. social credit, networks, social cohesion, etc.) • Consultation with PAPs to identify measures to rectify the permanent or partial losses in social capital.
Loss of socio-economic and/or social-cultural relationships / networks or access to them	Temporary (complete or partial loss) of community non-physical assets	All members of the community	<ul style="list-style-type: none"> • Provide development assistance to enable community members to take advantage of income restoration measures noted above. • Provide alternative or similar resources to compensate for the temporary loss of access to community social capital. 	

Source: Adapted from the Environmental and Social Management Plan and Guidelines Manual, Social Fund for Development, Safeguard policies Sector, Egypt, June 2006

Annex 4: Budgeting and sources of funding for the RAPs

As soon as the activities triggering IR have been identified and approved by NAT, and the EIB, realistic cost estimates shall be calculated based on the data collected from the socio-economic survey on the estimated number of PAPs that are likely to be affected by the sub-projects and the quantity and types of affected assets. The budget shall consider all of the anticipated impacts under the sub-project and calculate the cost (compensation, administrative costs and monitoring.... etc) according to actual replacement costs (at market value). NAT is fully responsible for any compensation for land acquisition. At the time of writing this report, as the routes have been determined, a clear estimation for the affected groups was developed. However, due to not identifying the type of compensation it was difficult to address the full amount of compensation the contractor will be responsible for a large part of compensation due to damages to assets, as compensation for any damages has been included in the contracts of all contractors working on this project

Box 8: Cost and budget

That will be calculated under two main items:

- 1- Monetary compensation
- 2- Cost of the in-kind compensation (alternative house or shop)
- 3- No calculation until now
- 4- NAT is responsible for paying the compensation to the governorate that gives it to the PAPs

Annex 6: Model for the form needed for the RAP

Compensation form

Serial	_____
Place of the plot	_____
Governorate	_____
Agriculture valuation	_____
The total area of the land to be expropriated	_____
Name of crop owner	_____
His ID	_____
The value of the crops	_____
Duration of expropriation	_____
Signature and stamp of the owner of crops	_____
Witness from community	_____
Prepared by (Name of the employee)	_____

Grievance form

Serial	_____
Date	_____
Governorate	_____
Education of the person reporting the grievance	_____
Age of the person reporting the grievance	_____
Gender of the person reporting the grievance	_____
Topic of grievance	_____ _____ _____ _____ _____ _____ _____ _____ _____
Actions to be taken	_____ _____ _____ _____ _____ _____ _____ _____ _____
Monitoring	_____ _____ _____ _____ _____ _____ _____ _____ _____

Annex 7: List of potential expropriated lands

	Kit Kat station	Kit Kat station	Kit Kat station	Kit Kat station
	1	2	3	4
<i>Basic info</i>				
Area	Youth sport center (Markaz Shabab Nasser)	Library Garden (Khaled Ibn El Waleid Library)	Shops public market 4 kiosks	Ground area
Address	El Sudan street	El Sudan street	El Sudan street	Kit kat square
Distance from project (m)	0	0	0	0
Neighboring Construction	Kit kat station	Kit kat station	Kit kat station	Kit kat station
Minimum Distance (m)	0	0	0	0
Distance depending on	Measuring	Measuring	Measuring	Measuring
<i>Important Data About Structure</i>				
Use of ground floor	Wall fence	Garden	4 light shops	Ground area
more than if	0	0	0	0
Number of stories	0	0	ground	0
Type of structure	Masonry Wall	None	unknown	Ground area
Owner	Government	unknown	unknown	Government
Building or structure age	None	None	unknown	None
Type of expropriated area	Private	Private	Private	Public
Required area t be expropriated permanent	166	147	100	380
Additional temporary area	0	0	0	0

	Sudan TBM Shaft	Imbaba Station	Imbaba Station	Imbaba Station
	1	1	2	3
<i>Basic info</i>				
Area	Sudan TBM Shaft	Imbaba Station	Imbaba Station	Imbaba Station
Address	Area in the Garage of bus	Small mosque (Zawiah)	9 shops	Mosque (Gameat El Anwar El Zateiah)
Distance from project (m)	0	0	0	0
Neighboring Construction	Tbm shaft	Imbaba Station	Imbaba Station	Imbaba Station
Minimum Distance (m)	0	0	0	0
Distance depending on	Measuring	Measuring	Measuring	Measuring
<i>Important Data About Structure</i>				
Use of ground floor	Steel Hangers	One floor Mosque	Ground floor	Ground floor
more than if	None	None	None	None
Number of stories	None	None	None	None
Type of structure	Steel structure	Concrete structure	Concrete Structure	Concrete Structure
Owner	Government, General Transportation Authority	Private	Private	Private
Building or structure age	unknown	0	0	0
Type of expropriated area	private	Private	Private	Private
Required area t be expropriated permanent	2800	158	726	761
Additional temporary area	0	0	0	0

	Imbaba Station	Imbaba TBM Shaft and cut& cover	Imbaba TBM Shaft and cut& cover
	4	1	2
<i>Basic info</i>			
Area	Imbaba Station	Imbaba TBM Shaft	Imbaba TBM Shaft
Address	Ground and 5 floors	Area in the Garage of bus	Area in the Garage of bus
Distance from project (m)	0	0	0
Neighboring Construction	Imbaba Station	TBM shaft	Cut & cover after TBM shaft
Minimum Distance (m)	0	0	0
Distance depending on	Measuring	Measuring	Measuring
<i>Important Data About Structure</i>			
Use of ground floor	6 floors	Steel and Concrete Hangers	Parking area
more than if	None	None	None
Number of stories	None	None	None
Type of structure	Concrete Structure	Concrete structure	Ground area
Owner	Private	Government (General Transportation Authority)	Government (General Transportation Authority)
Building or structure age	0	unknown	0
Type of expropriated area	Private	Government	Government
Required area to be expropriated permanent	365	3495	0
Additional temporary area	0	0	1745

	Imbaba TBM Shaft	Imbaba TBM Shaft and cut& cover	Imbaba TBM Shaft and cut& cover
	3	1	2
<i>Basic info</i>			
Area	Imbaba TBM Shaft	Imbaba TBM Shaft	Imbaba TBM Shaft
Address	Right of Way for ENR rail	Area in the Right of Way for ENR rail	Area in the Right of Way for ENR rail
Distance from project (m)	0	0	0
Neighboring Construction	Cut & cover after TBM shaft	TBM shaft	TBM shaft
Minimum Distance (m)	0	0	0
Distance depending on	Measuring	Measuring	Measuring
<i>Important Data About Structure</i>			
Use of ground floor	Ground area	ENR land	ENR land
more than if	None	None	None
Number of stories	None	None	None
Type of structure	0	0	0
Owner	Government (ENR)	Government (ENR)	Government (ENR)
Building or structure age	0	0	0
Type of expropriated area	Government	Government	Government
Required area to be expropriated permanent	5695	419	419
Additional temporary area	0	0	0

	Imbaba TBM Shaft and cut& cover	Annex structure between Tawfiqia and Wadi El Neil Station	El Bohy Station
	3	1	1
<i>Basic info</i>			
Area	Imbaba TBM Shaft	Public Area	El Bohy Station
Address	Market	Wadi El Neil Station	1 floor shops (market)
Distance from project (m)	0	0	0
Neighboring Construction	Cut&cover after Tbm Shaft	Ventilation Shaft	El Bohy Station
Minimum Distance (m)	0	0	0
Distance depending on	Measuring	Measuring	Measuring
<i>Important Data About Structure</i>			
Use of ground floor	Concrete shops	Ground area	1 floor shops
more than if	None	None	None
Number of stories	Ground floor	None	None
Type of structure	Concrete and bricks	0	Concrete Structure
Owner	Government	Public Area	Government
Building or structure age	0	0	0
Type of expropriated area	Government	Public Area	Government
Required area t be expropriated permanent	1571	60	3073
Additional temporary area	0	0	0

	El Bohy Station	Annexed Structure Wadi El Neil	Annexed Structure Gameet el Dowal & Boulak El Dakrour Station	Tawfikia Station
	2	1	1	1
<i>Basic info</i>				
Area	El Bohy Station	Garden	Part of the service need	Sewage station
Address	Mosque (El Badr)	Mostafa Mahmoud Square	Gameet El Dewal Station	Ahmed Oraby Street
Distance from project (m)	0	0	0	0
Neighboring Construction	El Bohy Station	Ventilation shaft	Ventilation shaft	0
Minimum Distance (m)	0	0	0	0
Distance depending on	Measuring	Measuring	Measuring	Measuring
<i>Important Data About Structure</i>				
Use of ground floor	3 floors	Ground area	Ground area	Ground area
more than if	None	None	None	None
Number of stories	None	None	None	Ground area
Type of structure	Concrete Structure	0	0	0
Owner	Government	Public	Public	government
Building or structure age	0	0	0	0
Type of expropriated area	Government	Public	Public	government
Required area t be expropriated permanent	653	250	223	0
Additional temporary area	0	0	0	974

	Annex 3 A 1	Maspero	Maspero	Maspero
	1	1	2	3
<i>Basic info</i>				
Area	Corsal Diana Cinema	Corsal Cinema	Car parking	Building
Address	N 17 El Alfy street	No. 70 from 26th of July Street	No 72 of 26th of July Street	N.72 of 26th of July Street
Distance from project (m)	0	0	0	0
Neighboring Construction	Ventilation Shaft	Maspero station	Nasser Station	Maspero station
Minimum Distance (m)	0	0	0	0
Distance depending on	Measuring	Measuring	Measuring	Measuring
<i>Important Data About Structure</i>				
Use of ground floor	Access area	Cinema	Car parking	Shops
more than if	0	Shops	None	Management
Number of stories	0	Ground and one story	Ground	Ground and story
Type of structure	Fence wall and roof	unknown	unknown	unknown
Owner	Unknown	unknown	unknown	unknown
Building or structure age	unknown	unknown	unknown	unknown
Type of expropriated area	Private	None	None	None
Required area t be expropriated permanent	108	500	1000	850
Additional temporary area	0	0	0	0

	Maspero	Maspero	Maspero	Maspero
	4	5	6	7
<i>Basic info</i>				
Area	Building	Garage Maspero Company	Garage Maspero Company	Parking area
Address	N.74 of 26th of July Street	N. 76 of 26th of July street	N. 76 of 26th of July street	N.80 of 26th of July Street
Distance from project (m)	0	0	0	0
Neighboring Construction	Maspero station	Maspero station	Maspero station	Maspero station
Minimum Distance (m)	0	0	0	0
Distance depending on	Measuring	Measuring	Measuring	Measuring
<i>Important Data About Structure</i>				
Use of ground floor	Post office	Shops and car parking	Parking	None
more than if	Residential	Residential	Residential	None
Number of stories	Ground and one story	Ground and one story	Ground	Ground
Type of structure	unknown	unknown	None	unknown
Owner	unknown	Maspero company	Maspero company	Private
Building or structure age	unknown	unknown	None	unknown
Type of expropriated area	None	None	None	None
Required area t be expropriated permanent	900	1300	950	1650
Additional temporary area	0	0	0	0

	Maspero	Nasser Station	Nasser Station	Nasser Station
	8	1	2	3
<i>Basic info</i>				
Area	Shops	Toilet building	Empty Land (car parking)	Court House Entrance Area
Address	Beside corsal cinema	26th of July street beside parking	26th of July street in front of Dar El Kadaa El Aly	26th of July street in front of Dar El Kadaa El Aly
Distance from project (m)	0	0	0	0
Neighboring Construction	Maspero station	Nasser Station	Nasser Station	Nasser Station
Minimum Distance (m)	0	0	0	0
Distance depending on	Measuring	Measuring	Measuring	Measuring
<i>Important Data About Structure</i>				
Use of ground floor	Shops	Toilet building	Parking	Entrance
more than if	None	None	None	None
Number of stories	Ground	Ground	0	None
Type of structure	Unknown	unknown	None	Fence
Owner	Private	Government	Government	Government
Building or structure age	Unknown	unknown	None	Unknown
Type of expropriated area	None	Public	Public	Private
Required area t be expropriated permanent	720	150	2466	0
Additional temporary area	0	0	0	710

	Annex 3A-4	Zamalek Station	Zamalek Station
	1	3	4
<i>Basic info</i>			
Area	Side walk area	Empty land	Private Villa
Address	Ismail Mohamed Street	Ismail Mohamed Street	Ismail Mohamed Street
Distance from project (m)	0	0	0
Neighboring Construction	Ventilation Shaft	Zamalek Station	Zamalek Station
Minimum Distance (m)	0	0	0
Distance depending on	Measuring	Measuring	Measuring
<i>Important Data About Structure</i>			
Use of ground floor	Side walk area	None	None
more than if	None	None	None
Number of stories	None	None	None
Type of structure	Statue	None	None
Owner	unknown	unknown	unknown
Building or structure age	unknown	None	None
Type of expropriated area	Public	None	None
Required area t be expropriated permanent	100	None	0
Additional temporary area	0	0	145.5

	Zamalek Station	Zamalek Station	Zamalek Station	Zamalek Station
	5	6	9	10
<i>Basic info</i>				
Area	Dar El Tarbea El Hadeitha American School	Parking Area	Dar El Tarbea El Hadeitha American School	Dar El Tarbea El Hadeitha American School
Address	Ismail Mohamed Street	Mohamed Mazhar Street	Ismail Mohamed Street	Ismail Mohamed Street
Distance from project (m)	0	0	0	0
Neighboring Construction	Zamalek Station	Zamalek Station	Zamalek Station	Zamalek Station
Minimum Distance (m)	0	0	0	0
Distance depending on	Measuring	Measuring	Measuring	Measuring
<i>Important Data About Structure</i>				
Use of ground floor	Garden	Parking Area	Teacher class	Store
more than if	None	None	None	None
Number of stories	None	None	Ground & 1st floor	Ground
Type of structure	None	None	None	None
Owner	Unknown	Public Area	school	School
Building or structure age	None	None	None	None
Type of expropriated area	Trees	None	Private	Private
Required area t be expropriated permanent	None	95.5	None	None
Additional temporary area	270.5	0	35	18

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