



NATIONAL HIGHWAY AUTHORITY, PAKISTAN

**Final Resettlement Action
Plan (RAP)**

**RECONSTRUCTION OF NATIONAL HIGHWAY N-5 UNDER
PAKISTAN'S RESILIENT RECOVERY, REHABILITATION AND
RECONSTRUCTION FRAMEWORK PROJECT**

Section 2: Ranipur – Rohri (70 km)

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Reconstruction of National Highway N-5 under Pakistan's Resilient Recovery, Rehabilitation and Reconstruction Framework Project

SECTION 2: RANIPUR – ROHRI (70 KM)

FINAL RESETTLEMENT ACTION PLAN (RAP)

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LIST OF ABBREVIATIONS

AIIB	Asian Infrastructure Investment Bank
BOR	Board of Revenue
CS	Construction and Supervision
CSC	Construction and Supervision Consultants
CWD	Communication & Works Department
AHs	Affected households
DMS	Detailed Measurement Survey
APs	Affected Persons
EA	Executing Agency
EALS	Environment, Afforestation, Land and Social Unit
EDO	Executive District Officer
EM	Entitlement Matrix
EMR	External Monitoring Report
ES	Executive Summary
FGD	Focus Group Discussion
Ft.	Feet
FY	Financial Year
GOP	Government of Pakistan
GRC	Grievance Redress Committee
GRM	Grievance Redress Mechanism
IA	Impact Assessment
ILA	Inventory of Lost Assets
IM	Internal Monitoring
IOL	Inventory of Losses
IR	Involuntary Resettlement
IVS	Independent Valuation Study
Km	Kilometer
L&S	Land and Social
LAA	Land Acquisition Act 1894
LAC	Land Acquisition Collector
LAR	Land Acquisition and Resettlement
RAP	Resettlement Action Plan
M&E	Monitoring and Evaluation
NESPAK	National Engineering Services Pakistan
NGO	Non-Governmental Organization
OPL	Official Poverty Line
PAP	Project Affected Persons
PD	Project Director
PIU	Project Implementation Unit
RIU	Regional Implementation Unit
PKRs	Pakistan Rupees
RPF	Resettlement Planning Framework
R&R	Relocation and Rehabilitation
R.ft.	Running Feet
ROW	Right-Of-Way
SES	Socioeconomic Survey
SIA	Social Impact Assessment



Sq.ft.	Square Feet
USD	US Dollar
VLA	Value of Lost Assets



GLOSSARY

Affected Persons	Affected Households refers to individuals, families, or groups who experience direct or indirect adverse impacts from a project. These impacts could stem from the project's activities such as land acquisition, displacement, changes in access to resources, loss of livelihoods, or environmental and social disturbances.
Beneficiary	Recipient or other beneficiary of the Bank financing extended for an activity under a Project
Chance find procedures	Measures to address archaeological material encountered unexpectedly during Project construction or operation. A chance find procedure is a Project-specific procedure which sets out how chance finds associated with the Project will be managed. This procedure generally includes a requirement to notify relevant authorities of found objects or sites, to close off the area of finds or sites to avoid further disturbance, to conduct an assessment of found objects or sites by cultural resources experts, to identify and implement actions consistent with the requirements of Environmental and Social Standard (ESS) 1 and national law and to train Project workers on chance find procedures.
Compensation	Payment in cash or in kind of the replacement cost of the acquired assets.
Cut-off-date	The cut-off date is the start of census for all land and non-land related entitlements, the date for announcement of Section 4 notification under the LA Act of 1894 under which any person entering the project area after the cut-off date is not eligible to receive the agreed-upon entitlements. The Bank accepts the date of the baseline survey as the cutoff date for eligibility. The date after which people will not be considered eligible for compensation i.e., they are not included in the list of APs as defined by the census. For this sectional RAP, the socioeconomic and census surveys, including the inventory of losses, were conducted from February 26, 2026 and completed on March 10, 2026, establishing 26 February 2026 as the cut-off date for eligibility.
Detailed measurement survey	Detailed inventory of losses that is completed after detailed design and marking of project boundaries on the ground.
Disability	The term persons with disabilities is used to apply to all persons with disabilities, including those who have long-term physical, mental, intellectual or sensory impairments which, in interaction with various attitudinal and environmental barriers, hinder their



	full and effective participation in society on an equal basis with others.
Economic Displacement	A loss of productive assets or usage rights or livelihood assets or capacities caused by the project.
Eligibility	The criteria for qualification to receive benefits under a resettlement program.
Encroachers/Squatters	People who do not have legal title, and have trespassed onto private/community land or state land to which they are not authorized. If such people arrived before the entitlements cut-off date, they are eligible for compensation for any structures, crops or land improvements that they will lose.
Entitlement	Range of measures comprising compensation, income restoration, transfer assistance, income substitution, and relocation, which are due to displaced persons, depending on the nature of their losses, to restore their economic and social base.
Forced eviction	Defined as the permanent or temporary removal, against the will of individuals, families and/or communities, from homes or land (or both), which they occupy, without the provision of, or access to, appropriate forms of legal or other protection. The exercise of eminent domain, compulsory acquisition, or similar powers, is not considered to be a forced eviction, providing it complies with the requirements of national law, and is conducted in a manner consistent with basic principles of due process (including provision of adequate advance notice, meaningful opportunities to lodge grievances and appeal, and avoidance of the use of unnecessary, disproportionate or excessive force).
Gender-based violence	Umbrella term for any harmful act that is perpetrated against a person's will and that is based on socially ascribed gender-related differences between people. It includes acts that inflict physical, sexual or mental harm or suffering, threats of such acts, coercion, and other deprivations of liberty. These acts can occur in public or in private.
Good international practice	Exercise of professional skill, diligence, prudence, and foresight that would reasonably be expected from skilled and experienced professionals engaged in the same type of undertaking under the same or similar circumstances globally or regionally. The outcome of such an exercise should be that the Project employs the most appropriate technologies in the Project-specific circumstances.
Involuntary Resettlement	Land acquisition, including restrictions on land use and access to assets and natural resources that cause physical displacement (relocation, loss of land or shelter) and/or



	economic displacement (loss of land or assets, or restrictions on land use, assets, or natural resources leading to loss of income sources or means of livelihood). Involuntary Resettlement covers both of these impacts and the processes to mitigate and compensate these impacts. Resettlement is considered involuntary when affected persons or communities do not have the right to refuse land acquisition or restrictions on land use that result in physical or economic displacement.
Labor influx	Rapid migration to and settlement of workers and followers in the Project area that occurs when the Project involves civil works for which the required labor force and associated goods and services cannot be fully supplied locally for a number of reasons, among them worker unavailability and lack of technical skills and capacity. In such cases, the labor force (total or partial) must be brought in from outside the Project area. In many cases, this influx is compounded by an influx of other people who follow the incoming workforce with the aim of selling them goods and services, or in pursuit of job or business opportunities.
Livelihood	Full range of means that individuals, families, and communities utilize to make a living, such as wage-based income, agriculture, fishing, foraging, other natural resource-based livelihoods, petty trade, and bartering.
Patwari (Revenue Clerk)	An official of the District Administration from District Revenue Office deputed at village level that is responsible for all land and revenue related matters.
Project workers	Persons engaged directly by the Client (whether full-time, part-time, temporary, seasonal or migrant), to work specifically on the Project; contractors engaged by the Client to work on the Project; and subcontractors hired by these contractors to work on the Project. The term does not apply to any other workers of the Client or other entities.
Rehabilitation	Compensatory measures provided under the AIIB's ESS-2 on Involuntary Resettlement, other than payment of the replacement cost of acquired assets aimed at re- establishing incomes, livelihoods, and social and family networks.
Relocation	The physical resettlement of APs from his/ her pre-project place of residence.
Replacement cost	Method of valuation yielding compensation sufficient to replace assets, plus necessary transaction costs associated with asset replacement. Where functioning markets exist, replacement cost is the market value as established through independent and competent real estate valuation, plus transaction costs. Where functioning markets do not exist, replacement cost may be



determined through alternative means, such as calculation of output value for land or productive assets, or the undepreciated value of replacement material and labor for construction of structures or other fixed assets, plus transaction costs. In all instances where physical displacement results in loss of shelter, replacement cost must at least be sufficient to enable purchase or construction of housing that meets acceptable minimum community standards of quality and safety. The valuation method for determining replacement cost should be documented and included in relevant resettlement planning documents. Transaction costs include administrative charges, registration or title fees, reasonable moving expenses and any similar costs imposed on affected persons. In order for compensation to be made at replacement cost, planned compensation rates may require updating in Project areas where inflation is high or the period of time between calculation of compensation rates and delivery of compensation is extensive.

Resettlement Plan	A resettlement plan is a document that describes mitigatory measures and actions to be done to address the direct social and economic impacts associated with involuntary resettlement.
Resettlement Allowance	Cash paid to cover resettlement related expenses other than losses of immovable assets. An allowance is distinguished from compensation, which reimburses the loss of an immovable asset.
Resettlement Compensation	Payment in cash or in kind for an asset or resource acquired or affected by the project.
Resettlement Entitlements	Resettlement entitlements with respect to a particular eligibility category are the sum total of compensation and other forms of assistance provided to displaced persons in the respective eligibility category.
Sexual exploitation and abuse (SEA)	Any actual or attempted abuse of a position of vulnerability, differential power or trust, for sexual purposes, including, but not limited to, profiting monetarily, socially or politically from the sexual exploitation of another. Sexual abuse is further defined as “the actual or threatened physical intrusion of a sexual nature, whether by force or under unequal or coercive conditions.” SEA is not limited to a particular gender. In the context of Bank-supported projects, Project beneficiaries and members of Project-affected communities may experience SEA.
Sexual harassment (SH)	Unwelcome sexual advances, requests for sexual favors, and other unwanted verbal or physical conduct of a sexual nature. SH occurs between personnel/staff working on the Project, and not between such personnel/staff and Project beneficiaries or communities (compare SEA above). SH is not limited to a particular gender.



Severe Impact	Households, those are “losing 10 percent or more of their residential or commercial units.
Third party monitoring	(A) An approach to monitoring whereby the Bank contracts an independent agent to verify that Project implementation by the Client complies with the provisions of the Legal Agreements consistent with the E&S action plans(or other Bank-approved document); and/or (b) an approach to Project implementation whereby the Client contracts third parties to strengthen monitoring and evaluation systems and obtain additional data on the achievement of progress under the Project. When used for Bank oversight, the Bank maintains its own oversight responsibilities, but may transfer the implementation of the monitoring to an agent. Monitoring by a third party refers to a party external to the Project, who is neither a direct beneficiary of the Project nor part of the Project’s management structure.
Vulnerable groups or individuals	People who, by virtue of factors beyond their control, (a) may be more likely to be adversely affected by the Project’s environmental and social impacts; and (b) may be more limited than others in their ability to claim or take advantage of Project benefits. Such individuals or groups are also more likely to be excluded from or unable to participate fully in the mainstream consultation process and may require specific measures or assistance (or both) to do so.



CURRENCY EQUIVALENTS

(As of April 15, 2026)

Currency Unit	=	Pakistan Rupee/s (PKR/s)
USD \$1.00	=	PKR 279.07
PKR 1.00	=	USD \$ 0.0036



EXECUTIVE SUMMARY

Background- The Government of Pakistan, through the National Highway Authority (NHA), plans to reconstruct and upgrade 487 km of the N-5 Highway across eight sections in two phases, including 100 km damaged by the 2022 floods. NHA, with financial assistance from the Asian Infrastructure Investment Bank (AIIB), is initiating a project to widen, upgrade, and improve the N-5 corridor. It emphasizes climate resilience through improved drainage, adaptive measures, bridge widening, pavement rehabilitation, and enhanced road safety features.

Supported by the Asian Infrastructure Investment Bank (AIIB), the initiative is being implemented under Pakistan's Resilient Recovery, Rehabilitation, and Reconstruction Framework. NESPAK Pvt. Ltd. has been engaged as the Engineering and Design consultant to prepare technical designs and Environmental and Social instruments in line with national regulations and AIIB's Environmental and Social Framework. This Resettlement Action Plan pertains to Section 02, Phase 1(A) of the project.

Objectives of the Resettlement Action Plan (RAP): The Resettlement Action Plan aims to systematically identify and assess resettlement requirements based on detailed engineering designs, and to evaluate the extent of physical and economic displacement, including impacts on land, assets, income sources, and land-based livelihoods. It establishes a comprehensive compensation and entitlement framework, supported by itemized budgets and targeted assistance measures.

The project design was further refined, particularly through the optimal use of the existing median, realignment of key sections, and the selective elimination of service lanes in areas with high resettlement impact to effectively avoid and minimize impacts on nearby communities. This iterative design optimization process substantially reduced resettlement impacts, lowering the number of Project Affected Persons (PAPs) from 343 to 244, thereby safeguarding livelihoods to the greatest extent possible.

The RAP further ensures meaningful and continuous stakeholder engagement through structured consultations before and during land acquisition and livelihood restoration, ensuring sustained participation with PAPs throughout the project implementation. It provides a clear implementation schedule to guarantee timely acquisition and prior compensation to Project Affected Persons (PAPs) before civil works, establishes a robust grievance redress mechanism, and defines the compensation framework, monitoring, and evaluation arrangements to ensure effective resettlement implementation and sustainable livelihood recovery.

SCOPE OF LAND ACQUISITION AND RESETTLEMENT-

Scope of the Land Acquisition and Resettlement Impacts- In accordance with the Environmental and Social Standard 2 (ESS-2) on Involuntary Resettlement under the AIIB Environmental and Social Framework (ESF), the subproject is classified as Category "B," as the resettlement impacts are manageable and, are limited in scale, and can be effectively mitigated through appropriate compensation and livelihood restoration measures.



The census survey and Detailed Measurement Survey (DMS) were conducted from 18 February to 2 March 2025, and the Inventory of Losses (IOL) was prepared accordingly.

Subsequently, following design modifications and optimization of the proposed works for Section 2, the Social Impact Assessment (SIA) and the updated Inventory of Losses (IOL) were finalized. The SIA was re-conducted from 26 February to 10 March 2026 in close coordination with the National Highway Authority. These design refinements were undertaken to avoid or minimize resettlement and livelihood impacts on the previously identified Project Affected Persons (PAPs) and to safeguard their livelihoods.

As a result of this design optimization process, impacts were significantly reduced from 343 PAPs to 244 PAPs while also avoiding impacts on community structures, including mosques and graveyards, and minimizing disruption to commercial establishments such as shops and other structures. These efforts demonstrate the best approach to ensuring R&R principles and the project's commitment to avoidance of adverse impacts and livelihood protection.

The proposed road project will have significant impacts on both residential and commercial assets. A total of seven residential structures, owned by seven Affected Households (AHs), will be impacted. In addition, 106 permanent commercial structures/assets belonging to 102 AHs, along with 77 temporary or movable commercial structures owned by 77 AHs, will be affected as a result of the project implementation.

Furthermore, 11 public properties and structures will be partially impacted. These include various auxiliary structures and assets such as boundary walls and extended sections of facilities like police check posts, a Basic Health Unit, and Begum Nusrat Bhutto University. In addition to public assets, three (03) community structures comprising two mosques and one graveyard will also be affected by the proposed development. Moreover, the clearance of the NHA-owned ROW will lead to the removal of approximately 2,550 government-owned trees. The details are furnished in **Table 1-1-ES**.



Table 1-1-ES: Details of Affected Assets with Number of AHs

Sr. No.	Category of Affected Assets	Description of Structures	Unit	Impact Quantum					
				Impact Magnitude	Partially Affected	Severely Affected	Number of AHs		
							Owner	Renters	Employees
1.	Residential Structures	Houses and secondary structures	No.	7	3	4	7	0	0
2.	Permanent Commercial Structures	Shops/hotels and secondary structures	No.	106	81	25	102	23	32
3.	Moveable Commercial Structures	Kiosks and Huts etc.	No.	77	0	77	77	0	03
4.	Public Structures	Misc.	No.	11	11	0	Government	NA	NA
5.	Community/ Religious Structures	Mosques, graves and Other Assets	No.	03	03	0	NA	NA	NA
6.	Trees	Different types of Trees	No.	2550			Government Trees	-	-
Total:							186	23	35



Project Categorization: The subproject entails moderate resettlement impacts, affecting 25 owners of permanent commercial structures and 04 owners of residential structures, all of whom will be required to relocate their businesses and homes to alternative locations. In addition, other affected persons are likely to experience short-term livelihood disruption and temporary displacement during the construction phase. Furthermore, findings from the socioeconomic and census surveys confirm the absence of indigenous peoples with customary land or resource rights; therefore, AIB's ESS-3 is not applicable to this project.

SOCIOECONOMIC PROFILE & BASELINE INFORMATION - Census covering all AHs facing structural losses, as well as tenants of the affected structures (244 AHs) and socioeconomic survey of the same 244 AHs (100%) carried out. Socioeconomic survey indicated that the population of the surveyed households was comprised of 1,465 persons and among them, there were more males (51%) than females (49%). The average household size is 6 persons. Approximately 47% of AHs are living as extended /joint families, while 53% percent of respondents reported that they live as single/ nuclear families. Around one-third of the AHs are considered illiterate. The largest share of males (35%) is underage or illiterate, followed by those with primary education (17%) and middle-level education (12%). Only a small proportion of males have attained higher education, with 3% graduates, 2% post-graduates, 2.5% holding technical diplomas, and 0.5% engineers. Female literacy is notably lower than males, with 54% underage or illiterate. Primary education is achieved by 19%, middle-level education by 10%, and matric by 5%. Only 1% have graduated, 0.5% post-graduated, and 1.25% hold technical diplomas, with very few in professional engineering (0.25%). Agriculture and livestock are the primary livelihood activities, accounting for 15% of respondents and highlighting the importance of farming in the local economy. Notably, women are integral to these agricultural and livestock activities, contributing significantly to household livelihoods alongside men. However, among the total number of affected persons, nearly 32% were housewives or non-income earners.

The income level of the surveyed AHs is grouped into five ranges. Approximately 23% of the AHs earn up to PKR 40,000 per month, while 41% earn between PKR 40,001 and 50,000. About 19% of AHs fall in the income range of PKR 50,001 to 60,000, and 10% earn between PKR 60,001 and 70,000. Additionally, 7% of AHs earn above PKR 70,000 per month. Household expenditure generally aligns with family earnings. According to the survey, about 27% of respondents reported a monthly expenditure of up to PKR 40,000, while 38% had expenditures ranging from PKR 40,001 to 50,000. Around 17% of households reported spending between PKR 50,001 and 60,000 per month, with 11% falling in the 60,001 to 70,000 range. Finally, 7% of households indicated monthly expenditures above PKR 70,000.

Gender Dimensions: Women in the project area, compared to men are disproportionately affected due to a) Inflation and unemployment; b) lack of public transport, clean drinking water educational facilities for women in schools/ institutions; c) insufficient health care /facilities for females in hospitals; d) less conducive infrastructure including lack of privacy in urban transport; and e) unavailability of skill/career development opportunities for women. Although there are no direct R&R related impacts specific to women, the livelihood restoration plan and construction designs of the project will make efforts to incorporate women needs and aspirations to make the project socially inclusive.



LEGAL AND POLICY FRAMEWORK- The preparation of this RAP followed the guidelines of the Resettlement Planning Framework (RPF) developed for the Project. It also aligns with the national and provincial laws and regulatory framework with its successive amendments relevant to resettlement in Pakistan and in compliance with the Environmental and Social Framework (ESF) of AIIB 2016 as amended 2024. Gaps between AIIB 2024 and LAA 1894 are reconciled by (a) avoiding or minimizing resettlement impacts, (b) compensating at replacement costs for the lost assets, (c) establishing GRM, (d) conducting community consultations, and (e) including internal and external monitoring of RAP implementation. All compensation and other assistance will be paid to all PAPs prior to the commencement of civil works. After payment of compensation for built structures in RoW or public lands, PAPs will be allowed to take away the materials salvaged from their dismantled structures (commercial & residential), and no charges will be levied upon them for the same. The value of salvaged materials will not be deducted from the total amount of compensation.

Cut-off Date - The socioeconomic baseline survey and the detailed census survey of PAPs (illegal land users/ squatters) commenced on February 26, 2026, which was established as the cut-off date for finalizing the Inventory of Losses (IOL) for this respective RAP of Section 02. Any person who enters the project land after February 26, 2026, will not be considered eligible for compensation. Any person who enters the project land after the announced cut-off date, or any assets established within the corridor of impact after the cut-off date, will not be eligible for compensation. The information display banners were used to disclose the cut-off date to the affected persons. Moreover, the cut-off date was conveyed to the PAPs and local community members through public consultations. In addition, local grievance management committee as per the RPF of the proposed project will be established to reach out the NHA in case of any complaints, and PAPs will be given prior notice to remove their assets and take any salvage free of charge.

ENTITLEMENT ASSISTANCE AND BENEFITS -Affected assets will be compensated based on replacement cost. AH's losing structures will also be entitled to self-relocation and transportation allowance in addition to applicable compensation for affected assets. Relocation and rehabilitation (R&R) assistance and income restoration support will be paid to AHs losing residential and commercial structures. The R&R assistance will include transitional support, business loss allowance, relocation assistance, and vulnerable household allowance. PAPs facing significant impact, i.e. physical displacement due to loss of residential structure or economical displacement due to loss of 10% or more of their productive commercial assets will be provided additional allowance for such severe impacts. During the implementation of RAP, opportunities for project-based employment and other livelihood restoration activities will be explored, and all willing AHs will be given priority for project-based employment. The impact assessments carried out indicate that 113 are entitled for structures compensation at full replacement cost basis. The owners/occupiers of built structures will be given one-month prior/ advance notice to vacate the affected structure at the time of payment of the compensation amount.

All applicable entitlements provisions are summarized in the entitlement matrix in the RAP which are consistent to the agreed RPF for the Project. It also covers the provisions for any unanticipated impacts arising during project implementation. Compensation and other



assistance will be paid to AHs prior to dislocation and dispossession from acquired assets. However, in case the payment is delayed more than a year from the date of valuation, the values will be indexed considering the annual inflation rate before payment to AHs.

RELOCATION AND RESETTLEMENTS - The scope of resettlement activities is limited primarily to the clearance of the COI within the ROW, which will require relocation of permanent commercial and temporary structures such as sheds and kiosks in addition to partial impact residential structures. The census survey & IOL indicates that 25 commercial structures/shops and 77 movables to be displaced (25+77=102).

As all affected permanent and temporary commercial structures are located within the ROW of the NHA, the affected persons will be assisted in relocating through the resettlement assistance provided under the Project. Findings from the socioeconomic, census survey and community consultations indicate that land availability in the project area is limited and that no vacant state or public land is available for the relocation of Project Affected Persons.

During consultations conducted as part of the social impact assessment, PAPs expressed a preference for arrangement of self relocation at locations of their choice, preferably within or near their existing communities and business catchment areas. In view of these preferences and local land constraints, the Project will facilitate self-relocation by providing compensation and resettlement assistance in accordance with the entitlement matrix.

INCOME RESTORATION AND REHABILITATION – The clearance of COI (ROW) will not completely change the dynamics of the livelihood of the AHs but it is expected to have some negative impact on their everyday livelihood activities. Therefore, as a part of the overall R&R program, a livelihood restoration plan (LRP) has been developed to provide assistance to the PAPs to rebuild and restore their livelihood and to facilitate and enhance their socio-economic conditions. The LRP consists of various activities such as (i) compensation for livelihood restoration, development and enhancement; (ii) training for alternate vocations and employment opportunities during the project implementation; and (iii) support development linkages for commercial trade and access to livelihood activities.

The SIA indicated that a total of 83 PAPs will experience significant impacts on their commercial structures and income, potentially disrupting their livelihoods. However, most PAPs belong to joint family systems and rely on multiple income sources and diverse occupations, which helps reduce financial vulnerability and supports livelihood resilience. The Livelihood Restoration Plan has been designed to assist eligible affected PAPs in restoring income and enhancing skills; however, findings from the needs assessment conducted during the updated census survey and Inventory of Losses reveal that only eight (08) PAPs have expressed interest in participating in LRP-related activities. The training proposed under the LRP is an inclusive program will be open to all PAPs, with a focus on reinstating their livelihoods and empowering them with new skills. The aim is to ensure that every adult, irrespective of their previous learning experiences, has the opportunity to receive training that will enhance their economic prospects and enable them to contribute meaningfully to their household income. By providing inclusive and accessible training skills, the program strives to uplift PAPs and support long-term development in the community. This also ensures the overall principle of the ESS 2 which is to avoid, minimize the R&R impacts and restore the socioeconomic conditions of the PAPs better or equal after the project.



RESETTLEMENT BUDGET AND FINANCING PLAN- In total, **PKR 184.22 million** is the calculated cost for payment of compensation against acquired assets. The RAP budget also includes RAP implementation and administrative support costs with contingencies.

The RAP costs will be financed through counterpart funds provided to NHA by Government of Pakistan. The NHA will transfer the RAP costs as per budget to the assignment account maintained by the finance wing in NHA HQ. Timely funding and deposit of LAR costs to compensate acquired asset and resettlement and rehabilitation costs as budgeted in the project will be critical for the smooth and timely completion of RAP implementation and handing over the cleared land of the ROW for commencement of project civil works.

INSTITUTIONAL ARRANGEMENTS The resettlement planning, preparation, implementation, and monitoring of the project, as well as the compensation/rehabilitation program described in this RAP, is primarily the responsibility of the NHA. The NHA will engage supervisory consultants, M&E Consultants, and the Contractor staff for the successful and timely implementation of the R&R program for the section 2. NHA, as the executing agency (EA), will be overall responsible for project execution and delivery of safeguards management, following provisions outlined in the RP consistent with the AIIB's ESS2 policy principles and national legal framework. PIU-HQ and local RIUs in the field will be responsible for the implementation of the RAP activities. The supervision consultants include safeguards specialists to assist NHA in the implementation and monitoring of the RAP during the execution of the project. For LAR impact assessment and valuation for the project, other line departments/agencies, such as the Revenue department, Forest, and Agriculture departments, are also involved.

IMPLEMENTATION SCHEDULE- The first draft of the RAP was disclosed on April 21, 2025, while the second and updated draft was disclosed on September 29, 2025. This is the final version of the RAP, which will be submitted by the NHA to AIIB for review and approval. Meanwhile, the required LAR finances and Institutional set-up for RAP implementation and monitoring will be put in place at the PIU-HQ and RIU to facilitate RAP implementation and monitoring of the RAP. After AIIB's concurrence, the RAP will be disclosed on the NHA's website, and copies will be placed in relevant government offices along the project road. The RAP summary in local languages will be disseminated to the AHs who are losing their assets and income sources. With disclosure of approved RAP, PAPs will be coordinated and informed on the compensation payment mechanism, and the grievances redress mechanism available to them for raising their concerns and complaints for review and redress. For the timely implementation of the RAP, the main tasks to be performed will include: i) establishment of a fully functional ESC and project based grievance redress system; ii) to ensure timely allocation and transfer of LAR funds in the project assignment account; iii) processing of claims and payment of compensation for affected assets and applicable resettlement and rehabilitation costs to all the entitled PAPs; iv) continued consultations and redress of grievances and complaints, if any; vi) removal of structures/assets for which compensation is paid and clearance of ROW as well as handing over the ROW free from encumbrance to the contractor for commencing works. All the RAP implementation activities will be tracked and monitored to ensure the RAP implementation is completed as scheduled, and RAP monitoring reports will



e prepared and shared with the EA and the AIIB. The internal monitoring and reporting requirement starts immediately with RAP implementation process and continues until the end of the RAP implementation is completed in all respects. The Social Safeguard Specialist mobilized through the supervision consultant, will assist the RIU in RAP implementation and monitoring of RAP progress and compile and share periodic progress and monitoring reports with NHA (ESC/EALS) and AIIB. According to current estimates, full implementation of the RAP will be confirmed by the external monitor, and construction will be commenced by the 2nd quarter of 2026.

INFORMATION DISCLOSURE CONSULTATION AND PARTICIPATION- As part of consultation strategy outlined in the SEP all the affected parties including local villagers, community groups, businessmen, shopkeepers, women and vulnerable groups in the project area as well officials of the Government Departments were consulted. In addition, as a part of the preparation of the RAP, series of interviews and discussions were conducted in February and March 2025 in different time intervals. Census and socioeconomic survey of all the affected parties were the main sources of information and data to prepare the RAP. The community consultations included individual interviews of potential AHs along the project road section during the IR impact assessment/measurement survey and structured community consultations were held at Seventeen (17) locations/settlements along the project road alignment.

Following design optimization (to minimize resettlement impacts) and the updating of the Inventory of Losses, an additional round of consultations was carried out from February 26 to March 10, 2026. This exercise focused on the validation of impacts and consultation with the current PAPs who remained under impact after the design revisions. The purpose of this round was to reconfirm the extent of impacts, update household-level information, and ensure that the concerns and entitlements of the revised list of PAPs were accurately reflected in the updated RAP.

During consultations, the RAP provisions, including subproject RP policy, compensation eligibility criteria and entitlements, cut-off date, compensation payments, and grievance redress mechanism provided in RAP were fully explained to the PAPs. The information display banners were used to disclose the cut-off date to the participants in these consultations. The first draft of the RAP was disclosed on April 21, 2025, on the NHA and AIIB websites, while the second and updated draft was disclosed on September 29, 2025. After approval, this RAP will be disclosed on AIIB and NHA's websites and will also be disclosed to PAPs and other stakeholders by placing copies at accessible places, including the relevant PIU and offices of the respective districts along the subproject corridor. The summary of the RAP detailing information about the subproject description and LAR impacts, will be translated into Urdu/Sindhi and will be disclosed to the PAPs and local communities.

GRIEVANCES REDRESS MECHANISM- The project-level Grievance Redress Mechanism (GRM) is structured as a three-tier system to effectively address resettlement and rehabilitation-related grievances. At the first tier, community-level grievance redress committees at the RIU focus on receiving and resolving local issues. Multiple Community-Level (Tier 1) GRCs will be established across major settlements to serve as accessible first



points of contact for project-affected persons and communities. These will be supported by PAP Committees along each project section, which communities will be informed about, to help channel grievances and facilitate inclusive participation. The Tier 2 GRC, will be established at the RIU level, headed by the concerned Project Director, and serves as the second-level grievance redress body for complaints received directly or escalated from the Community-Level (Tier 1) GRCs. The third tier operates at the PIU–NHA Headquarters/EALS level, where more complex or unresolved cases are reviewed and adjudicated. This structure ensures systematic recording, timely resolution, and escalation of grievances across all levels.

MONITORING AND REPORTING- Monitoring and evaluation (M&E) is a key component of the RAP and ensures that: (i) activities are progressing in accordance with the approved schedule and timelines; (ii) compensation and rehabilitation measures are adequate and effective; (iii) problems or potential issues are identified in a timely manner; (iv) appropriate mitigation measures and corrective actions are devised and implemented promptly; (v) the objectives of the RAP are achieved and the living standards of affected households (AHs) are restored or improved; and (vi) gender-disaggregated data are collected to monitor resettlement and rehabilitation activities under the project.

M&E will be carried out through: (a) review of project information for all project-affected persons (PAPs); (b) consultations and informal interviews with PAPs; (c) key informant interviews; and (d) community consultations through public meetings.

Land acquisition and resettlement (LAR) activities will be monitored through both internal and external mechanisms. Internal monitoring of RAP implementation will be conducted regularly by PIU–HQ and EALS through the Engineering Supervision Consultant (ESC), and by the RIU through its environmental and social (E&S) staff. The RIU and PIU–HQ will provide AIIB with a sound basis for assessing resettlement progress and for identifying potential challenges related to project scope, risks, and impacts.

Moreover, NHA, through the PIU–HQ, will engage the services of an external monitor and/or an independent monitoring consultant who has not been involved in or associated with any aspect of subproject implementation to conduct external monitoring and evaluation of RAP implementation. The external monitor will carry out periodic monitoring of the RAP and submit monitoring reports to NHA and AIIB on a semi-annual basis, or at a frequency agreed upon with AIIB.



1 INTRODUCTION

National Highway N-5, having a total length of 1,819 km, is the lifeline for Pakistan's economy. The N-5's importance lies in it linking the port of Karachi to Peshawar and the Afghan border, via almost all of the country's main population and economic centers of Hyderabad, Multan, Lahore, Gujranwala, Rawalpindi / Islamabad. The current capacity of the N-5 highway is inadequate to meet the continuously growing demands for traffic flow. Furthermore, in the 2022 flood events, numerous portions of the N-5 highway experienced significant impacts, resulting in traffic interruptions, particularly within Sindh province. The primary cause was the severe flooding in the region.

The National Highway Authority (NHA), with the financial assistance from the Asian Infrastructure Investment Bank (AIIB), is initiating a project to widen, upgrade, and improvement of the N-5 corridor. The project will facilitate the movement of diverse traffic, including trade consignments, construction materials, agricultural produce, industrial goods, and commercial freight, along the N-5 route from Karachi to Torkham.

Based on the geographical locations, the project has been divided into north and south zones. The south zone includes two, while the north zone includes six different Sections. On the other hand, from a priority point of view, the project is overall divided into two (02) phases. Phase 1 is further divided into Phase 1-A and Phase 1-B projects. The phase 1-A includes Section 7 (Rawalpindi –Hassanabdal), Section 8 (Nowshera – Peshawar), and Section 2 (Sukkur to Rohri).

NHA has engaged M/S National Engineering Services Pakistan (NESPAK) Pvt. Limited to carry out the detailed designing, including environmental and social studies of the project. This Resettlement Action Plan (RAP) has been prepared by the NESPAK, the consultants on behalf of the NHA, and covers Section 02 of Phase 1(A) of the project¹.

1.1 PROJECT OBJECTIVES

The objectives of the proposed project are as following:

- To ensure that the N-5 provides a safe, sustainable, and disaster-resilient road corridor.
- To provide dedicated heavy traffic lanes to minimize road deterioration.
- Provision of service lanes in urban areas to manage the local traffic and reduce their direct accessibility on the main carriageway.
- Enhance road safety through Star Rating improvements up to 3 Star or better.

1.2 LOCATION AND ADMINISTRATIVE JURISDICTION OF THE SUBPROJECT

The proposed Subproject Section 2: Ranipur to Rohri starts from one (01) km away from Gadegi Town, having coordinates 27°15'23.33"N and 68°29'4.10"E, and ends at Sukkur

¹Term "proposed subproject" has been used throughout this document for the Phase 1(A) of the project.



Bypass, having coordinates 27°41'1.36"N and 68°56'15.02"E. The proposed Subproject is a linear project that involves rehabilitation of existing road from Ranipur to Rohri (70 km) section, Ranipur to Rohri to make it an improved highway facility and to alleviate the traffic congestion issues in the Subproject area². **Figure 1.1** shows the location map of the proposed project Section 2.

1.3 PROJECT'S SALIENT FEATURES

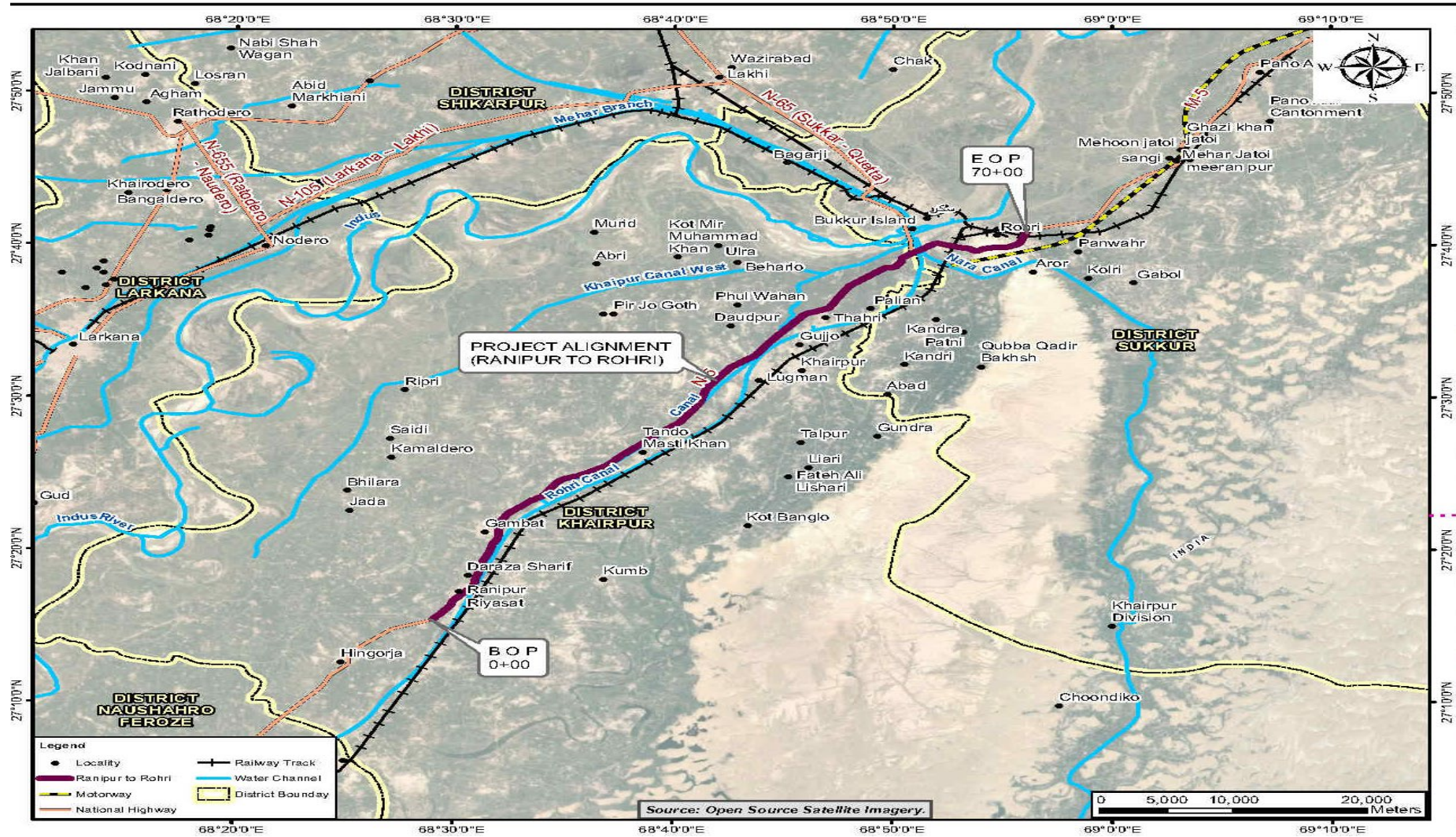
The salient features of the project (Section-2) are as follows:

Project Feature	Ranipur to Rohri
Project Length	70 Km
Design Speed (Rural/Semi Urban/ Urban)	100 / 80 / 60 Kph
Design Vehicle	WB-20 (6 Axle Articulated Trailer)
Nullah Bridges	07 (Widening Required = 07, New bridges= 0)
Flyovers Railways	01 (2+2 lanes) Retained at Railway crossing
Service Roads	20.2Km (both side)
Weigh Stations	15 Locations, Existing to be retained=11 Modified = 04 locations (3 bays each)
Bus bays	12 (Proposed)
Pedestrian Bridges/ Pedestrian Underpasses	22 (Ped. Bridges widening = 01, new proposed = 21)
U-turns	18 (Proposed)
Toll Plaza	01 at Ranipur The existing toll booth, canopy, bays, pavement, and electrical/electronic works are to be modified with a new design. Renovation of the building adjacent to the toll

- Asphalt Concrete Wearing Course 50 mm
- Asphalt Concrete Base Course 190 mm
- Aggregate Base Course 150-300 mm
- Granular Subbase 250 mm
- Subgrade shall have a minimum soaked CBR of 8% @95% M.D.D.
- Design period of 10 years has been adopted

The typical cross section of the proposed project is shown in **Figure 1.2** and **Figure 1.3**.

² Subproject Area means the area within the ROW of the proposed subproject.



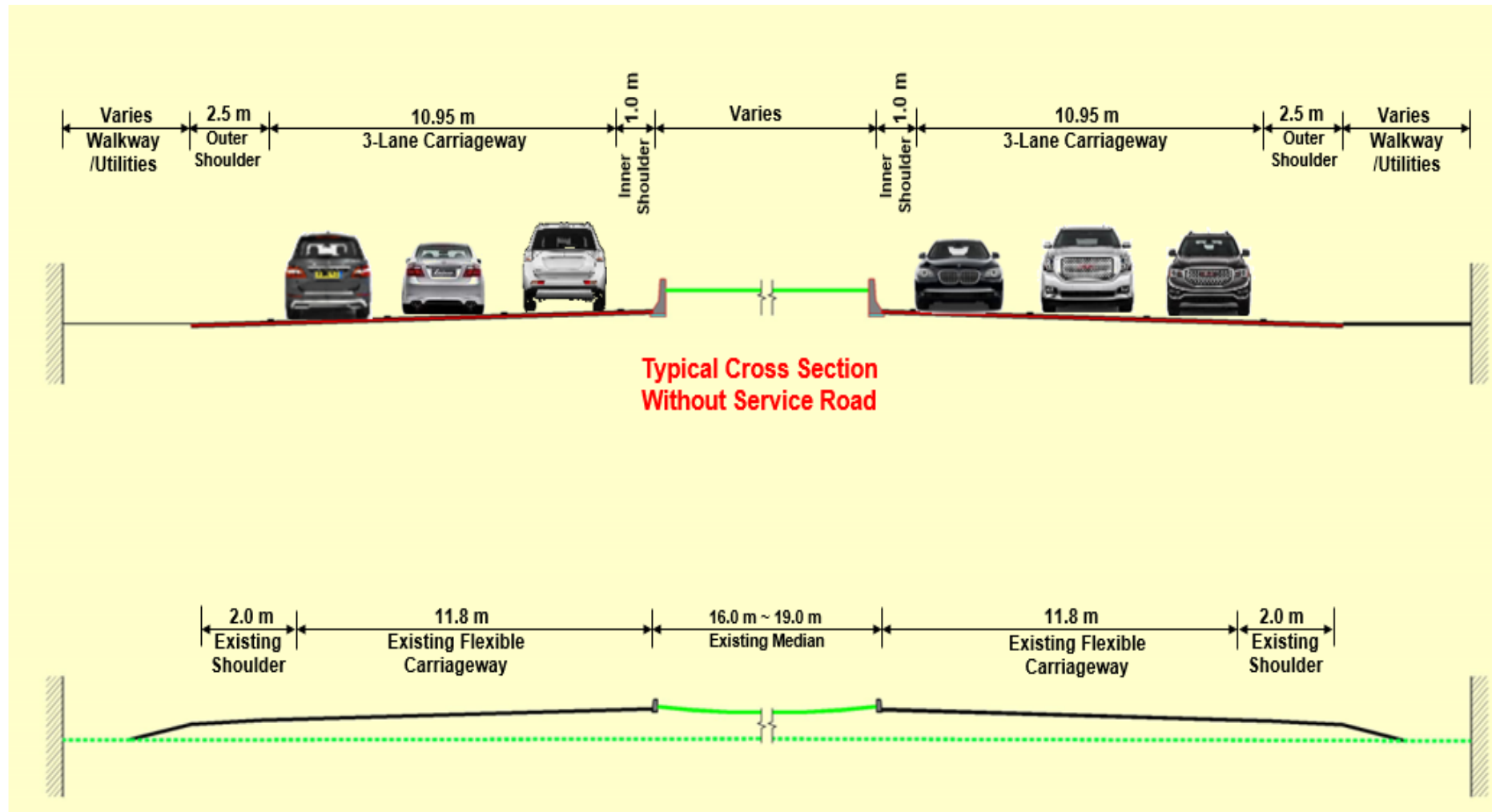


Figure 1.1: Typical Cross Section of the 3 Lane Road without Service Road

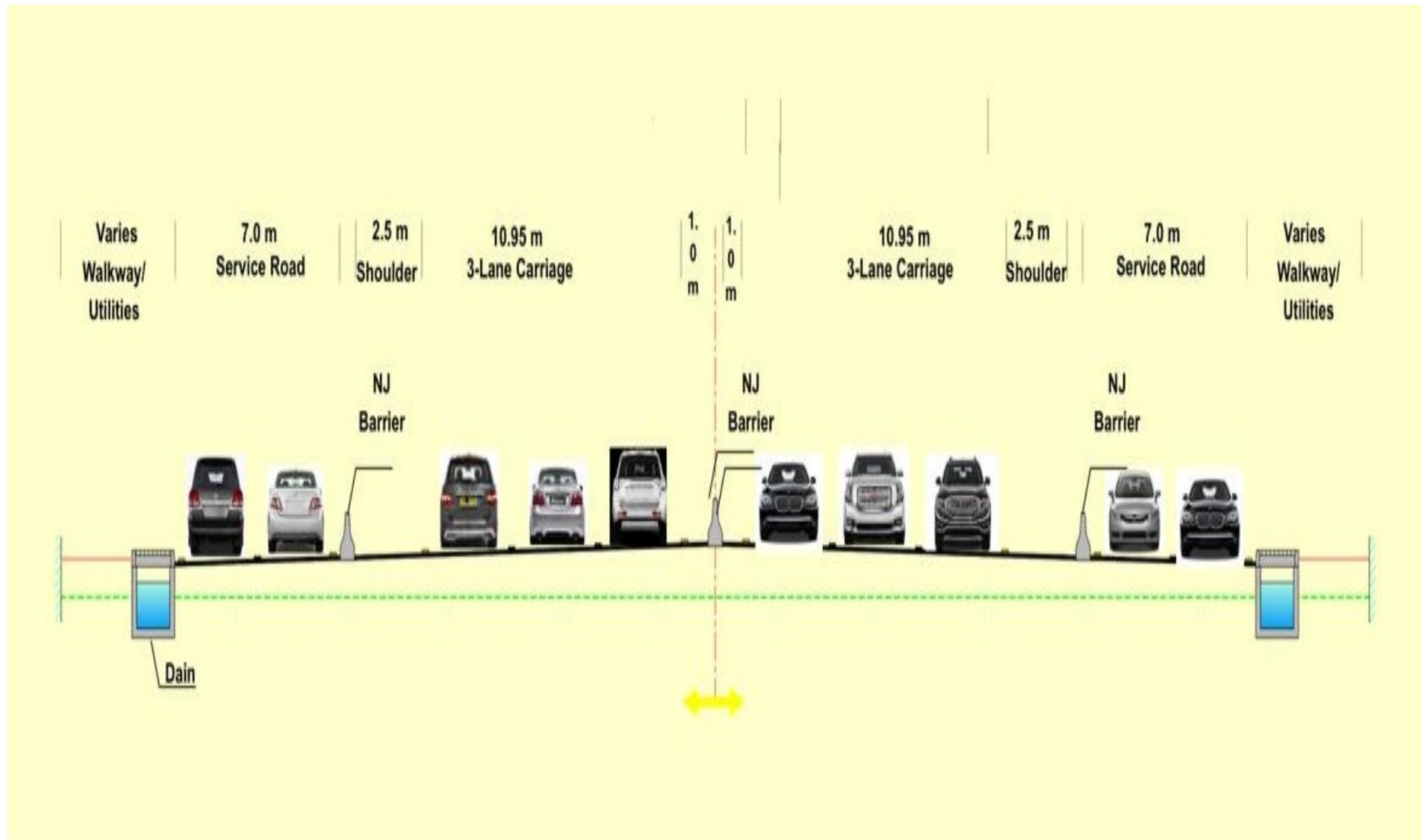


Figure 1.2: Typical Cross Section of the 3 Lane Road with Service Road

1.3.1 Available Row of N-55 in Project Road Section

The proposed project traverses the territorial jurisdictions of District Khairpur and District Sukkur in Sindh Province. Its existing ROW on N-5 ranges from 133 to 204 feet is available, which is sufficient for the widening, reconstruction, and rehabilitation of the road. Therefore, the widening and improvements of the road will be carried out within the available ROW. Hence, no land acquisition is involved in the proposed project.

1.4 EXTENT OF RESETTLEMENT ISSUES AND ANALYSIS OF ALTERNATIVES

Analysis of various alternatives were considered during planning and design of the project. The main purpose of the Alternatives Analysis is to compare feasible alternatives to the proposed project and its components including without project scenario.

1.5 ALTERNATIVE-I NO PROJECT OPTION (NPO)

The Ranipur–Rohri section of N-5 has become a major traffic bottleneck due to increasing traffic volumes, ribbon development, roadside commercial activities, and frequent local access movements along the corridor. The existing two-lane carriageway experiences congestion, reduced travel speeds, longer travel times, and safety concerns, particularly at built-up areas and busy intersections. As a key segment of the national highway network connecting major economic and agricultural centers of Sindh, the corridor requires capacity enhancement to accommodate current and future traffic demand and to improve road safety and operational efficiency.

The current capacity of the road is not adequate for the smooth flow of traffic. Moreover, the road condition is deteriorated. Traffic volume on the existing road is anticipated to increase with the passage of time as indicated from the traffic projection survey. Traffic congestion is expected to increase in the future and road conditions are expected to deteriorate due to ever-increasing traffic volume. If no action is taken for this corridor, projected increase in traffic volumes will further increase dust, vehicular emissions, noise, traffic congestion and conflicts/accidents in the area.

The No Project Option (NPO) considers the continuation of utilizing the existing road, and no further development would be done. NPO may result in degradation of air, increase in noise pollution, vehicular emissions, noise, traffic congestion, high risk of accidents, and slow speed of the vehicles and conflicts/accidents in the area. The continuation of existing road conditions will result in longer travel times. The deplorable conditions of the road will result in wear and tear of the vehicle and an increased probability of accidents. Approach to the main city by nearby villages will remain difficult, and access to better educational and health facilities will also remain limited. In case of emergencies, rescue services will also not easily reach the affected areas or safe areas if they need evacuation.

Therefore, NPO conditions will result in further worsening of the present environmental and socio-economic conditions and increased disturbance to residents of the area and the road users.

1.6 ALIGNMENT OPTIMIZATION ALTERNATIVES

1.6.1 Alternative-II: Widening and Improvements (Utilizing existing ROW)

Utilizing available RoW width and provision of additional lane on north/south bound on outer side, along with minimum utilization of existing median width at locations of U-turns (if required) to avoid the involvement of minimum additional RoW. This will also involve the extension of existing structures that contain culverts and the relocation of existing drains and utilities. Overhead pedestrian bridges and Bus bays have also been proposed at the location of urban development.

Existing RoW was checked and found adequate, keeping in view the design requirement for the provision of extra lanes. Presently, keeping in view the available RoW, traffic capacity of urban areas can easily be increased by providing additional lanes on either side, along with the provision of service roads for local traffic.

Series of trees were also observed in this section especially in median which can be proed by considering this option while providing additional lanes on outer side on both north and south bounds.

E&S comparison of Alternative-I & Alternative-II is shown in **Table 1.1 below**.

Table 1-1: Comparison of Option-I and Option-II

Sr. No.	E&S Criteria	Alternative-I	Alternative-II
1.	Avoidance of Natural/ Landscape area	No involvement	No involvement
2.	Avoidance of Trees Cutting or Forest Area	No tree cutting	Tree cutting in the ROW. However, 10 trees shall be planted in lieu of 1 fallen tree
3.	Connection with major towns	Yes	Yes
4.	Land Acquisition and Resettlement	No involvement of additional land and no resettlement	No involvement of additional land but involves resettlement.
5.	Livelihood Impacts	No impact	Livelihood will be disturbed but overall job creation will be a positive factor due to the proposed Subproject
6.	Public Utility Impacts	No impact	No impact as all the works shall be carried out within the existing ROW.
7.	Community Impacts	Community is facing issues due to disturbed traffic, congestion and improper condition of the road and facilities	Community will benefit because of the improved road.
8.	Road Safety	Road is not adequately safe.	Road will be safe.



Sr. No.	E&S Criteria	Alternative-I	Alternative-II
9.	GHG Emissions	Traffic congestion leads to increased fuel consumption and GHG Emissions.	GHG emissions will be increased temporarily (during the construction phase of the Subproject) but over a longer period of time the GHG emissions will reduce significantly.

In light of above discussion, **Alternative-II** i.e. Utilizing available ROW width and provision of additional lane on north / south bound on outer side along with minimum utilization of existing median width at locations of U-turns (if required) to avoid the involvement of minimum additional right of way is hereby suggested as opposed to NPO.

Moreover, the project design was further refined, particularly through the optimal use of the existing median, realignment of key sections, and the selective elimination of service lanes in areas with high resettlement impact to effectively avoid and minimize impacts on nearby communities. This iterative design optimization process substantially reduced resettlement impacts, lowering the number of Project Affected Persons (PAPs) from 343 to 244, thereby safeguarding livelihoods to the greatest extent possible.

1.7 RESETTLEMENT ACTION PLAN (RAP)

In this proposed project, the designed works include widening and improvement of the N-5 road priority sections. The widening, reconstruction/ upgradation works of the existing N-5 will be carried out in the available NHA owned ROW. The cross-section presented above shows that the formation width of the N-5 road will be up to 30 meters. Hence, the NHA owned (between 133 to 204 feet) ROW will be sufficient for the widening and improvement of the proposed section and no additional land will be acquired for the reconstruction of Section 02.

Following the RPF provisions, AIIB ESF requirements, and national laws, and IR-related impacts from the implementation of the proposed project works have been reviewed and assessed to determine the quantum of impact on the PAPs, entitled compensation costs for affected assets, and applicable resettlement and rehabilitation costs to ensure that a RAP is prepared and implemented before the displacement of PAPs. The basic objectives of this RAP are to:

- Identify and assess resettlement impacts based on detailed design, conduct meaningful consultations with the affected local communities to inform and guide them about the project, perceived impacts, and outcomes;
- Assess physical and economic displacement by quantifying loss of the impacted assets, severity of impact and corresponding income losses to the owners and/or employees of impacted productive assets;
- Provide a strategy that would ensure timely acquisition of assets, payment of compensation, and delivery of other benefits to PAPs before taking possession of the acquired/affected assets;
- Suggest a mechanism for consultation and participation of PAPs at various stages of the project, including implementation of the RAP; and provide a grievance redress mechanism to facilitate the PAPs for resolution of their grievances at the project level; and,



- Explain compensation entitlements with itemized budget estimate and RAP implementation schedule as well as suggest institutional set-up for timely implementation and monitoring of RAP.

1.8 PROJECT CATEGORIZATION

The subproject entails site-specific resettlement impacts affecting 244 Affected Households (AHs), comprising residential structures, permanent commercial structures, and movable structure operators. The identified impacts are partial in nature and primarily confined to extensions or ancillary portions of structures within the Right of Way. A limited number of permanent commercial and movable structure operators and associated workers will experience economic disruption due to relocation and physical displacement.

In accordance with the Environmental and Social Standard 2 (ESS-2) on Involuntary Resettlement under the AIIB Environmental and Social Framework (ESF), the subproject is classified as Category “B,” as the resettlement impacts are manageable and, are limited in scale, and can be effectively mitigated through appropriate compensation and livelihood restoration measures.

1.9 CONDITIONS FOR CONTRACT AWARD AND COMMENCEMENT OF CIVIL WORKS

Implementation of LAR provisions and delivery of full compensation to the affected households for their lost assets are imperative before taking possession of acquired assets and subsequent commencement of project civil works, under AIIB’s ESF requirements. Hence, the following LAR conditions are set to ensure the LAR processing requirements are fully complied with the project design.

Contract Awards Signing: Conditional upon the acceptance or approval by AIIB of the Final RAP, updated based on the detailed engineering design, including a complete census of the final PAPs and an inventory of losses reflecting final or actual impacts. The approval will also depend on the final entitlements and compensation, along with an itemized LAR budget at replacement rates. Additionally, the implementation schedule for the RAP must be timely and synchronized with the construction plan.

Commencement of Civil Works Implementation: Conditional on the implementation of the RAP, including (a) the commencement of civil works will be strictly conditional upon the prior implementation of the RAP. A staggered approach will be adopted, whereby only those project sections where RAP implementation has been completed, and PAP entitlements have been fully delivered, will be handed over to the contractor for the start of civil works; and, (b) other entitlements listed in the RAP have been provided as confirmed by an external monitoring agency/expert; PIU-HQ/RIU and AIIB clearance of the internal and external monitoring report and no-objection is a condition for issuing the notice-to-proceed with civil works in sections with LAR impacts.



2 SCOPE OF LAND ACQUISITION AND RESETTLEMENT

2.1 APPROACH AND METHODOLOGY

The Resettlement Action Plan has been prepared by considering a range of factors to ensure its effectiveness and alignment with project goals. This process began with an extensive desk review of available data, followed by a complete and thorough analysis of the project design to understand its full scope and potential impacts.

Before starting the social impact assessment, consultations were carried out with various project stakeholders, including the Regional Maintenance Departments of NHA in Sindh, which manages encroachments on NHA-owned ROW. This department is responsible for maintaining a record of existing encroachments within the ROW. The Maintenance Department provided the consultant with the encroachment record, which was somewhat outdated and needed updating to reflect the current ground situation accurately. Thereafter comprehensive social impact assessment was conducted of the subproject area and prepared an updated inventory of losses within the construction limits, ensuring it aligned with the actual conditions on the ground.

Thus, a detailed census and measurement survey of all affected assets were conducted to accurately assess the extent of the displacement. To assess the present socioeconomic conditions prevailing in project location, a socioeconomic survey was carried out on a sample (37%) of affected persons to gain insights into their living conditions and social profile. The preparation of the RAP also involved continuous consultations with all relevant project stakeholders, including local communities, governmental agencies, and other key parties, to incorporate their feedback and concerns. Other critical steps included conducting impact assessments, identifying mitigation measures, and ensuring compliance with the national and AIIB's ESF. This detailed approach aimed to develop a responsive and well-informed RAP that not only addresses the immediate needs of the affected populations but also supports their long-term well-being.

All affected assets in the existing ROW have been assessed, and the owners/occupiers of such impacted assets were enumerated and interviewed to finalize the inventory of losses, determine title/ownership, and assess the socio-economic status of the PAPs.

The Detailed Measurement Survey (DMS) of affected assets and census of AHs were conducted from 18 February to 2 March 2025, and the inventory of losses was prepared accordingly. Moreover, the PAPs, local communities, and government officials were consulted on design options and solutions to avoid and minimize the resettlement impacts, confirm land title and ownership of affected assets to define eligibility and entitlement under the RAP provisions. The ROW limits, potential impacts, and the compensation policy with a compensation mechanism for impacted assets located in the ROW were explained to the asset owners and local communities through consultations during the assessment of impacted assets and marking of construction limits with the land section officials of NHA.



Subsequently, following design modifications and optimization of the proposed works for Section 2, the Social Impact Assessment and the updated Inventory of Losses were finalized. The SIA was re-conducted from 26 February to 10 March 2026 in close coordination with the officials of the National Highway Authority.

The draft RAP developed previously identified a substantially higher number of affected households and impacts on sensitive structures, including mosques, graveyards, and commercial assets. In order to avoid and minimize resettlement impacts, the project undertook a detailed and iterative design review to identify the most suitable road rehabilitation works for this section. This included optimizing the use of the existing median, refining alignments, and selectively avoiding or modifying service lanes in high-impact areas. These adjustments were specifically aimed at avoiding displacement/resettlement of households and protecting culturally significant sites and key livelihood sources.

As a result of this design optimization process, impacts were significantly reduced from 343 PAPs to 244 PAPs while also avoiding impacts on mosques and graveyards and minimizing disruption to commercial establishments such as shops and other structures. These efforts demonstrate the project's commitment to impact avoidance and livelihood protection to the maximum extent feasible.

Following the optimization of the design, each affected structure was physically re-verified to ensure the accuracy of impact identification. As a result of these measures, the number of affected structures has significantly decreased compared to the earlier assessments. A series of consultations was held with Project Affected Persons (PAPs), local communities, and relevant government officials to review design alternatives aimed at avoiding or minimizing resettlement impacts. These consultations also facilitated the confirmation of land titles and asset ownership, thereby ensuring accurate determination of eligibility and entitlements under the RAP provisions. During field assessments, the ROW boundaries, potential impacts, and the compensation policy, including valuation and payment mechanisms for affected assets, were clearly communicated to asset owners and community members. This process was jointly undertaken with NHA's land section officials while marking construction limits.

The structural categories included commercial establishments, industrial units, and mixed-use facilities, with further sub-classification based on construction materials such as timber, concrete, steel, or masonry. This systematic classification enabled precise documentation of impacts and supported effective planning for determining compensation requirements for repair or reconstruction. The construction-wise categorization of the structures has been provided in **Table 2.1**.

Table 2-1: Construction Type Categories of Affected Structures

Sr. No.	Item Code	Description
Structures/Commercial and Residential Buildings		
1.	A	Roof = RCC/RBC; Walls= Burnt Bricks in Cement mortar, Cement plastered; Floor= Mosaic
2.	B	Roof = Steel Girder + T-iron with Tiles or wooden planks; Walls= Burnt Bricks in Cement mortar, Cement plastered; Floor= Plain Cement



Sr. No.	Item Code	Description
3.	C	Roof = Wooden Girder + Wooden Ribs with Tiles or wooden planks; Walls= Stone Masonry in Cement Mortar with mud plastering or none; Floor= Brick or Stone
4.	D	Roof = Wooden Girder + Wooden Ribs with Thatch & Mud; Walls= Stone Masonry in Mud Mortar with mud plastering or none or Walls of Wooden Planks; Floor= Earthen
5.	E	Thatched Shed with Wooden pillars / Bamboo supports, Earthen Floor
Shed and Fixtures		
6.	SA	Sheds with Roof = prefabricated RCC roofs; Pillars & Girders: reinforced concrete structure; and plain cement flooring
7.	SB	Sheds with Roof = Steel Girder + T-iron and Tiles; Pillars= Burnet Brick/Concrete Block Masonry in Cement mortar and cement plastering; Flooring: paved with burnt bricks/flooring tiles
8.	SC	Sheds with Roof = Wooden Girder + Wooden Ribs with Thatched & Mud; Pillars; Stone/Brick Masonry Pillars with mud plastering or none; Floor= Earthen
9.	SD	Iron Sheds, Roof: Corrugated steel /galvanized fibre glass; Structure: pre-fabricated panels/angle irons; Flooring: Paved
Boundary Walls		
10.	A	Boundary Wall (8 Ft Height)
11.	B	Boundary Wall (8 Ft Height)
12.	C	Boundary Wall (8 Ft Height)
13.	D	Boundary Wall (8 Ft Height)
14.	E	Boundary Wall (8 Ft Height)
Kiosk/Moveable Structures		
15.		Moveable (Kiosks and Cabin (Damage Cost)
Based on MRS Rates of ICT and Punjab Province 2024		

The proposed road project will have considerable impacts on both residential and commercial assets. A total of seven residential structures, owned by seven Affected Households (AHs), will be impacted. In addition, 106 permanent commercial structures/assets belonging to 102 AHs, along with 77 temporary or movable commercial structures owned by 77 AHs, will be affected as a result of the project implementation.

Furthermore, 11 public properties and structures will be partially impacted. These include various miscellaneous assets such as boundary walls and extended sections of facilities like police check posts, a Basic Health Unit, and Begum Nusrat Bhutto University. In addition to public assets, three (03) community structures comprising two mosques and one graveyard will also be affected by the proposed development. Moreover, the clearance of the NHA owned ROW will lead to the removal of approximately 2,550 government-owned trees.

Table 2.2 provides a comprehensive summary of Land Acquisition and Resettlement (LAR) impacts for the respective road subprojects. Detailed assessments and analyses of these impacts are presented in the subsequent sections, with specific focus on the existing N-5 road section.



Table 2-2: Details of Affected Assets with Number of AHs

Sr. No.	Category of Affected Assets	Description of Structures	Unit	Impact Quantum					
				Impacts on Structures	Partially Affected	Severely Affected	Number of AHs		
							Owner	Tenants	Employees
7.	Residential Structures	Houses and secondary structures	No.	7	3	4	7	0	0
8.	Permanent Commercial Structures	Shops/hotels and secondary structures	No.	106	81	25	102	23	32
9.	Moveable Commercial Structures	Kiosks and Huts etc.	No.	77	0	77	77	0	03
10.	Public Structures	Misc.	No.	11	11	0	Government	NA	NA
11.	Community/ Religious Structures	Mosques. graves and Other Assets	No.	03	03	0	NA	NA	NA
12.	Trees	Different types of Trees	No.	2550			Government Trees	-	-
Total:							186	23	35



2.2 IMPACT ON LAND

As per the ROW land record provided by NHA, the available ROW is sufficient for widening and improvement of this respective road section. The available ROW varies between 133 and 204 feet (Districts Khairpur and Sukkur) respectively which fulfill the construction requirements. Hence, no additional land will be required at the road portion.

2.3 IMPACT ON RESIDENTIAL STRUCTURES

The project-affected residential structures primarily comprise portions encroaching upon the NHA ROW by adjoining land and structure owners. According to the impact inventory, a total of seven AHs will experience impacts on their residential structures and associated assets that extend into the ROW limits, including approximately 2,670 sq. ft. of covered room area.

As a result of ROW clearance, three Affected Households (AHs) will lose more than 10% of the covered area of their main residential structures, including living rooms and associated assets such as boundary walls. To verify the implications of these impacts, a joint reassessment of the affected properties was undertaken through field surveys and consultations with the concerned households. The reassessment confirmed that the residual structures and remaining land parcels will continue to be safe, functional, and suitable for residential use following project implementation. It was further established that sufficient space is available within each affected premise to reconstruct the impacted portions of the structures, where necessary, without requiring relocation of the households. The Supervision Consultant (and/or relevant specialists) will verify and monitor the safety conditions of the affected households during implementation, including traffic safety, road safety, and construction-related risks. This will also ensure that the safety and habitability of the remaining structures and surrounding conditions are continuously monitored throughout implementation.

During consultations, all three affected households expressed their preference to remain at their current locations and confirmed that reconstruction within their existing premises is both feasible and preferable to relocation. Written consent statement was obtained from all affected households confirming their willingness to continue residing on the residual properties; copy of the statement has been included in **Annexure IX** of the RAP. Based on the reassessment findings and the expressed preferences of the affected households, relocation is not considered necessary.

The affected assets vary in type, size, and dimensions. Accordingly, the impacted portions of all structural components, including residential rooms and boundary walls, were measured and assessed using standard units such as square feet (sq. ft.) and running feet (rft.). Compensation has been determined at full replacement cost by applying the applicable provincial Market Rate System (MRS) construction rates, thereby ensuring fair and adequate compensation for all affected structures and associated assets.

All identified impacted structures and assets that encroached the NHA-owned ROW will have to be cleared for the execution of project works. The affected covered area of impacted

residential structures is summarized in **Table 2.3** and **Table 2.4**, while the detailed impact inventory is given as **Annex-I**.

Table 2-3: Impact on Residential Structures as per Side of Road

Description	Affected AHs (Nos.)	Affected Structures (Nos.)	Structure Category	Construction Type	Affected Area of Impacted Structures	Units (Sq.ft / R.ft)	Severity of Impact	
							<10 % (AHs)	≥ 10% (AHs)
Affected Residential Structures North	2	2	Room	E	70	Sq. ft.	1	1
			Boundary wall	E	60	R.ft		
			Boundary wall	D	25	R.ft		
Affected Residential Structures North	5	5	Room	E	875.5	Sq. ft.	3	2
			Room	D	728	R.ft		
			Boundary wall	E	79	R.ft		
			Parda Wall wall	C	75	R.ft		
			Hand Pump	Fixture	1	No.		

Table 2-4: Overall Impact on Residential Structures

Description	Affected AHs (Nos.)	Affected Structures (Nos.)	Structure Category	Construction Type	Affected Area of Impacted Structures	Units (Sq.ft / R.ft)	Severity of Impact	
							<10 % (AHs)	≥ 10% (AHs)
Total Affected Residential Structures	7	7	Room	E	1370	Sq. ft.	4	3
			Boundary wall	E	72	Sq. ft.		
			Boundary wall	C	40	Sq. ft.		
			Room	D	1300	Sq. ft.		

2.4 IMPACT ON COMMERCIAL STRUCTURES

As per the previous Inventory of Impacts, a total of 124 permanent commercial structures owned by 116 AHs were identified within the encroached NHA ROW and were anticipated to be impacted by project implementation. These structures comprised various types of commercial establishments with different covered areas and boundary walls, and forty-three (43) of them were assessed as fully affected under the earlier design.

Following design optimization and refinement of the construction limits, the updated Inventory of Losses reflects a substantial reduction in overall impacts. At present, a total of 106 permanent commercial structures owned by 102 AHs, including roadside hotels, shops, petrol pumps, and other business establishments, will be affected by the project.

Majority of these impacts have been classified as partial, based on the assessment that the primary structure and its core functional use will remain intact, safe, and operational. In such



cases, only extended, ancillary, or protruding portions of the structures fall within the project's impact footprint, while the main buildings do not require removal. These partial impacts are not expected to compromise the structural integrity or overall usability of the properties, and the affected portions can be adjusted or reconstructed without disrupting the primary commercial function.

However, out of the total 106 affected commercial structures, 25 structures will experience severe impacts. These cases involve significant encroachments where a substantial portion of the main structure falls within the required ROW, making it unfeasible to retain or adjust the existing facilities. Consequently, these severely affected structures will require full relocation. Appropriate compensation and assistance measures will be provided to ensure the re-establishment of these businesses at suitable alternative locations.

The details of these affected commercial structures are summarized in **Table 2.5** and **Table 2.6** whereas, the chainage-wise list is provided in **Annex-II**.



Table 2-5: Impact on Commercial Structures as per Side of Road

Description	Affected AHs (Nos.)	Affected Structures (Nos.)	Structure Category	Construction Type	Affected Area of Impacted Structures	Units (Sq.ft./ R.ft)	Severity of Impact		Renters (Nos.)	Employees (No.)
							<10 % (AHs)	≥ 10% (AHs)		
Affected Commercial Structures South	51	55	Boundary Wall	D	16	R.ft.	35	20	20	19
			Boundary Wall	E	16	R.ft.				
			Floor	B	2662	Sq. ft.				
			Green Belt	Green Belt	203	R.ft.				
			Hand Pump	Fixture	2	No.				
			Iron fence	Iron fence	40	R.ft.				
			Kitchen	SB	196	Sq. ft.				
			Parda Wall	E	17	R.ft.				
			Room	B	150	Sq. ft.				
			Shed	B	121.5	Sq. ft.				
			Shed	C	132	Sq. ft.				
			Shed	E	1306.5	Sq. ft.				
			shed	SB	579	Sq. ft.				
			Shed	SC	354	Sq. ft.				
			Shed	SD	1242.125	Sq. ft.				
			Shop	A	204	Sq. ft.				
			Shop	B	827.1	Sq. ft.				
			Shop	SB	318	Sq. ft.				
			shop	SD	268	Sq. ft.				
			Step Stair	B	45	Sq. ft.				
			Tandoor	Fixture	3	No.				
			Tuff Tile	Tuff Tile	7503.25	Sq. ft.				
			Washroom	B	60	Sq. ft.				
Affected Commercial Structures North	51	51	Boundary Wall	B	15	R.ft.	46	5	3	13
			Boundary Wall	D	17	R.ft.				
			Floor	B	160	Sq. ft.				
			Green Belt	Green Belt	55	R.ft.				
			Hand Pump	Fixture	1	No.				
			Shed	B	40	Sq. ft.				
			Shed	SA	490	Sq. ft.				



Description	Affected AHs (Nos.)	Affected Structures (Nos.)	Structure Category	Construction Type	Affected Area of Impacted Structures	Units (Sq.ft/ R.ft)	Severity of Impact		Renters (Nos.)	Employees (No.)
							<10 % (AHs)	≥ 10% (AHs)		
			Shed	SB	178	Sq. ft.				
			Shed	SC	1176	Sq. ft.				
			Shed	SD	3624.05	Sq. ft.				
			Shop	B	244.8	Sq. ft.				
			Shop	SA	104	Sq. ft.				
			Shop	SC	80	Sq. ft.				
			Shop	SD	287	Sq. ft.				
			Tuff Tile	Tuff Tile	1430	Sq. ft.				
			Washroom	B	24	Sq. ft.				
			Water Tank	SB	64	Sq. ft.				
			Weight station	Weight station	620	Sq. ft.				
			Waste W.Tank	B	156	Cft.				
			Tandoor	Fixture	1	No.				



Table 2-6: Overall Impact on Commercial Structures

Description	Affected AHs (Nos.)	Affected Structures (Nos.)	Structure Category	Construction Type	Affected Area of Impacted Structures	Units (Sq.ft/ R.ft)	Severity of Impact		Renters (Nos.)	Employees (No.)
							<10 % (AHs)	≥ 10% (AHs)		
Total Commercial Structures	102	106	Boundary Wall	D	33	R.ft.	81	25	23	32
			Boundary Wall	B	31	R.ft.				
			Floor	B	2822	Sq. ft.				
			Green Belt	Green Belt	258	R.ft.				
			Hand Pump	Fixture	3	No.				
			Iron fence	Iron fence	40	R.ft.				
			Kitchen	SB	196	Sq. ft.				
			Parda Wall	B	17	Sq. ft.				
			Room	B	150	Sq. ft.				
			Shed	B	161.5	Sq. ft.				
			Shed	C	132	Sq. ft.				
			Shed	E	1306.5	Sq. ft.				
			shed	SA	490	Sq. ft.				
			shed	SB	757	Sq. ft.				
			Shed	SC	1530	Sq. ft.				
			Shed	SD	4866.175	Sq. ft.				
			Shop	A	204	Sq. ft.				
			Shop	B	1071.9	Sq. ft.				
			Shop	SA	104	Sq. ft.				
			Shop	SB	318	Sq. ft.				
			Shop	SC	80	Sq. ft.				
			shop	SD	555	Sq. ft.				
			Step Stair	B	45	Sq. ft.				
			Tandoor	Fixture	4	No.				
			Tuff Tile	Tuff Tile	8933.25	Sq. ft.				
			Washroom	B	84	Sq. ft.				
			Water Tank	SB	64	Sq. ft.				
			Weight station	Weight station	620	Sq. ft.				
			Weste W.Tank	B	156	Cft.				



2.5 IMPACT ON MOVEABLE STRUCTURES

Based on the previous census survey, 128 movable commercial structures, including kiosks and huts owned by 128 AHs were identified as being impacted by the clearance of the NHA-owned ROW for implementation of the proposed subproject. These households were largely dependent on their small-scale commercial activities for their livelihoods.

However, following design optimization and refinement of the construction footprint, the updated assessment indicates a substantial reduction in impacts. At present, 77 movable commercial structures, comprising carts, Kiosks, etc., fall within the revised impact limits.

Detailed consultations were conducted with the affected structure owners regarding the shifting of these carts, kiosks and the potential implications for their livelihoods. All concerned persons expressed that sufficient alternative space is available within the same vicinity, outside the NHA-owned ROW, where they can relocate their moveable structures. They acknowledged that the shifting process may temporarily affect their business activities for a short period; however, they confirmed that no permanent loss of livelihood is anticipated, as they will be able to resume operations at nearby alternative locations.

The details of these affected moveable commercial structures are given in **Table 2.7** and **Table 2.8** whereas, the chainage-wise list is provided in **Annex-III**.



Table 2-7: Impact on Private Moveable Commercial Structures as per Side of Road

Description	Affected AHs (Nos.)	Affected Structures (Nos.)	Structure Category	Units (No.)	Severity of Impact		Renters (Nos.)	Employees (No.)
					<10 % (AHs)	≥ 10% (AHs)		
Private Movable Structures South	30	30	Kiosk/Cart	30	0	30	0	0
Private Movable Structures North	47	47	Kiosk/Cart	47	0	47	0	3

Table 2-8: Overall Impact on Moveable Commercial Structures

Description	Affected AHs (Nos.)	Affected Structures (Nos.)	Structure Category	Units (No.)	Severity of Impact		Renters (Nos.)	Employees (No.)
					<10 % (AHs)	≥10% (AHs)		
Total Private Moveable Structures	77	77	Kiosk/Cart	77	0	77	0	3

2.6 INCOME DISTURBANCE DUE TO IMPACTED COMMERCIAL STRUCTURES

The subproject will affect 183 structures owned by 179 households (AHs) operating different business activities, consisting of owners of commercial structures; 102 owners of permanent commercial structures, and 77 owners of movable commercial structures. Of these 179 AHs, approximately 102 will be severely affected, including 25 owners of permanent commercial structures and 77 owners of movable commercial structures. The remaining 77 AHs (owners of permanent commercial structures) will be partially affected. In addition, 23 tenants (renters of permanent commercial structures) will also experience income disruption due to the permanent impact on their businesses. Moreover, 35 employees of commercial structures (32 employees of permanent commercial structures, 03 employees of movable structures) will face income disruption due to the demolition and relocation of these structures. Hence, in total 160 AHs will face income disturbance due to impact on their commercial structures.

The encroached parts of the structures will be cleared from the ROW, and the structure owners can reconstruct and restore their structures outside the ROW limits and continue their operations after reconstruction/restoration. However, the owners and renters of these businesses will experience significant business interruption during the period required to re-establish and reconstruct their impacted assets at nearby locations. During the Detailed Measurement Survey (DMS) and census survey, affected business owners indicated that they would need at least three months to reconstruct and re-establish their impacted assets outside the ROW. Hence, in addition to compensation for affected assets, the project will provide further support in the form of a business loss allowance to the PAPs. This allowance is intended to cover income disruptions during the transition period, typically for up to three months, enabling affected individuals to manage their expenses and stabilize their livelihoods while re-establishing their business operations. **Table 2.9** summarizes the number of PAPs facing severe income loss. Details on renter and employees of the commercial structures are provided in **Annex-IV** and **Annex-V** respectively.

Table 2-9: Loss of Income due to All Impacted Commercial Structures

Sr. No.	Description	No. of PAPs Facing Loss of Income Source
1.	Owners of Permanent Commercial Structures	25
2.	Owners of Moveable Structures	77
3.	Renters of severely affected Commercial Structures including permanent commercial and moveable commercial	23
4.	Employees of severely affected commercial structures	35
Total		160

2.7 IMPACT ON PUBLIC STRUCTURES

The subproject will impact a total of eleven (11) public structures, including police check posts, Nusrat Bhutto University, and a PASCO center, among others. Most of these structures will be partially affected; however, five (5) police check posts located within the road median will experience severe impacts and will require relocation. **Table 2.10** presents the categories and number of public structures affected by the proposed subproject.

To minimize potential resettlement and rehabilitation (R&R) impacts, site-specific design solutions will be explored during the detailed design review and construction phases to avoid or further reduce impacts on these structures. Consequently, several of the partially affected structures may be restored at their existing locations without disrupting their primary functions.

In the case of severely affected structures, particularly the police check posts, the RIU will coordinate closely with the relevant departments to facilitate their reconstruction outside the NHA-owned ROW.

For this purpose, a dedicated committee will be established, comprising representatives from the RIU and the police department. The estimated restoration costs will be shared with this committee, which will be responsible for overseeing and guiding the relocation, reconstruction, and restoration of the affected police check posts.

Similarly, continuous coordination will be maintained with other concerned departments to ensure the effective restoration of partially affected public structures. Engagement with relevant officials will help ensure that restoration activities are carried out efficiently and in accordance with institutional requirements. It is important to note that the impacts on these structures are limited to specific components such as boundary walls, floors, or other peripheral sections and will not affect the overall functionality or service delivery of these institutions.

The restoration of affected portions will be undertaken in close consultation with the management of the respective institutions. Additionally, separate committees may be formed, in collaboration with these institutions, to supervise and facilitate the restoration process. The NHA will also consult with concerned departments to determine whether the restoration works will be carried out by the respective departments or entrusted to the NHA for execution. Detailed measurements of affected areas are provided in **Table 2.11** and **Table 2.12**, while chainage-wise information on public structures is included in **Annex-VI**.

Table 2-10: Impact on Public Structures as per Side of Road

Sr. No	Category of Public Structures	Direction	Number of Affected Structures
1	Basic Health Unit Ubahri	South	1
2	Police Check Post	South	2
3	Nusrat Bhutto University	South	1
4	PASCO	South	1
5	Police Check Post	Median	5
6	Police Check Post	North	1
Total			11

Table 2-11: Impact on Public Structures as per Side of Road

Structure Category	Nos.	Description	Type of structures	Total Affected Covered Area	Unit
Public Structures South	5	Room	A	394.75	Sq.ft.
		Boundary Wall	A	1240	R.ft
		Verand	SA	121	Sq.ft.
		Floor	B	215.25	Sq.ft.
		Green Belt	Green Belt	1400	R.ft
Public Structures Median	5	Room	B	289	Sq.ft.
		Room	C	162	Sq.ft.
Public Structures North	1	Boundary Wall	B	40	R.ft

Table 2-12: Overall Impact on Public Structures

Structure Category	Nos.	Description	Type of Structures	Total Affected Covered Area	Unit
All Public Structures	11	Room	A	394.75	Sq.ft.
		Room	B	289	Sq.ft.
		Room	C	162	Sq.ft.
		Boundary Wall	C	1240	R.ft
		Boundary Wall	B	40	R.ft
		Verand	SA	121	Sq.ft.
		Floor	B	215.25	Sq.ft.
		Green Belt	Green Belt	1400	R.ft

2.8 IMPACT ON COMMUNITY/RELIGIOUS STRUCTURES

Due to the implementation of the proposed project, five (5) community/religious structures will be affected. These affected community structures include two mosques, one graveyard comprised of 10 graves, one shed over a grave and one room over a grave extended to the construction limit on the median. The mosques will be partially affected, only the external boundary wall, gate and washrooms which is less than 10% of the entire structure. The main building of the mosque will remain intact. Similarly, the shed and room over grave will be partially affected, and graves will remain intact in the median, and those graves will not be relocated. The total number of affected structures and the covered area of the affected structures are depicted in **Tables 2.13** and **Table 2.14**, respectively. The details of these structures are provided in **Annex-VIII**. The partially affected structures will be reconstructed/re-established at the same location outside the ROW limits.

Table 2-13: Impact on Community/ Religious Structures as per Side of Road

Sr. No	Category of Public Structures	Direction	Number of Affected Structures
1.	Mosques	South	02
2.	Graveyard	South	01
3.	Shed over Grave	Median	01
4.	Room over Grave	Median	01
Total			5

Table 2-14: Impact on Community Structures as per Side of Road

Description	Structure Category	Nos.	Description	Type of structures	Total Affected Area	Unit
Community Structures	Mosques	2	Boundary Wall	B	22	Sq. ft.
			Washroom	A	28.75	Sq. ft.
			Gate	Iron	1	No.
	Graveyard	1	Graveyard	NA	10	No.
	Shed over grave	1	Shed over grave	SB	64	Sq. ft.
	Extended room over Grave	1	Room over grave	B	64	Sq. ft.

The reconstruction of affected structures during subproject implementation will be carried out with utmost sensitivity and respect for the cultural and religious values of the affected communities. Prior to initiating any reconstruction activities, particularly for mosques, a comprehensive and inclusive consultation process will be undertaken. This process will involve local communities, religious leaders, Ulema, and relevant authorities to ensure their informed consent and to address any concerns in a culturally appropriate manner.

Local religious leaders and Ulema will play a pivotal role in guiding the process, ensuring that all activities are conducted in accordance with religious principles and practices. Their involvement will be especially critical in matters concerning the potential relocation of graves. In cases where avoidance is not feasible, even after design review, the relocation of graves will be carried out only after thorough consultations, with full participation and agreement of the community and religious representatives. Their guidance will help the community understand and appropriately manage the spiritual and cultural sensitivities associated with such actions. The project will also provide adequate compensation and/or alternative arrangements for the relocation of affected graves, in compliance with national regulations and the AIB safeguards (ESS 2) as outlined in the Resettlement Policy Framework (RPF).

During earlier and recent consultations, the subproject design and compensation mechanisms were clearly explained to the recognized custodians of the affected religious structures, as well as to representatives of the local community. It was agreed that compensation for affected mosques and the graveyard will be disbursed to the respective management committees or to individuals formally nominated by the community. These representatives will be responsible for overseeing the reconstruction, restoration, and, where necessary, the respectful relocation of graves.

The community has been encouraged to establish formal management committees or nominate authorized individuals to ensure transparent and efficient handling of compensation and reconstruction activities. During the implementation of the RAP, continuous engagement with the community will be maintained to facilitate the timely formation of such committees or the appointments of authorized persons. This approach will help ensure the prompt disbursement of compensation and the effective restoration or reconstruction of affected religious structures, in a manner that fully respects community values and religious obligations.

2.9 IMPACT ON TREES

The subproject will involve the removal of vegetation cover within the construction areas, particularly along the road alignment. It has been assessed that approximately 2,550 trees and saplings are located along the proposed project corridor. The number of potentially affected trees has been identified through GIS mapping and verified through field inspections.

It is important to note that these trees are located within the NHA-owned ROW and are therefore the property of NHA. The felling or uprooting of these trees will be carried out by the contractor engaged under the project, and the felled trees will subsequently be handed over to the Forest Department. The Forest Department will be responsible for conducting the auction of the removed trees, ensuring that NHA is duly involved and consulted throughout the auction process. However, the tree replenishment cost amounting to PKR. 55.02 Million has been included in the ESIA, while the cost associated with tree cutting is covered under the civil works budget.

2.10 OTHER PUBLIC INFRASTRUCTURE AND UTILITIES

ROW clearance will impact other public infrastructures, including electric poles, transformers, Sui gas Installations, and fiber optic cables of PTCL etc. Concerned government departments will be coordinated for the relocation of their assets and utilities. The applicable costs for relocation of utilities and related infrastructure will be provided from the project administration cost as included in the project PC-1.

2.10.1 Impact on Vulnerable PAPs

The census of AHs on the existing road section identified that the income of 57 AHs falls below the officially designated national poverty line (OPL). The vulnerability of the PAPs was assessed against various indicators, such as those below the poverty line, women-headed households, and individuals with disabilities etc. However, among the PAPs, only those below the poverty line were identified as vulnerable. Other vulnerable groups, including women-headed households and individuals with disabilities, transgenders were not found among the PAPs during the census and socioeconomic assessment. These vulnerable AHs will be entitled to special assistance (vulnerability allowance) to ensure their living standard is not worse off. The details of the vulnerable PAPs are given in **Table 2.15** while the list of the vulnerable PAPs is given in **Annex-VIII**.

Table 2-15: Detail of Vulnerable PAPs

Sr. No.	Vulnerable	
	Category of AHs	No.s
1.	Owners of Residential Structures	03
2.	Permanent Commercial Structures	03
3.	Moveable Structures	16
4.	Employees of all commercial structures	35
Total:		57

2.11 INDIGENOUS PEOPLES

The subproject area was surveyed to identify any indigenous people or groups having customary rights on use and access to land and natural resources, socioeconomic status, cultural and communal integrity, and self-recognition as IPs. However, no such groups were found in the entire subproject area that can be categorized as IP. More specifically, the people consulted do not recognize themselves as IP or those falling under IP groups as described in the IP safeguards of AIIB's ESF. AIIB's ESS3 is not relevant for this Project.



3 SOCIO-ECONOMIC INFORMATION AND PROFILE

3.1 DATA COLLECTION

The socio-economic aspects were studied with respect to human and economic development and quality of life values of the PAPs in the Project Area. Baseline information was gathered through literature reviews, study reports, district census reports, and through field surveys comprising interviews and meetings by the Consultants' social team, using survey tools. During the field survey, interviews and meetings with the PAPs were conducted, and observations were also recorded after giving due consideration during the survey. This RAP has been prepared based on a census of Affected Households (AHs), inventory of losses in terms of structures, trees, and other assets, socioeconomic interviews, and consultations with AHs and other stakeholders.

3.2 CENSUS

A census survey was carried out covering all Affected Households (AHs) within the project impact area. The purpose of the census was to: (i) register the owners/occupiers of affected assets and determine the potentially affected or displaced persons; (ii) collect demographic profiles and assess socio-economic conditions, including income and livelihood sources; (iii) prepare an inventory of lost assets linked to each AH; and (iv) gather gender-disaggregated information regarding the economic and socio-cultural characteristics of the AHs.

Subsequently, following design optimization and validation of the updated project footprint, a verification and updating exercise of PAPs was undertaken. During this process, both the census and socioeconomic survey were conducted for 100% of the identified PAPs under the revised impact limits. This ensured that the updated Inventory of Losses and socioeconomic database accurately reflects the current scope of impacts after the incorporation of impact avoidance and minimization measures.

The census questionnaire included sections on AHs' profiles, including sections on demographic and socio-economic characteristics (family type and size (gender disaggregated), ethnicity, literacy status (gender disaggregated), household income level with income sources, and vulnerability status in terms of poverty, disability, and gender of household, etc.). It also includes a section on household property with asset ownership status (land and land-based assets) and project-affected assets with their ownership. The census also inquired into the compensation preferences and expectations of each AH.

Data collection was conducted under the close supervision of the resettlement specialists in the field, who provided guidance to enumerators to ensure accuracy, consistency, and quality control. The initial impact inventory, census survey, and socioeconomic survey were conducted from 18 February to 2 March 2025, forming the basis of the Inventory of Losses (IOL). The data collection tools and questionnaires are attached as appendices in the Annexures (RAP Volume-II).



Subsequently, following design optimization and refinement of the project footprint, a comprehensive social assessment was undertaken from 26 February to 10 March 2026 in close coordination with the National Highway Authority (NHA). This exercise aimed to validate and update the IOL and to conduct a revised census and socioeconomic survey of all affected persons under the updated design.

3.3 DETAILED MEASUREMENT SURVEY (DMS)

Census was followed by DMS as per design by using structured questionnaires to enumerate the losses. The DMS was carried out with the participation of PAPs for identifying and providing the measurement of the exact dimensions and quantities, and valuation of all affected assets. The information and data compiled about impacted assets (commercial, public structures, and trees grown on the land belonging to NHA), as well as impacts on business and income opportunities due to ROW clearance, are the basis of the impact assessment and finalization of the inventory of losses included in the RAP. The compensation cost of lost assets is determined through precise measurement of the affected structures, their construction type, quality, and materials used, with the labor costs for the construction of a new structure of a similar type and dimension to ensure that the compensation is reflective to the full replacement cost.

The exact size, type, and quality of each asset (residential, commercial structures, or other assets) with the quantum of impacted/acquired part thereof, with ownership title, type, and use were determined, and the inventory of losses was finalized by the resettlement experts and NHA (land section) representatives. Income losses due to affected business or livelihood sources, including employment loss, have been determined through a consultative process with the PAPs due to the absence of official records, including tax records and accounts.

The DMS of impacted assets linked to the AHs and PAPs of the project was undertaken through the following:

- Review of engineering drawings/design;
- Socio-economic and census survey;
- Discussions and consultations with PAPs, and
- Field surveys and on-the-spot measurement of affected assets/ transect walk.

This data gathering and the assessment process included the identification and measurement of affected structures and other assets.

3.4 DESCRIPTION OF THE PROJECT AREA

The area of the proposed project (Package-02) falls in the administrative jurisdiction of the Khairpur district and Sukkur District. The socio-economic survey focused on the AHs of the project and relevant information related to the district.

3.5 ADMINISTRATIVE SETUP AND POPULATION

3.5.1 District Khairpur at a Glance

Khairpur is a district in the Sukkur Division of the Khyber Pakhtunkhwa province of Pakistan. It is located between middle and northern Sindh. It is bounded on the north by Shikarpur District and Sukkur District, on the east by India, on the south by Sanghar District and Nawabshah District, and on the west by Larkana District, Naushahro Feroze District and Indus River. The revised area of the district is 15,910 km²

There are eight tehsils of the district Khairpur. District administration is headed by the Deputy Commissioner (DC), who is assisted by district heads of departments. The main district departments include: administration, police, education, health, communication and works, agriculture, forest, irrigation, telecommunication and livestock. The head of each district department is responsible for the performance of his department and is generally designated as the Deputy Director or District Officer.

3.5.2 Demography and Population

As of the 2023 census, Khairpur district has 452,250 households and a population of 2,597,535. The district has a sex ratio of 102.69 males for every 100 females and a literacy rate 50.14%: Out of total population 50.7% for males and 49.3% for females. A total of 891,260 individuals (34.31%) are under 10 years of age. Additionally, 844,263 (32.50%) reside in urban areas.³

According to the 2023 Population and Housing Census, about 67.5% resides in rural areas. The district's economy is predominantly based on agriculture, livestock, and related informal activities, making a large proportion of the population dependent on climate-sensitive and seasonal sources of income. Census data indicate that the literacy rate for the population aged 10 years and above is approximately 50%, reflecting significant human capital constraints. Furthermore, about 46% of the district's population is below 15 years of age, indicating a high dependency ratio and increased pressure on household resources. Various poverty assessments for Sindh have consistently identified rural Khairpur among the districts facing relatively high levels of multidimensional deprivation, characterized by limited access to quality education, healthcare, sanitation, and employment opportunities. These factors, combined with dependence on low-productivity agricultural livelihoods, contribute to persistent poverty and socioeconomic vulnerability within the district.

3.5.3 District Sukkur at a Glance

Sukkur District is a district in Sindh Province in Pakistan. Two districts have been split off from the territory of Sukkur: Shikarpur in 1977 and Ghotki in 1993.

³ https://en.wikipedia.org/wiki/Khairpur_District#:~:text=As%20of%20the%202023%20census,under%2010%20years%20of%20age.

There are five tehsils of the district Sukkur. District administration is headed by the Deputy Commissioner (DC), who is assisted by district heads of departments. The main district departments include: administration, police, education, health, communication and works, agriculture, forest, irrigation, telecommunication and livestock. The head of each district department is responsible for the performance of his department and is generally designated as the Deputy Director or District Officer.

3.5.4 Demography and Population

As of the 2023 census, Sukkur district has 268,588 households and a population of 1,625,467. The district has a sex ratio of 113.04 males for every 100 females and a literacy rate of 58.26%: 68.10% for males and 47.20% for females for females. A total of 539,351 individuals (33.18% are under 10 years of age. Additionally, 814,999 people (49.70%) reside in urban areas.⁴

District Sukkur had a population of approximately 1.64 million with around 50.3% of the population living in rural areas. As a major commercial, administrative, and transportation hub of upper Sindh, Sukkur generally exhibits stronger economic activity and better access to services compared to many surrounding districts. The district has relatively higher literacy levels and greater access to markets, employment opportunities, and public infrastructure. However, socioeconomic disparities remain evident, particularly between urban and rural areas. A substantial proportion of rural households continue to rely on agriculture, agricultural labor, and informal-sector employment, which are often associated with low and unstable incomes. Despite its economic importance, pockets of poverty persist in both rural and peri-urban areas, where households face challenges related to limited income-generating opportunities, inadequate access to social services, and vulnerability to economic and climate-related shocks. These conditions indicate that poverty and deprivation remain important development concerns within the district.

3.6 SOCIO-ECONOMIC PROFILE OF AFFECTED HOUSEHOLDS

A socio-economic survey was initially carried out to develop the socio-economic profile of the Affected Households (AHs) located along the proposed alignment of the respective road sections. At that stage, a total of 126 PAPs were interviewed to develop socioeconomic profile.

Subsequently, following design optimization and the updating of the inventory of losses, the number of PAPs was reduced. In line with the updated project footprint, the socio-economic survey was also updated to reflect the current impact scenario. As a result, a comprehensive socio-economic survey covering all 244 (100%) currently identified PAPs was conducted.

3.6.1 Population and Household Size

⁴ https://en.wikipedia.org/wiki/Sukkur_District#:~:text=As%20of%20the%202023%20census,males%20and%2044.49%25%20for%20females.

A socio-economic survey of 244 AHs was conducted which indicated that the population of the surveyed households was comprised of 756 persons and among them, there were more males (51%) than females (49%). The average size is around 6 persons per household. The gender-wise distribution of the respondents' households is given in **Table 3.1**.

Table 3-1: Population and Household Size of the AHs

Total Respondents	Population (Male)	%	Population (Female)	%	Total Population	%
244	748	51	717	49	1465	100

Source: Census and Socioeconomic Survey of PAPs

3.6.2 Sex Ratio

The sex ratio is an important demographic indicator, which is defined as the “number of males per hundred females”. As per the social survey, the sex ratio based on the household is 104 males per 100 females.

3.6.3 Family System

About 47% of AHs are living in a extended (joint) family system where grandparents also live under the same roof, while 53% percent of respondents reported that they live in a nuclear family system. The details are shown in **Table 3.2**.

Table 3-2: Family Structure of PAPs

Sr. No.	Family Structure	Number of Respondents	Percentage
1	Joint	115	47%
2	Nuclear	129	53%
Total		244	100%

3.6.4 Age Composition

The age distribution of the 244 PAPs shows that the largest group is 41–50 years (29%), indicating a predominantly middle-aged and economically active population. Respondents age between 18–40 years make up nearly half (47%), reflecting a strong working-age presence. Older groups (51+ years) account for about 24%, highlighting a smaller but important segment. Overall, the population is balanced, with a slight concentration in the middle-age group. Details on the age composition are provided in **Table 3.3**.

Table 3-3: Age Composition of PAPs

Sr. No.	Age Composition	Number of Respondents	Percentage
1	18–30	58	24
2	31–40	56	23
3	41–50	71	29
4	51–60	26	11
5	Above 60	33	13
Total		244	100

3.6.5 Religion



Respondents were asked about their religion and 99.5% of the respondents reported their religion as Islam and 0.5% mentioned Hinduism.

3.6.6 Mother Tongue

Sindhi was found to be the dominant mother tongue among the PAPs and surrounding communities. However, Saraiki and Urdu are also widely spoken across the project area and throughout the districts. Despite the prevalence of local languages, it is noteworthy that almost all individuals are comfortable communicating in the national language, Urdu, reflecting a high level of linguistic adaptability and ease of interaction.

3.6.7 Major Castes / Groups

The respondents of the socioeconomic survey represent a diverse range of castes within the project area. Prominent among these are Ujjan, Mangri, Lashari, Jokhia, and Jatoi, while other castes include Mirani, Khoro, Khushro, Syed, Domki, Rajput, Halapot, Bero, Chandio, Wasan, Merani, Talpur, Abro, Memon, and Arain. In addition, members of the Hindu community, particularly the Kholi caste, were also identified. This diversity highlights the multi-ethnic and socially heterogeneous composition of the population in the project area.

3.6.8 Education Level

The largest share of males (35%) are underage or illiterate, followed by those with primary education (17%) and middle-level education (12%). Only a small proportion of males have attained higher education, with 3% graduates, 2% post-graduates, 2.5% holding technical diplomas, and 0.5% engineers. This indicates that while basic literacy is moderately represented among males, higher education and professional qualifications remain limited.

Female literacy is notably lower than males, with 54% underage or illiterate. Primary education is achieved by 19%, middle-level education by 10%, and matric by 5%. Only 1% have graduated, 0.5% post-graduated, and 1.25% hold technical diplomas, with very few in professional engineering (0.25%). This shows a significant gender gap, with females predominantly concentrated in lower educational levels.

The literacy distribution reflects a considerable gender disparity, with males having higher representation in all educational levels beyond primary, while females are mostly underage or illiterate. Educational status among the members of AHs is shown in **Table 3.4**.



Table 3-4: Educational Status AH's Members

Gender	Underage & Illiterate	%	Primary	%	Middle	%	Matric	%	Intermediate	%	Graduation	%	Post-Graduation	%	Engineer	%	Technical Diploma	%	Others	%	Total
Male	263	35	128	17	90	12	60	8	37	5	22	3	15	2	7	0.5	18	2.5	113	15	753
Female	385	54	136	19	72	10	36	5	14	2	7	1	4	0.5	2	0.25	9	1.25	50	7	715
Total	648	44	264	36	162	22	96	13	51	7	29	4	19	3	9	1	27	4	163	22	1465

3.6.9 Occupational Status

The professional distribution of 1,465 PAPs shows that the largest segment, 32%, consists of individuals as unemployed (who are housewives, under 10 years old, or otherwise idle). Agriculture and livestock activities account for 15% of the respondents, highlighting the importance of farming in the local economy. Notably, females are an integral part of these agricultural and livestock activities, contributing significantly to household livelihoods alongside men. Shopkeepers (17%) and those engaged in business (7%) represent the entrepreneurial segment, while laborers (9%) and government and private jobholders (16% combined) indicate wage-based employment. Smaller proportions are drivers (3%) and retirees (1%). Overall, the data reflect a mixed economy with strong reliance on household, agricultural, and small-scale business activities, with women playing a key role in sustaining agricultural livelihoods. Detailed statistics regarding the occupational status of the AH members are presented in **Table 3.5**.

Table 3-5: Occupations of AH's Members

Sr. No.	Professional Status	Number	Percentage
1	Upto 10 year / Housewives / Idles	469	32
2	Agriculturist + Livestock	220	15
3	Shopkeeper	249	17
4	Business	103	7
5	Labor	132	9
6	Govt. Job	132	9
7	Private Job	103	7
8	Driver	44	3
9	Retired	13	1
Total		1465	100

Source: Census and socioeconomic survey of AHs

3.6.10 Monthly Household Income

The income level of the surveyed AHs is grouped into five ranges. Approximately 23% of the AHs earn up to PKR 40,000 per month, while 41% earn between PKR 40,001 and 50,000. About 19% of AHs fall in the income range of PKR 50,001 to 60,000, and 10% earn between PKR 60,001 and 70,000. Additionally, 7% of AHs earn above PKR 70,000 per month. In Pakistan, a household income of PKR 40,000 is generally considered the poverty threshold. Based on this data, nearly 23% of the AHs earn close to or below this poverty line. The details of AHs' average monthly income is presented in **Table 3.6**.

Table 3-6: Average Monthly Household Income

Sr. No.	Household Average Monthly Income (PKR.)	Number	Percentage
1	Up to 40,000	57	23
2	40,001 to 50,000	100	41
3	50,001 to 60,000	46	19
4	60,001 to 70,000	24	10
5	Above 70,000	17	7
Total		244	100

Source: Census and socioeconomic survey of AHs

3.6.11 Monthly Household Expenditures

Household expenditure generally aligns with family earnings. According to the survey, about 27% of respondents reported a monthly expenditure of up to PKR 40,000, while 38% had expenditures ranging from PKR 40,001 to 50,000. Around 17% of households reported spending between PKR 50,001 and 60,000 per month, with 11% falling in the 60,001 to 70,000 range. Finally, 7% of households indicated monthly expenditures above PKR 70,000. This distribution reflects a moderate variation in household spending, largely consistent with reported income levels, highlighting that most families manage expenses within the mid-income brackets. Detailed information regarding the monthly expenditure of the respondents is provided in **Table 3.7**.

Table 3-7: Monthly Expenditure

Sr. No.	Average Monthly Expenditures (PKR)	Number of Respondent	Percentage
1	Up to 40,000	66	27
2	40,001 to 50,000	93	38
3	50,001 to 60,000	41	17
4	60,001 to 70,000	27	11
5	Above 70,000	17	7
Total		244	100%

Source: Census and socioeconomic survey of AHs

3.6.12 Landholding Status

The land ownership status of the affected households indicates that approximately 7% of households own agricultural land where they are able to carry out farming activities. The remaining 93% do not own farmland; however, they do possess residential land on which their housing structures are built and where they reside. Thus, while most households are landless in terms of agricultural land, they are not without residential property. The detailed ownership status of residential structures and land is further presented in Section 3.6.14. . **Table 3.9** depicts the land holding status of the PAPs.

Table 3-8: Land Holding Status

Sr. No.	Land Holding	Number of Respondents	Percentage
1.	Yes	17	7%
2.	No	227	93%
Total		244	100%

Source: Census and socioeconomic survey of AHs

3.6.13 Housing Construction Pattern

A mix housing pattern was observed of the AHs in the project area where 54% of the respondents are living in Pacca houses which are constructed with superior materials and workmanship while 27% respondents had semi Pacca houses which are made of bricks masonry with mud mortar. Only 17% of the respondents mentioned that they live in Katcha houses made with mud and straws while 2% live in hut houses. Generally, poor households live in Katcha and hut houses while lower income households would live in Semi-Pacca houses. Those who can afford to live in Pacca households are generally not poor. **Table 3.9** shows the construction pattern of houses among the AHs.

Table 3-9: Housing Construction Pattern

Sr. No.	Type	Number	Percentage
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1.	Pacca	132	54
2.	Semi-Pacca	66	27
3.	Katcha	41	17
4.	Hut	5	2
Total		244	100

3.6.14 Ownership Status of the Houses

The ownership status of the house depicts how many respondents own their houses or live in rented houses. Out of 244 respondents, the majority (81%) of the respondents have self-owned houses and the 16% are renters and remaining 3% were living in the houses that were provided by the land lords **Table 3.10** shows the ownership of the houses of the respondents.

Table 3-10: Ownership Status of the Houses

Sr. No.	Ownership of Houses	Number	Percentage
1.	Self-Owned	198	81
2.	Rented	39	16
3.	Other	7	3
Total		244	100

3.6.15 Borrowing Status

There are two types of credit sources available to people: formal sources, such as banks and microfinance NGOs, and non-institutional sources, such as loans from friends and relatives. The survey findings revealed that 13% of the households (AHs) accessed credit, while 87% of the respondents did not borrow any amount. **Table 3.11** presents the borrowing status of the respondents.

Table 3-11: Borrowing Status

Sr. No.	Money Borrowed	Number	Percentage
1.	No	212	87
2.	Yes	32	13
Total		244	100

3.6.16 Civic Amenities

Social infrastructure and amenities are essential for creating sustainable communities. This assessment considers the spaciousness of a household's dwelling, household amenities such as electricity and modern appliances, access to water, fuel for cooking (which is primarily a task for women), and the type of sanitation facilities available as primary indicators for assessing the standard of living.

The survey results reveal that 77% of the studied households have access to schooling, while 87% have access to electricity. Health care facilities are available to 54% of households in the form of BHUs and THQs. Gas and water supply facilities are available to 32% and 10% of households, respectively. Similarly, sewerage and mobile services are available to 27% and 92% of households, respectively. Detailed information regarding access to social amenities is provided in **Table 3.12**.

Table 3-12: Access to Social Amenities

Sr. No.	Facility	Number of Respondents	Available (%)
1.	Electricity	212	87
2.	School	188	77
3.	Hospital	132	54
4.	Gas	78	32
5.	Water Supply	24	10
6.	Sewerage	66	27
7.	Telephone/ Mobile	224	92

Source: Census and socioeconomic survey of AHs

3.6.17 Source of Drinking Water

Households depend on mainly two sources of water for domestic use which is shown in **Table 3.13**. Hand pumps/ bore water is the main source of water for domestic use in the proposed project area so majority of the respondents i.e., 92% get water from this source, and 8% respondents use public water supply as source of drinking water. Hand pumps mostly installed near the irrigation channels from where water is fetched mostly dis duty is performed by the females.

Table 3-13: Source of Drinking Water

Sr. No.	Water Supply Source	Number	Percentage
1.	Water supply	20	8
2.	Bore hole (Hand Pumps/Electric Motor and other)	224	92
Total		244	100

3.6.18 Satisfaction Level with Water Quality

The quality of water is directly linked to the quality of health. **Table 3.15** depicts the perception of households about water quality in the proposed project area. 21% of respondents are satisfied with the quality of water while 79% respondents are not satisfied with the quality of water.

Table 3-14: Satisfaction Level with Water Quality

Sr. No.	Satisfaction with Quality of Water	Number	Percentage
1.	Yes	51	21
2.	No	193	79
Total		244	100

3.6.19 Awareness about the Project

The socio-economic analysis of affected households (AHs) presented in **Table 3.16** indicates a very high level of awareness regarding the proposed project. The survey findings reveal that a significant majority of respondents (97%) were already aware of the project, while only 3% reported no prior knowledge. This high level of awareness can be attributed to the fact that the exercise was conducted as part of an update of the census and Inventory of Losses, during which most PAPs had already been previously engaged and informed.

The findings suggest that, prior to this survey, the overwhelming majority of PAPs were already familiar with the project and its implications. Furthermore, following the completion of the socioeconomic and census updates, as well as through continued and intensive consultation sessions, all PAPs were comprehensively informed about the project's scope, potential impacts, entitlements, and compensation procedures. These sustained engagement efforts ensured that every affected individual developed a clear and informed understanding of the project and its anticipated effects on their livelihoods.

Table 3-15: Awareness about the Proposed Project

Sr. No.	Awareness of the Project	Number	Percentage
1.	Yes	237	97
2.	No	7	3
Total		244	100

3.7 GENDER DIEMENSION

As part of the development of the socioeconomic baseline of the project AHs, the females were also interviewed. The gender survey began with a socioeconomic survey in parallel. Female members of the households were interviewed to discuss their roles, challenges, and the gender-specific issues they face. This dual approach ensured that both male and female perspectives were captured, allowing for a comprehensive understanding of the household dynamics and the particular challenges faced by women.

The survey used a mixed-methods approach, combining qualitative and quantitative data collection techniques. Structured interviews and questionnaires were utilized to gather information on women's participation in economic, educational, and healthcare sectors, as well as their involvement in household decision-making.

The survey aimed to highlight the barriers women face, from limited access to resources to the impact of cultural norms and societal expectations. Special attention was given to understanding the constraints on women's mobility, education, and employment opportunities, as well as identifying potential solutions to improve gender equality and empower women.

However, cultural norms and values in KP province presented challenges, such as limiting women's participation in surveys or leading to underreporting of sensitive issues like domestic violence or women's economic activities. To address these challenges, social team was trained to engage respectfully and sensitively with female respondents, ensuring cultural awareness throughout the process. In this regard, 97 randomly selected females were interviewed during the gender survey. Despite these limitations, the survey provided valuable insights into the pressing gender issues and highlighted potential interventions to support women's rights and their empowerment.

3.8 PREVALENT GENDER SOCIAL ISSUES IN PROJECT AREA

The participants of gender survey were asked to report the prevalent social issues faced by them. The respondents shared their views comprehensively regarding the social problems of the project area, and their solutions were also discussed. The problems faced by the respondents of the survey are discussed in detail in the following sub-sections.

3.8.1 Lack of Public Transport

A lack of public transportation facilities are issues in the Sub-Project Area which affect many people, including females, students, the elderly, and people with disabilities. It can also make it difficult for people to access basic services like healthcare and education. This is due to poor local road network, lack of facilities on the National Highways and security situation in the surrounding area. Such situation effect women mobility and access to the resources. Women showed concerns about such facilities.

3.8.2 Lack of Availability of Clean Drinking Water

In Sub-Project, the lack of access to clean drinking water disproportionately affects women, as they are often responsible for collecting water for their families, which can involve long distances and exposure to contaminated sources, leading to increased health risks, particularly related to menstrual hygiene, pregnancy, and childbirth, due to poor sanitation and water quality; this issue is further compounded by potential harassment while fetching water. The water is fetched mostly by women from the hand pumps and other points which have been installed near the water channels where quality of the water is better. During fetching water females face access, security and harassment issues. Most of the respondents highlighted this issue.

3.8.3 Inflation and Unemployment

Inflation and unemployment have also emerged as key socio-economic concerns among households located within the project corridor, particularly those who are likely to experience resettlement-related impacts. During the gender survey conducted for the project, respondents primarily from lower-middle and economically vulnerable groups reported that rising prices are already constraining their household purchasing power and financial stability. In this context, concerns were also expressed that any disruption to income sources, livelihoods, or access to economic activities as a result of project-related resettlement may further intensify their economic vulnerability.

Similarly, unemployment was identified as a significant issue within the project-affected area, especially in urban and peri-urban locations along the corridor, where limited job opportunities already exist. Respondents highlighted that loss or displacement of livelihood opportunities due to project implementation could worsen unemployment pressures and have broader social and psychological implications for affected households. The survey further indicated that women face additional constraints in accessing income-generating opportunities due to existing socio-cultural norms, which may also limit their ability to cope with resettlement impacts.

3.8.3.1 Insufficient Educational Facilities

Many of the respondents complained about the insufficient and improper educational facilities for females in the government educational institutions situated in their area as well as in the surroundings. They were of the view that inadequate provision of facilities and materials to mainstreamed public schools is leading to poor academic performances of girls students. They added that lack of facilities limits the ability of the students to achieve various learning and extra curricula activities. Moreover, lack of facilities has a negative impact on teachers' job satisfaction, which undermines their motivation to teach.

3.8.3.2 Insufficient Health Facilities

Many of the respondents complained about the improper health facilities for females in the government hospitals working in the area. Respondents were of the view that it is the responsibility of the government to prevent and treat illness, and to provide proper health facilities like health centers, hospitals, and laboratories for testing, ambulance services, blood bank, and so on for all people. These services should be within the reach of every patient as well as healthcare facilities need to be improved in every government hospital in project area.

3.8.3.3 Urban Infrastructure of Project Area

During the socioeconomic survey, respondents were of the view that the urban infrastructure such as water supply facilities, sewerage, and drainage systems have not been improved to cope with the development and expansion of the project area. Particularly, the silted or choked sewer lines and drainage channels are serious hazards to the environment of the project area. The situation aggravates during the monsoon season, causing flooding in many places and resulting in not only an impediment to traffic and business but also degradation of the sanitary environment.

3.8.3.4 Discrimination against Women

Gender discrimination is a significant issue, with women in the project area facing numerous social challenges. Respondents expressed that traditional cultural norms limit women's opportunities for education, employment, and participation in public life. Many women in the area experience restrictions on mobility and are pressured to adhere to strict gender roles. These social issues hinder women's empowerment and contribute to persistent gender inequality in the region.

3.8.4 Suggestions of the Respondents

The female respondents describes that some of the social problems above need an active approach and actual actions to hold. In the absence of this, the social problems of the project area continue to delay from making significant growth. The respondents provided suggestions to cope with above mentioned social issues which are summarised in the following **Table 3.17**.

Table 3-16: Summary of Suggestions Provided by the Female Respondents

Sr. No.	Social Issues	Suggestions to resolve the issues
1.	Lack of Public Transport facilities	Respondents highlighted the issue of the public in the Sub-Project area. They suggested road network should be improved to bring public transport on the road to facilitate the females.
2.	Lack of availability of the clean drinking water.	Availability of the clean drinking water is a prevailing issue highlighted by the participants and demanded for the facility of clean drinking water nearby their settlements.
1	Inflation & Unemployment	- They female participants asked to raise the minimum wage rate which is comparatively very low compared to the inflation ratio; - Pay equity should be supported and implemented, particularly in the private sector, where private schools often pay significantly less to females; - Participants suggested that vocational training institutes should be established in the project area to provide technical education to local women and build their capacity, enabling them to earn a livelihood. - Female participants suggested that, to the extent possible, job opportunities should be provided in project-related work to engage local women who are interested.
3.	Insufficient Educational Facilities	- Female respondents suggested that, the provision of free education in schools, colleges, and universities by the government can play a major role in reducing illiteracy among females in the project area, as many cannot afford the fees at these institutions; - There is a need to equip local schools with modern educational facilities; - Equal educational opportunities should be provided to women; - Education, training, and professional development programs for women should be promoted.
4.	Insufficient Health Facilities	- Participants were of the view that access to health care is very essential, it must be within reach of the female community without social and economic restrictions; - The government should provide free treatment to the poor through the public health system. - Provide testing at affordable rates to the patients; - Free medical check-up camps should be arranged to aid all sections of our society. - The healthcare facilities need to be improved in the local government hospitals.



Sr. No.	Social Issues	Suggestions to resolve the issues
		The respondents appreciated the initiative of the government regarding the provision of health cards to marginalized community members.
5.	Urban Infrastructure of Project Area	- Survey respondents emphasized that basic civic amenities essential for a respectable life include water supply, sanitation, drainage, street lighting, solid waste collection and disposal, and the maintenance of public spaces. - They highlighted the urgent need for improvements in civic amenities. Continuous drinking water supply is required, but currently, water is supplied intermittently during the day. - Special attention is needed for the collection and disposal of sewage and solid waste. There are numerous issues with clogged underground drains, causing sewage to spill onto roads and streets, particularly during the monsoon season. Both underground and surface drains require regular cleaning and maintenance. - The government must build, maintain, and upgrade an extensive infrastructure system for transport, water, and sewage to keep pace with the population growth in the project area. This infrastructure is crucial for societal progress and improving living standards. - Participants called for the provision of proper road crossing facilities in conjunction with road reconstruction.
6.	Gender Discrimination	- Participants were of the view that gender is of key importance in defining the power, privilege, and possibilities that some people have and some people do not have in a given society. It affects progress towards equality and freedom from discrimination. - Gender equality can be achieved just by holding everyone to the same standard; - Need to create awareness about fundamental rights of gender; - Gender equality prevents violence against women and girls. It's essential for economic prosperity. Societies that value women and men as equal are safer and healthier.



4 INFORMATION DISCLOSURE, CONSULTATION AND PARTICIPATION

4.1 CONSULTATION, AND INFORMATION DISCLOSURE STRATEGY

Stakeholder engagement ensuring inclusive, transparent, and informed decision-making throughout project preparation and implementation is a key requirement. For this subproject, consultations were conducted from September 2024 to March 2025 and follow-up consultations during the socioeconomic assessments with affected households, community members, shopkeepers, vulnerable groups, government officials, and other stakeholders. The process involved community meetings, focus group discussions, and key informant interviews, carried out in a participatory, gender-inclusive, and non-coercive environment. These consultations helped identify subproject-specific stakeholders, document their concerns, gather baseline information, and clarify legal requirements. Feedback received has been incorporated into project design, mitigation measures, and the preparation of this RAP.

4.2 OBJECTIVES

The objectives of stakeholder consultations were to contribute openness, transparency and dialogue. The concerned stakeholder groups were identified to include in the assessment process. The objectives of stakeholders' engagement include:

- Informing the stakeholders about the proposed Subproject;
- Providing an opportunity to those who remained unable to present their views and values, therefore allowing more sensitive consideration of mitigation measures and trade-offs;
- Providing those involved with planning the proposal with an opportunity to ensure that the benefits of the proposal are maximized and that no major impacts have been overlooked;
- Providing an opportunity for the public to influence the Subproject design in a positive manner;
- Increasing public confidence in front of proponent, reviewers and decision makers;
- Providing better transparency and accountability in decision making;
- Reducing conflict through the early identification of contentious issues, and working through these to find acceptable solutions;
- Creating a sense of ownership of the Subproject in the minds of the stakeholders; and
- Developing proposals, which are truly sustainable.

More intangible benefits flow from the public involvement as the participants realize that their ideas can help to improve the Project. People gain confidence and self-esteem through taking part in the decision-making process and perceptions are expanded by meeting and exchanging views with people who have different values and ideas. The stakeholder identification and their roles and responsibilities are provided in the Project Stakeholder Engagement Plan (SEP).

4.3 APPROACH FOR THE CONSULTATION AND INFORMATION DISSEMINATED

Public information dissemination and consultations were carried out during the project preparation stage in the form of public meetings, focus group discussions, in-depth interviews, and individual consultations held from September 4, 2024 to February 05, 2025. The consultation process ensured that the PAPs, local community, farmers, laborers, and other stakeholders were informed in advance, and allowed to participate actively and consulted. This explained the Subproject objectives and scope and provide an opportunity for the locals and PAPs to participate in RAP planning and implementation and reduce the insecurity among the local community and PAPs. Moreover, prior to the implementation of the Resettlement Action Plan, further rounds of meaningful consultations will be conducted with the affected persons to ensure they are fully informed about the Project, its anticipated impacts, applicable entitlements, grievance redress mechanism (GRM), and the schedule of forthcoming resettlement and compensation activities. These consultations will also provide updated information regarding the expected commencement of civil works and associated timelines. The process will aim to enhance transparency, ensure informed participation, and address any outstanding concerns of the affected persons to facilitate smooth and timely implementation of the RAP. However, the following approach was used to carry out the public consultation process:

- Consultative meetings with the general stakeholders;
- Scoping sessions with local communities; and
- Consultations with main road users such as drivers, daily travelers, and owners of the structures/assets etc.

The public consultation and information disclosure sessions were carried out to inform the PAPs under this subproject about the resettlement requirements, impact assessment, valuation and compensation mechanisms, eligibility, and entitlement criteria, etc., and recorded their concerns and views. The following issues were discussed & disclosed to the PAPs during the consultation meetings:

- Introduction of the Subproject, various components, its activities, and impacts;
- Description of resettlement process;
- Description of entitlement matrix developed for the PAPs;
- Description of provisions made for the PAPs in the RAP;
- Description of criteria of evaluation of affected structures and assets;
- Basis for determining the rates of affected infrastructure;
- Compensation framework proposed for the PAPs;
- Compensation criteria to be followed for the payment to the PAPs;
- Grievances redress procedures;
- Discuss overall resettlement-related impacts of the Subproject; and
- Needs, priorities, and reactions of the PAPs regarding the proposed Subproject.

4.4 CONSULTATION FEEDBACK AND ANALYSIS

4.4.1 Project Affected Parties - Primary Stakeholders



A round of consultations with all relevant stakeholders was carried out as part of the preparation of this RAP based on the design. After review of the design, the social team of the Consultant visited the NHA maintenance department at Sukkur, and a consultation was held with the concerned officials and obtained the encroachment data, which was lastly updated in 2019. Moreover, this consultation was focused to get the field assistance through NHA land and maintenance staff to confirm available ROW limits, determine proposed highway alignment at the site, screen expected IR impacts, and planning RAP preparation activities including detailed measurement of impacted assets and consultations with the PAPs and local communities.

Thus, after discussing the design details, the measurement survey, census of affected assets, socioeconomic survey, and consultations were carried out along the Subproject road corridor from 18 February to 05 March 2025 and accordingly updated in February 2026. These consultations included individual interviews of potential AHs along the Subproject road section during the IR impact assessment/measurement survey and structured community consultations were held at seven (07) locations/settlements along the Subproject road alignment.

The stakeholders consulted during these consultations including APs, local communities and roadside business operators, road users, and transporters. Consultation Locations, Participants, Key Concerns, and Redress are mentioned in **Table 4.1** below, while event details including dates, venues, and specimen lists of the participants of community consultations are presented as **Annex-IX**. The pictorial presentation of some consultation events is provided as **Photolog** in the RAP.



Table 4-1: Consultation Locations, Participants, Key Concerns, and Redress

Sr. No.	Location	Date	Category of Participants	No. of Participants	Tehsil/ District	Concerns	Redress	Remarks/ Action Taken
A	Consultations during Census/ Socio-economic Survey							
1:-	Census/Socio-economic and Detailed measurement Survey along project road alignment	18 February to 05 March 2025	Interviewed affected assets owner/ renters, employees etc.	343	Along the entire alignment	The consultations conducted during the census and socioeconomic survey covering 343 affected asset owners, renters, and employees along the entire project alignment have been comprehensively presented in Chapter 03, where the socioeconomic characteristics, livelihood patterns, demographic features, and overall vulnerability profile of the PAPs are thoroughly discussed.		
B	Community Consultations (First Round)							
1	Ubri	04-10-2024	PAPs and Local Community	15	Tehsil Khairpur, Dist. Khairpur	Loss of commercial, structures and income disturbance due to construction of the road.	Resettlement and proper compensation at replacement cost to PAPs for loss of structures and livelihood.	NHA will ensure resettlement and proper compensation for affected structures and impact on livelihood through preparation and implementation of the RAP.
2	Tando Mir Hassan	02-10-2024	PAPs and General Public	15	Tehsil Rohri, Dist. Sukkur	There have been several accidents, injuries, and fatalities on this road, affecting both local residents and outside passengers/ travelers.	Installation of proper road safety signage/ signboards including provision of U-turns etc., speed limits will also be imposed especially nearby the settlements to further redress the safety issues of the community.	The RIU and Construction Supervision Consultants will ensure the installation of signage and U-turns (where possible) during construction, while the Traffic Police will be responsible for enforcing highway rules and speed limits to reduce the incidence of accidents.



Sr. No.	Location	Date	Category of Participants	No. of Participants	Tehsil/ District	Concerns	Redress	Remarks/ Action Taken
C	Community Consultations (Second Round)							
1	Tando Masti	02-03-2025	PAPs and Local Community/General Public	15	Tehsil Khairpur, Dist. Khairpur	Widening at both sides of the road may increase the social impacts.	Efforts should be made to avoid and minimize the impacts on residential and commercial assets of the communities.	Widening on both sides is a key design feature of the proposed Subproject. The PIU will ensure that construction is carried out according to the design, and efforts will be made to minimize resettlement impacts. Additionally, if necessary, further rounds of consultations may be held with local communities to address site-specific issues.
2	Shah Hussain Bypass	02-03-2025	PAPs and Local Community/General Public	19	Tehsil Khairpur, Dist. Khairpur	Inadequate drainage for seasonal rain crossing.	The detailed engineering design must include adequate drainage facilities for rainwater to redress these community concerns.	The design consultant will ensure construction of designed number of cross drainage structures and review the requirements for further improving drainage facilities.
3	Tando Mir Muhammad Hussain	04-03-2025	PAPs and Local Community	18	Tehsil Rohri, Dist. Sukkur	Timely payment of compensation of the lost assets/ structures.	The payment of compensation for all affected structures/ assets should be paid prior to initiate civil works in accordance with the Entitlement	RIU will ensure timely disbursement of compensation and confirmation of full payment of RAP through external monitor before



Sr. No.	Location	Date	Category of Participants	No. of Participants	Tehsil/ District	Concerns	Redress	Remarks/ Action Taken
							Matrix presented in the RAP.	allowing construction activities.
4	Station Road Ranipur	21-02-2025	PAPs and Local Community/General Public	11	Tehsil Sabhoder, Dist. Khairpur	The structures, which are affected due to the Subproject, should be fully compensated.	Only the structures or their parts located in ROW to be cleared for construction of the road will be removed and compensated as per provisions and entitlement matrix outlined in the RAP. Moreover, functional viability of the demolished structures will be assessed and accordingly compensation will be given for full or partially affected structures.	PIU will monitor the actions and reflect in the internal monitoring report.
5	Gambat Bazar	24-02-2025	PAPs and Local Community/General Public	11	Tehsil Gambat, Dist. Khairpur	Local skilled and unskilled labour should be employed in the Subproject construction work as well as in office work.	Employment opportunities will be generated during the construction phase. The bidding documents will include provisions to engage local labor, and contractors will prioritize hiring local residents, with particular emphasis on	PIU will monitor the actions and reflect in the internal monitoring report.



Sr. No.	Location	Date	Category of Participants	No. of Participants	Tehsil/ District	Concerns	Redress	Remarks/ Action Taken
							providing jobs to PAPs, especially those who may experience income losses due to the project.	
Total Participants:				104		Crossings and bus waiting area with partition for men and women should be built for the local community along the road at suitable locations.	The crossings will be included in the detailed design for all appropriate locations. Moreover, depending upon the site situation, the requested facilities will be adjusted in the design.	RIU and construction supervision consultants will monitor implementation. Additional requirements of facilities may be adjusted in consultation with local people.
Total Participants of Surveys and Consultation Meetings				447	Along the entire alignment	Overhead/ pedestrian bridges for women, children & aged persons, in the close vicinity need to be provided.	Overhead/Pedestrian bridges will be provided on appropriate locations. Moreover, additional road safety measures, sensitive locations (schools, health centres, and community services) will be reviewed as per site requirements as well in consultations with the local community.	RIU will monitor the actions and reflect in the internal monitoring report.



Sr. No.	Location	Date	Category of Participants	No. of Participants	Tehsil/ District	Concerns	Redress	Remarks/ Action Taken
						Avoid relocating / dismantling mosques and graves to the possible extent as mosques are located within the ROW.	The efforts will be made to avoid graveyard, shrine and minimize impacts on the community structures, i.e. mosques. However, the affected community structures will be relocated/ reconstructed at nearby place in consultation with the local community. Existing mosques will be kept intact at the site until alternate mosques are ready for locals/the general public.	In consultation with the community by the RIU's LAR implementing team, a consensus will be made on the compensation and relocation options of affected community structures during RAP implementation. The agreed actions will be implemented, and compliance will be monitored and reported in internal and external monitoring reports.
						The payment of compensation should be made to the encroachers whose structures are located within the ROW.	As per LAR provisions the PAPs facing loss of their assets encroached in the ROW will be eligible for compensation to the extent of structures or other assets except land to ensure that they	RIU will monitor the actions and reflect in the internal monitoring report.



Sr. No.	Location	Date	Category of Participants	No. of Participants	Tehsil/ District	Concerns	Redress	Remarks/ Action Taken
							can restore/reconstruct their assets out of ROW limits and are not worse-off due to Subproject implementation.	
						Due to construction activities as well as influx of labor, movement of the citizens particularly of females, residing in the nearby streets will be restricted.	The contractor will be bound through contractual provisions to locate his campsites away from the nearby settlements. The site-specific ESMP(s) including environmental management provisions for camp and construction sites will be prepared, implemented, and monitored. Moreover, construction should be carried out in scheduled hours. Therefore, that after construction hours, local community, particularly females	RIU and Contractor will ensure compliance to contractual provisions and continue a daily oversight at all construction sites to monitor compliance.



Sr. No.	Location	Date	Category of Participants	No. of Participants	Tehsil/ District	Concerns	Redress	Remarks/ Action Taken
							can easily move in the area.	
						Site Camps of the Contractor	Provisions for camp and construction sites will be prepared, implemented and monitored.	The issues and incidents on non- compliance of ESMP provisions will be documented and reported in Environmental Monitoring reports and accordingly will be taken care as per provisions of the LMP
						Suitable employment opportunities should be provided to eligible and willing local residents, with particular emphasis on offering office-based positions to women who meet the required criteria, ensuring they are given priority in such roles	The entitlement provisions for providing Subproject-based jobs for the local willing/ interested male/female members of PAPs will be provided in the RAP and in the ESMP.	RIU LAR team will closely coordinate with the PAPs and Subproject implementing authorities for engaging willing male/female members of the PAPs on Subproject-based jobs.



Sr. No.	Location	Date	Category of Participants	No. of Participants	Tehsil/ District	Concerns	Redress	Remarks/ Action Taken
						Dust and noise during construction activities will disturb the local community.	All protective measures should be taken to manage the dust and noise during the construction phase of the proposed Subproject.	RIU will monitor the actions and reflect in the internal monitoring report.



4.4.2 Other Interested Parties - Secondary Stakeholders

The first round of consultations was conducted at the departmental level with officials from relevant government departments. The details of the officials consulted, along with a brief summary of discussions and their responses, are presented in **Table 4.2**. Corresponding photographs of these consultations are provided in the **Photolog**.

4.5 POOR AND VULNERABLE

During the public consultations and stakeholder engagement process, vulnerable groups were identified within the project area, as these groups often have weaker voices in decision-making. All categories of vulnerable PAPs were carefully considered during the screening process to ensure accurate identification. Special attention was given to them during the socioeconomic surveys. Their needs and vulnerabilities were also fully incorporated in the preparation of the entitlement matrix to ensure that appropriate and fair compensation and additional assistance measures are provided.

4.6 MINORITIES

As part of the stakeholder engagement process, minorities were also screened and consulted. During the detailed screening of project-affected persons (PAPs), it was confirmed that all PAPs belong to the Muslim community, and no individuals from minority groups were found among the affected households.

**Table 4-2: List of Government Officials Consulted**

Sr. No.	Department/ Venue	Name/Designation	Date	Concerns / Suggestions
Consultations (First Round)				
1.	Environmental Protection Agency (EPA) Regional Office Hyderabad	Noor Ahmed Nahyoon Field supervisor Imran Ali Abbasi Regional Incharge Riaz Ahmed AD Technical Zeeshan Kabir Assistant Director Technical Dr. Nassrullah Assistant Director Lab	08-10-2024	The official direct the consultant to seek the NOC and approval from SEPA as per the regulations prior to start of the work. Apart from this, the official provided following suggestions: - Detailed survey shall be conducted to collect Environmental, Social and ecological baseline data. - Identify all stakeholders and seek NOCs from all relevant departments - Resettlement will be involved and livelihood will be disturbed and the impact shall be studied as part of the Subproject. - Following points must be considered while preparing Environmental Impact Assessment report: - Identification of location for construction camps alternate routes for traffic flow during construction. - Arrangements for material storage and transport. - Alternate routes shall be provided in consultation with Traffic Police to the residents and commuters. - Dust control mitigations shall be recommended to the contractor. - Demolition waste shall be properly disposed if it cannot be reused. - Affected trees shall be relocated or compensated.
2.	Forest Department, Hyderabad	Abdul Hameed Forester, Incharge Miani Rest House Ali Sher Forester, Incharge Nursery	08-10-2024	- No specific reserve forest and important area exist in the vicinity of the subproject ROW. - Maximum effort shall be done to avoid cutting of trees. - A feasible provision of budget for tree plantation plan should be included in the Subproject cost. - If any activity is involved on land owned by forest, NOC shall be obtained from the forest department.
3.	Sindh Irrigation and Drainage Authority (SIDA)	Ms. Shakeela Sociologist	09-10-2024	- A detailed survey shall be done and NOCs shall be obtained from SIDA where required. - The E&S team was advised to share the explanatory map with marked all water bodies crossing with design details for the package once the design will be completed. - Other relevant departments Forest, Wild life and fisheries shall also be consulted.



Sr. No.	Department/ Venue	Name/Designation	Date	Concerns / Suggestions
				There are utilities and railway line parallel to the canals NOC for which will also be required.
4.	Environmental Protection Agency- District Sukkur	Mr. M. Atique, Env. Inspector	03-10-2024	The official provided following suggestions: - Stakeholder Consultations with all the relevant departments should be carried out. - Ensure sprinkling of water on daily basis in the Subproject area to reduce emission of dust particles. - Solid waste produced should be properly managed and disposed of in identified designated areas. - Construction material should be removed as early as possible on the construction sites. - Alternate routes shall be provided in consultation with Traffic Police to the residents, educational institutions and road users for their movement and to avoid the traffic congestion. - Tree cutting should be avoided up to maximum level. - A feasible provision of budget for tree plantation plan should be included in the Project cost
5.	Fisheries Department	Zafar Hussain Mirani, Assistant Warden Fisheries	03-10-2024	- The official appreciated that the E&S team is conducting meaningful consultations with the department prior to the start of the Subproject - Promote aquaculture practices in private sector to bridge gap of protein deficiency in the diet of common man. - Some private fish farms exist along the alignment that may get contaminated during construction phase. - Major fish species include Rahu, Malort, Catla, etc.
6.	Wildlife Department	Anwar Ali Bhatti Range Officer	03-10-2024	- The NESPAK team visited the subject office to brief the officials regarding the Subproject and share details. They appreciated the proposed project and shared that no impact is envisaged on wildlife due to proposed Subproject. - The official confirms that no notified Wildlife protected area falls along the proposed alignment. - They also suggested avoiding negative impacts on biodiversity and green cover. - Information regarding different species of flora and fauna has been shared by the department.
7.	Irrigation Department	Mr. Abdul Samad, SDO Irrigation West	03-10-2024	- The official told that we will direct concerned Executive Engineer for the surveys of waterbodies crossing. - Three major canals i.e. Rohri, Nara and Mirwa canals are intercepting the Subproject alignment.



Sr. No.	Department/Venue	Name/Designation	Date	Concerns / Suggestions
				- NOC will be required from concerned irrigation divisions before construction. - The E&S team was advised to share the work plan and details of Subproject activities.
8.	GM Sindh North and South Regions, NHA	Muhammad Sultan Abro – GM North Sindh Anjum Bashir Quraishi, Deputy Director NHA – Sindh North	05-10-2024	Team visited the regional office Sindh and met the relevant GM North, GM South, Deputy Director, inspectors and staff of NHA. The official ensured to support the consultant in all aspects for the preparation of RAP documents and also provided the ROW data of concerned packages of Sindh. The office also facilitates the team during the site reconnaissance and onsite briefing of available ROW. Before starting the social impact assessment, the consultant again approached Regional Maintenance Departments of NHA in Sindh, which manages encroachments on NHA-owned ROW. The Maintenance Department provided the consultant with the encroachment record, which was somewhat old and needed updating to reflect the current ground situation accurately.
Consultations (Second Round)				
9.	Sindh Forest & Wildlife Department	DFO & DD Sukkur	20-02-2025	- The relevant officials briefed regarding the proposed activities of the Subproject. - Detailed discussions were made among the NESPAK team and officials on the Subproject. - They recommended avoiding tree cutting up to the maximum. - The forest department must be informed prior to tree cutting, if any to avoid any inconvenience. - The trees must be compensated 1:10 for replanting. - The department shared that no protected areas and endangered species are falling near the Subproject. - No major direct or indirect impacts are anticipated on other local resources due to Subproject activities. - In the end they appreciated the proposed works.
10	Sindh Fisheries Department	Director Region Sukkur	20-02-2025	- The NESPAK team shared the relevant information with officers relevant to the Subproject. - In response, they shared that, proposed work may be initiated on bridges during low flow season. - No hurdles should be made for fish movement and existing design of bridges may be adopted. - No oil leakages should be allowed in the canals and no solid waste will be dumped or thrown in the waters to avoid any negative impacts on aquatic biota.



Sr. No.	Department/ Venue	Name/Designation	Date	Concerns / Suggestions
11	Riverside Development Organization Trust	Mr. Munwar Masih, Chairman/Executive Director	03-03-2025	• The proposed Project by the National Highway Authority (NHA) is a good initiative to facilitate road users, students, truck drivers, and local residents by the rehabilitation and widening of the existing road, which will help alleviate congestion, allowing for smoother and more efficient travel. Moreover, it will contribute to a significant reduction in traffic accidents and casualties, particularly in the patches where the current alignment presents safety hazards due to congestion. This initiative will momentarily improve road safety and contribute to the overall well-being of the local community. • The absence of an efficient drainage system in the area has led to a rise in water borne diseases cases within the community. • Pedestrian bridges and elevators should be constructed at regular intervals along the alignment, particularly in areas with high pedestrian traffic or near residential zones, schools, hospitals, and public facilities. This will ensure easy access for elderly and disabled individuals. • Project for clean water supply shall be implemented in the Subproject area.
12	Basic Health Unit, Babarlo	Dr. Omer, Medical Officer	03-03-2025	• The proposed Project by the National Highway Authority (NHA) is a good initiative to facilitate road users, students, truck drivers, and local residents by the rehabilitation and widening of the existing road, which will help alleviate congestion, allowing for smoother and more efficient travel. Moreover, it will contribute to a significant reduction in traffic accidents and casualties, particularly in the patches where the current alignment presents safety hazards due to congestion. • Pedestrian bridges, zebra crossing, U-turns and separate bus stops for females should be constructed at regular intervals along the alignment, particularly in areas with high pedestrian traffic or near residential zones, schools, hospitals, and public facilities. • Fences along the services road nearby hospitals should be constructed to avoid traffic jams and enhancing safety in the area. • Ensure gender sensitivity by ensuring safe pedestrian routes, clear signage, and possibly designated pathways, to minimize the impact on female mobility.
13	Khairpur Special Economic Zone	Mr. Irfan Shah, Manager	03-03-2025	• The proposed Project by the National Highway Authority (NHA) is a good initiative to facilitate road users, students, truck drivers, and local residents by the rehabilitation and widening of the existing road, which will help alleviate congestion, allowing for smoother and more efficient travel.



Sr. No.	Department/ Venue	Name/Designation	Date	Concerns / Suggestions
				• The current roadside drainage system in the Project area is non-functional, leading to significant flooding during cloudbursts, which results in rainwater accumulation on the roads, which not only disrupts traffic but also overflows into settlements, causing damage to properties and creating chaotic conditions for residents and road users. • Placement of signboards, reflectors and deployment of traffic sergeants nearing populated areas especially close to schools and hospitals to avoid traffic jam issues during movement of machinery movement and rush hours.
14	Sindh Rural Support Organization	Ms. Salma, Program Manager	04-03- 2025	• The proposed Project by the National Highway Authority (NHA) is a good initiative to facilitate road users, students, truck drivers, and local residents by the rehabilitation and widening of the existing road, which will help alleviate congestion, allowing for smoother and more efficient travel. Moreover, it will contribute to a significant reduction in traffic accidents and casualties, particularly in the patches where the current alignment presents safety hazards due to congestion • Ensure gender sensitivity by ensuring safe pedestrian routes, clear signage, and possibly designated pathways, to minimize the impact on female mobility. • Implement awareness programs for workers and communities for respecting local norms and promoting a safe environment for females. • Introduce training programs for women in sewing and handicrafts, enabling them to develop essential skills and create handmade products. These initiatives will empower women by providing them with income-generating opportunities, fostering financial independence, and promoting local craftsmanship. Additionally, support through market linkages and business development guidance will help them sell their products, further enhancing their economic stability. • Efforts should be made to complete the construction works on the projected time period.

4.7 GENDER FOCUSED CONSULTATIONS

Recognizing the important role of women within households and the wider community, ten (10) dedicated gender consultations were conducted to document the perspectives of female participants and identify issues relevant to them during subproject implementation. A total of 140 women participated in these sessions. The consultation locations, number of participants, concerns and suggestions raised, along with the corresponding responses, are presented in **Table 4.3**, whereas the photographs are provided in **Photolog**.

Table 4-3: Location and Number of Participants for Gender Consultation

Sr. No.	Settlements	Number of Participants	Concerns/ Suggestions	Response
1.	Deli Muslim Society, Tehsil Sukkur, Dist. Sukkur	06	The construction activities will cause inconvenience to the mobility of the women	The contractor will ensure that construction work does not disrupt local women's access to local routes or their daily activities. In this regard, an alternate route will be established, as per the provisions of the detailed design, before the commencement of civil work on the proposed Subproject.
2.	Tando Masti, Tehsil Khairpur, Dist. Khairpur	04	Privacy issues for local females and school/college students during construction work due to outside labour in the Subproject area.	Laborers will be required to work and reside within designated areas or campsites, and contractors will be instructed to prioritize hiring the majority of the workforce from local communities. Special privacy measures, such as protective barriers, will be implemented around educational institutions to safeguard women's privacy. Additionally, contractors will conduct comprehensive GBV (Gender-Based Violence) prevention training for all Subproject workers.
3.	Ubri, Tehsil Khairpur, Dist. Khairpur	08	Women and children may have health issues due to poor air quality, dust and noise.	Water will be regularly sprinkled to control dust emissions, and construction activities will be limited during peak

Sr. No.	Settlements	Number of Participants	Concerns/ Suggestions	Response
				hours to minimize noise-related disturbances.
4.	Tando Mir Muhammad Hussain Rohri, Tehsil Rohri, Dist. Sukkur	10	Female participants highlighted various issues faced in the area which are: • Inadequate access to safe drinking water, • Insufficient healthcare facilities in health centers, particularly for women, • Limited educational opportunities for females, • Limited vocational training institutes, • Restricted access to employment opportunities due to cultural norms, • Insufficient vocational training institutes to equip women, with practical skills and technical expertise, and • Lack of transportation facilities for women.	Team responded that their concerns will be incorporated in the E&S documents especially Gender Action Plan (GAP) and measures to overcome these issues will be proposed keeping in view the scope of the proposed Subproject.
5.	Colour Goth Jandran Jatoy Muhallah, Tehsil Rohri, Dist. Sukkur	23	Due to number of accidents on this road on daily basis, many injuries and casualties take place on this road. Special provisions should be considered while designing, construction and operation stages.	It was briefed that widening/improvement of the road is proposed by keeping in view the respective issues. Moreover, NHA will ensure installation of signage, protected U-turns during design stage. Contractor will ensure the implementation of traffic management plan to avoid accidents and control other traffic related issues. The Highway Police will be enforcing highway rules



Sr. No.	Settlements	Number of Participants	Concerns/ Suggestions	Response
				and speed limits to reduce the incidence of accidents during operation.
6.	Babeloe Dhareja Mirani Muhallah, Tehsil Khairpur, Dist. Khairpur	15	How the project affectees or community members especially females can register/lodge a complaint regarding any issue related to the Project?	Proper/functional GRM which also includes a separate GBV committee will be established for the convenience of the project affectees and community members especially females so that they can file/register their complaints. Compliance lodge and M&R system of GRM will be established in PMU-NHA.
7.	Goth Jandal Ujan, Tehsil Khairpur, Dist. Khairpur	23	Job and labour opportunities for local females.	The provision of special jobs for female will be ensured through effective GAP implementation and duly incorporated in E&S documents and bidding/tender documents accordingly.
8.	Shah Hussain Bypass, Tehsil Khairpur, Dist. Khairpur	21	Crossings, pedestrian bridges, bus stops with separate sections for men and women, and lavatory facilities should be constructed at appropriate locations along the alignment to serve the local community, with a particular focus on meeting the needs of women.	Depending upon the site situation, area need and design provisions, the requested facilities will be added in the Subproject budget and design.
9.	Panj Nalka Bhattay Colony, Tehsil Rohri, Dist. Sukkur	15		
10.	Ali Abad Wasam Muhala Ranipur, Tehsil Sabhoder, Dist. Khairpur	15		

4.8 GENDER ACTION PLAN

A Gender Action Plan (GAP) has been prepared for the Subproject in **Table 4.4**, to integrate gender-sensitive measures into the subproject, ensuring the empowerment and protection of women in the project-affected area. The plan primarily focuses on enhancing women's livelihoods through income-generating activities, raising awareness about gender-based issues, and ensuring access to necessary services in case of any adverse incidents.

Table 4-4: Gender Action Plan

Activity	Project Impacts/ Risks	Performance Targets/ Indicators	Responsibility	Frequency and Timeframe
Efficient Subproject management support and institutional strengthening	Lack in implementation of GAP, Gender Awareness, trainings	- Include a Gender Specialist to manage the implementation gender action plans, community consultations, and awareness training. - Provide gender awareness training to PMU/PIU and NHA staff. - Develop a Subproject performance system that includes indicators measuring the implementation and progress of the gender action plan. - Ensure the inclusion of sex-disaggregated data in the baseline studies and progress, monitoring and evaluation reports. - Ensure regular progress reports include the progress of GAP implementation and sex-disaggregated statistics for relevant performance indicators.	PIU-HQ/RIU	Continuous activity during Detailed Design and Implementation phase
Communication/ Consultations and Information Dissemination	- Least or no information regarding eligibility and entitlement of compensation to the PAPs including female members. - Lack of awareness of female PAP about the	- Involve female in PAP Committee. - Information dissemination to the PAPs including female members through continuous consultative meetings and distribution of brochures and pamphlets/ leaflets. - All related information will be disclosed during the meeting	PIU-HQ/RIU	Continuous activity during Detailed Design and Implementation phase

Activity	Project Impacts/ Risks	Performance Targets/ Indicators	Responsibility	Frequency and Timeframe
	Subproject impacts and their mitigation measures	and consultation and relevant documents will be placed on contractor campsites, site offices and Subproject office. Moreover, will be uploaded on the website of the NHA Involve the female of PAP committee in regular consultative process of the Subproject		
Data Management/ Data Depository	Delay in the implementation of RAP/LRP that deteriorates the process of eligibility & entitlement for compensation especially for women.	Develop a gender segregated database covering the status of implementation of RAP/LRP and SIA and updating of database on regular basis.	PIU-HQ/RIU	Continuous activity during Implementation phase
Influx of Labour, especially if from outside the Subproject area.	Possibility of increase in GBV and SEA/SH in Subproject area.	- Awareness trainings for community and Labour. - Incorporate requirements in the Bidding Documents for the contractors to adopt the Code of Conduct that defines obligations of all their staff regarding policies related to GBV, SEA and workplace harassment, - Create or Strengthen GBV and SEA/SH Referral Helplines. - Third Party monitoring of GBV and SEA/SH issues	PIU-HQ/RIU Contractor	Periodically, and consistently, during project implementation.
Increase in Human Trafficking and	HIV transmission	Training to create awareness on HIV	PIU-HQ/RIU Contractor	Periodically, and consistently,

Activity	Project Impacts/ Risks	Performance Targets/ Indicators	Responsibility	Frequency and Timeframe
HIV Transmission	and Human Trafficking	prevention and Human Trafficking.		during project implementation.
Gender Sensitive Grievance Redress Mechanism and Complaints Handling	- Aware and sensitize about the objective of GRM and removal of hindrances in the recording of complaints. - Complaint about disorder of pressing needs of women/ local community relating to the Subproject that affect the mobility during the construction activities - Difficulties in having access to social amenities - Disturbance in privacy during construction activities.	- Gender Sensitization session, - Sexual Harassment Prevention session, Safety and Accessibility for reporting of the grievances. - Awareness about the gender sensitive GRM and complaint handling process through consultative meetings, distribution of pamphlets and mobile penetration. - Ensure that the existing GRM is accessible to the female PAP Committee members /local community is gender sensitive and has GBV and SEA/SH Protocols. - Explore establishment of Interactive Voice Response Service (IVRS) - Carrying out Subproject implementation activities in consultation with the community/ local women to avoid peak hours working activities of women. - Training – capacity development for gender-inclusive Subproject design and implementation.	PIU-HQ/RIU	Continuous activity during the implementation
Female involvement in	Privacy and mobility issue	Ensure women's participation in the	PIU-HQ-RIU Contractor	Continuous activity during

Activity	Project Impacts/ Risks	Performance Targets/ Indicators	Responsibility	Frequency and Timeframe
the income generation activities and related jobs	• Lack of family support • Illiteracy and unskilled females • Lack of transport facilities. • Limited awareness of income generation activities and jobs • Involvement of local female in Subproject activities during implementation	workforce as causal unskilled workers, security staff, construction work force and community Mobilization. • Females will be included plantation along the road and aftercare of the trees. • Family support to allow their interested females to participated in the income generation activities during construction phase of the Subproject. • Awareness, Motivation and mobilization. Extensive social mobilization to women. • Awareness meetings about job opportunities along the road involving women. • Facilitation in obtaining vocational trainings for stitching and handicrafts. • Training institute refers to potential income generation activities in the Subproject area for relevant profession/ jobs. • Facilitation regarding mobility issues. • The 10% women will have ensured in the overall staffing plan at the site.		the implementation
Construct or established	• No separate waiting area	• Construct the separate facility for	PIU-HQ/RIU Contractor	• Implementation phase

Activity	Project Impacts/ Risks	Performance Targets/ Indicators	Responsibility	Frequency and Timeframe
separate passenger waiting areas / sheds along the road	for women along the proposed section.	women on each waiting area. • Provide drinking water facility		
Install toilets facilities for female at the passengers waiting sheds and construction camp sites	• Non availability of separate toilet facility specifically for female	• To keep privacy separate entrance, covered and properly door locked toilet facilities will be established at each the passengers waiting sheds and construction camp sites • Female caretakers or attendants will be trained to be sensitive and responsive to the requirements of female users.	PIU-HQ/RIU Contractor	• Implementation phase
Road Safety and Safeguards	• Accidents during the road crossing	• For the safety of children and pedestrians speed bumps will be proved to slow traffic near the major settlements. • Road safety signage will be displayed • It recommended to avoid locating bus stops within about 12m of pedestrian crossings and 20–60 m of an intersection due to the potential for blocking sight lines. • Safety fences installed near the main settlements to avoid direct crossing of road. • At least one overhead pedestrian bridge in the major settlements along the Subproject route.	PIU-HQ/RIU Contractor	• Implementation phase

Activity	Project Impacts/ Risks	Performance Targets/ Indicators	Responsibility	Frequency and Timeframe
		A community-based road safety campaign will involve community members as facilitators, and at least 50% of community facilitators will be women.		
Privacy Partition in front of the female institutes	Privacy disturbance due to general flow of traffic in front of the institutes	Construct barrier in front of major educational and health institutes to provide covered entrance for female	PIU-HQ/RIU Contractor	Implementation phase
Adequate sewerage and drainage facility	Inadequate sewerage system and improper drainage of rain water will cause issues to road commuter including female.	Designed sewerage and draining facilities will be ensured in design including the impacts of climate change	PIU-HQ Contractor	Implementation phase

PIU (Project IMPLEMENTATION Unit) **EALS** (Environment, Afforestation, Land and Social Unit) **HIV** (Human Immunodeficiency Virus) **GBV** (Gender Based Violence) **SEA** (Sexual Exploitation and Abuse)

To mainstream gender in resettlement and strengthen the Gender Action Plan, the following policy recommendations are suggested:

- **Mandatory Gender Training:** All PIU-HQ, EALS staff, and contractors should undergo gender sensitization and anti-SEA/GBV training before the subproject starts.
- **Inclusion of a Gender Focal Person:** Assign a dedicated Gender Specialist within the PMU to oversee GAP implementation.
- **Contractor Compliance Requirements:** Contractors should submit a Gender Inclusion Report as part of their subproject progress updates.
- **Set a Gender Employment Target:** Encourage a minimum of 20-30% female workforce participation in subproject activities where feasible.
- **Develop Women-Friendly Workspaces:** Ensure separate rest areas, sanitation facilities, and flexible work schedules for female workers.
- **Collaboration with Local Women's Organizations:** Partner with NGOs and women's groups for training and job placement programs.
- **Anonymous Reporting Options:** Implement SMS-based or IVRS-based anonymous complaint submission mechanisms for GBV/SEA cases.
- **Public Awareness Campaigns:** Conduct community workshops and media outreach to inform women about available complaint channels.

- Gender-Sensitive Transport Policies: Introduce reserved seating for women in public transportation facilities.
- Enhanced Street Lighting: Ensure well-lit pedestrian pathways near transport hubs for increased safety.
- Safe Mobility Programs: Develop a transport safety awareness program targeting female commuters.

4.9 STAKEHOLDER CONSULTATIONS FRAMEWORK FOR CONSTRUCTION AND OPERATION PHASE

Consultation is an ongoing process that will continue with the PAPs and other stakeholders located along the alignment of the proposed road throughout the Subproject implementation period. During consultations the PAPs will be engaged to disclose RAP provisions on compensation eligibility and entitlements and inform them on compensation payment mechanism, timelines, project-based grievance redress mechanism available and record their views and preferences during redress of their grievances and delivery of compensation including resettlement and relocation costs.

Following consensus on actions for compensation/relocation of affected structures of the community, the consensus statements will be recorded and maintained. The agreed actions will be implemented and monitored to ensure timely compensation for affected land and structures.

The consultations will be carried out during the construction and operation phases of the Subproject. Efforts are recommended to maximize the consultations during the Subproject implementation. The consultations will also be carried out with the objectives to develop and maintain communication linkages between the project promoters and stakeholders, to provide key Subproject information to the stakeholders, and to solicit their views on the Subproject and its potential or perceived impacts, and ensure that views and concerns of the stakeholders are incorporated during the implementation with the objectives of reducing or offsetting negative impacts and enhancing benefits of the proposed Subproject. The consultation strategy to be followed during the RAP implementation is provided in **Table 4.5** and the framework for the future consultations is elaborated in **Table 4.6**.

Table 4-5: Consultation and Information Disclosure Strategy

Action	Stakeholders	Method	Outcomes
Disclosure of RAP	PAPs, local communities, NHA Project and LAR staff, District Land Revenue authorities/officials and other relevant local government departments, CBOs, CSOs, etc.	Disclosure through websites, and by placing hard copies at accessible places along the Subproject alignment and through disseminating translated (Urdu) summary of RAP to PAPs.	The RAP uploaded on AIIB and NHA websites and the PAPs and other stakeholders informed on RAP provisions.

Action	Stakeholders	Method	Outcomes
Grievance redress mechanism established and functional	Local Communities, NHA project engineering and land staff, supervision consultants and civil work contractors, District Land Revenue authorities, including other relevant local government departments.	Individual meetings, focus group discussions and by disseminating GRM related information through leaflets, brochures and installing boards along the Subproject alignment.	AHs fully aware and accessing Subproject based GRM to address their concerns.
RAP implementation arrangement and timelines	PAPs, Local Communities, NHA project land staff, District administration/revenue authorities, supervision consultants and civil work contractors.	Individual meetings focus, group discussions, by delivering compensation payment notices and installing boards along the road alignment.	PAPs compensation claims processed and paid.
Relocation of community Structures (houses, shops, accessories of linked structures, service stations, mosques)	Religious/ mystical leaders regulating affected structures, local community and project executors including NHA project and regional staff, consultants, contractors, and local administration.	Individual meetings and focus group discussions with relevant stakeholders including local notables, religious heads (Imams) in affected structures.	Community fully aware of the mechanism for compensation and reconstruction of the replacement structure
RAP Monitoring	NHA project land staff, internal and external monitors, PAPs, and local communities, and NHA, and AIIB.	Individual meetings, key informant interviews/ FGDs and disclosure of monitoring results/reports on website.	RAP implementation progress assessed and monitoring reports disclosed at website.

Table 4-6: Future Consultations Framework

Sr. No.	Stakeholders	Project Phase	Frequency of Consultation
1.	Provincial Government Departments	- Pre-Implementation - During the Project Implementation	- One round of consultation before start of implementation of project. - Monthly during construction phase and bi-annually during operation phase of the project.
2.	District Level Government Officials	- Pre-Implementation - During Project Implementation	- One round of consultations before start of implementation of project. - Monthly during construction stage and bi-annually during operation phase of the project.
3.	PAPs	- Pre-Implementation - During the Project Implementation	- One rounds of consultations before start of implementation. - Fortnightly during construction stage and bi-annually during operation phase of the project.



Sr. No.	Stakeholders	Project Phase	Frequency of Consultation
4.	Surrounding Villages	• Pre-Implementation • During Project Implementation	• One round of consultation before start of implementation. • Quarterly during construction stage and bi-annually during operation phase of the project.
5.	Local Elders	• Pre-Implementation • During Project Implementation	• One round of consultations before start of implementation of project. • Monthly during construction stage and bi-annually during operation phase of the project.
6.	Women	• Pre-Implementation • During Project Implementation	• One rounds of consultations before start of implementation. • Fortnightly during construction stage and bi-annually during operation phase of the project.

4.10 RAP DISCLOSURE AND INFORMATION DISSEMINATION

During consultations, the RAP provisions including, project RAP policy, compensation eligibility criteria and entitlements, cut-off date, compensation payments, and grievance redress mechanism provided in RAP were fully explained to the PAPs. The information display banners were used to disclose the cut-off date to the participants of these consultations. After approval this RAP will be disclosed on AIIB and NHA's websites and will also be disclosed to PAPs and other stakeholders by placing its copies at accessible places, such as local union council offices, community centers, schools, health facilities, and other public gathering points within the project area, including the relevant RIU and tehsil offices of the respective districts along the Subproject corridor. The summary of the Subproject RAP detailing information about Subproject description and LAR impacts, legal framework, compensation eligibility and entitlements, grievance redress mechanism, institutional arrangement, compensation payment process, and implementation timeframe will be translated into Urdu/Sindhi and will be disclosed to the PAPs and local communities.

5 GRIEVANCE REDRESS MECHANISM (GRM)

This Section outlines the policy and procedure for documenting, addressing, responding, and employing methods to resolve project grievances and complaints that may be raised by the PAPs or community members arising from environmental and social performance, the engagement process, resettlement and/or unanticipated environmental or social impacts resulting from project activities that are performed and/or undertaken by RIU, NHA. The Section describes the scope and procedural steps and specifies roles and responsibilities of the parties involved in addressing the grievances.

5.1 PRINCIPLES

A Grievance Redress Mechanism (GRM)⁵ has been established to effectively address complaints or concerns that may arise at any stage of the subproject cycle. Residents of the project area may perceive risks to their property, legal rights, or livelihoods, or have concerns about potential environmental, social, or resettlement impacts. All grievances will be handled promptly, transparently, and fairly, ensuring that PAPs, community members, or complainants face no retaliation. The GRM will also uphold the confidentiality of complainants when requested. For grievance hearings, the Chairman, together with at least 60% of committee members, will form a valid quorum. To enhance awareness and accessibility, information on GRM procedures, including submission channels and contact details, will be widely disseminated in Urdu and other local languages across the project-affected area.

The primary principle of GRM is that all complaints or grievances are resolved as quickly as possible in a fair and transparent manner.

5.2 OBJECTIVES

The objectives of the GRM are to:

- develop an organizational framework to address and resolve the grievances of individual(s) or community(s), fairly and equitably;
- provide enhanced level of satisfaction to the aggrieved;
- provide easy accessibility to the aggrieved/affected individual or community for immediate grievance redress;
- ensure that the targeted communities and individuals are treated fairly at all times;
- identify systemic flaws in the operational functions of the project and suggest corrective measures; and
- Ensure sustainability of the project.

⁵ A mechanism to receive and facilitate the resolution of project affected persons' concerns and grievances about physical and economic displacement and other project impacts, paying particular attention to the impacts on vulnerable groups. It addresses project affected persons' concerns and complaints promptly, using an understandable and transparent process that is gender-responsive, culturally appropriate, and readily accessible to project affected persons at no cost and without retribution. The mechanism will not impede access to the country's judicial or administrative remedies. However, the project affected persons are free to go to the Court of Law as and when desired.

5.3 TYPE OF COMPLAINTS

Potential complaints that may arise during the execution of the the RAP may include but not limited to, the following:

- E&S issues (dust, noise, air pollution, social and cultural issues);
- Damage and blockage of public utilities;
- Traffic inconvenience;
- Gender Based Violence (GBV) and harassment;
- Land (Row Possession and Title Confirmation), Resettlement and relocation issues including loss of livelihood; and
- Issues related to compensation of resettlement impacts which includes:
 - Project alignment and requests to avoid specific affected assets;
 - The omission of impacts and names of some PAPs in census and inventory of lost assets;
 - Impact assessment and valuation of losses;
 - Disbursement of compensation relative to entitlements stipulated in a RAP/LRP;
 - Disputes about ownership of affected assets apportionment of compensation with payment delay issues;
 - Delays in payment of relocation and rehabilitation costs and design and completion of relocation sites/facilities; and
 - The adequacy and appropriateness of income restoration measures.

5.4 DISCLOSURE OF GRM

The GRM and Grievance Redress Committees (GRCs) shall be notified after approval of concerned Member (Engineer) and disclosed at RIU(s) and PIU-HQ NHA Headquarters Islamabad, and concerned project offices, NHA's website as well as at project sites.

5.5 STRUCTURE OF GRIEVANCE REDRESS MECHANISM

The formal GRM established for this subproject comprises a three-tiered structure, including: (i) a Community/Local Level GRC; (ii) a RIU-level GRC; and (iii) a PIU-HQ/NHA-level GRC. An overview of all tiers of the GRCs is presented in the following section, while the specific functions, responsibilities, and operational procedures for each level are detailed in the Project's Stakeholder Engagement Plan (SEP). The institutional organization of these GRCs is illustrated in **Figure 5.1**.

Gender representation will be ensured by inducting a female member in all GRCs. All GRM officials will receive comprehensive training prior to assuming their roles to ensure they are fully prepared to handle grievances effectively, fairly, and in accordance with established procedures.

The mechanism will ensure the access of project affected persons or community members to a GRM that openly and transparently deals with the grievances and makes decisions in consultation with all concerned that are consistent with the AIIB ESF requirements. As part of



the GRM, PAP Committees will be established in the major settlements along the project alignment. These committees will serve as the first point of contact for PAPs, assisting them in lodging grievances, understanding GRM procedures, and monitoring the progress of complaint resolution. They will also ensure promote awareness of the GRM within the community, and facilitate transparent and timely handling of concerns. Moreover, the TORs for all Tiers are annexed as **Annex-X**.

i. Community GRC (Tier-1)

The Community-Level GRC serves as the first point of contact for project-affected persons (PAPs) and community members to raise concerns, provide feedback, and seek resolution of environmental, social, and resettlement-related issues at the local level. These first-tier GRCs will be established in all major settlements and will ensure inclusive representation, reflecting gender balance, ethno-cultural diversity, and the participation of vulnerable groups. Their establishment will be facilitated by the PIU-HQ Social Development Specialist (SDS), with support from the Supervision Consultant. The organizational composition of the Community-Level GRC is illustrated in **Figure 5.1**.

ii. RIU Level GRC (Tier-2)

The Tier 2 GRC, will be established at the RIU level headed by the concerned Project Director, serves as the second-level grievance redress body for complaints received directly or escalated from the Community-Level (Tier 1) GRCs. The RIU-level GRC will be constituted for the project with representation from NHA E&S staff, RIU specialists (including at least one woman), the Supervision Consultant, the contractor, and PAP Committees, with additional government officials invited as required. Environmental specialists will participate when environmental issues are under review.

Meeting at least fortnightly, the RIU-Level GRC reviews and resolves a wide range of grievances—including compensation-related matters, resettlement issues, environmental and social concerns, and other project-related complaints—within 15 working days. Any complaints that cannot be resolved at this level will be formally escalated to the Tier 3 PIU-HQ GRC with documented reasons and recommendations.

iii. PIU-HQ-GRC (Tier-3)

The Tier 3 GRC, already established at the PIU-HQ level, serves as the highest grievance redress forum for complaints received directly or escalated from the Tier 2 RIU-level GRCs. Chaired by the concerned General Manager (NHA-HQ), the committee includes the GM Project N-5 (if posted), the relevant Project Director, representatives from the Supervision Consultant and Revenue Department (as needed), and other government officials or specialists invited when required. E&S specialists from PIU-HQ and SC participate in meetings dealing with environmental and social matters.

The PIU-HQ GRC will meet at least monthly (or more frequently if necessary) and requires 60% quorum to convene. It acknowledges registered complaints, scrutinizes records, investigates remedies, and requests additional evidence from the complainant when needed. After reviewing all records and conducting field verification if required, the PIU-HQ GRC issues a decision within 20 working days. If the complainant remains dissatisfied, he or she retains the right to pursue the matter in a court of law at any stage.

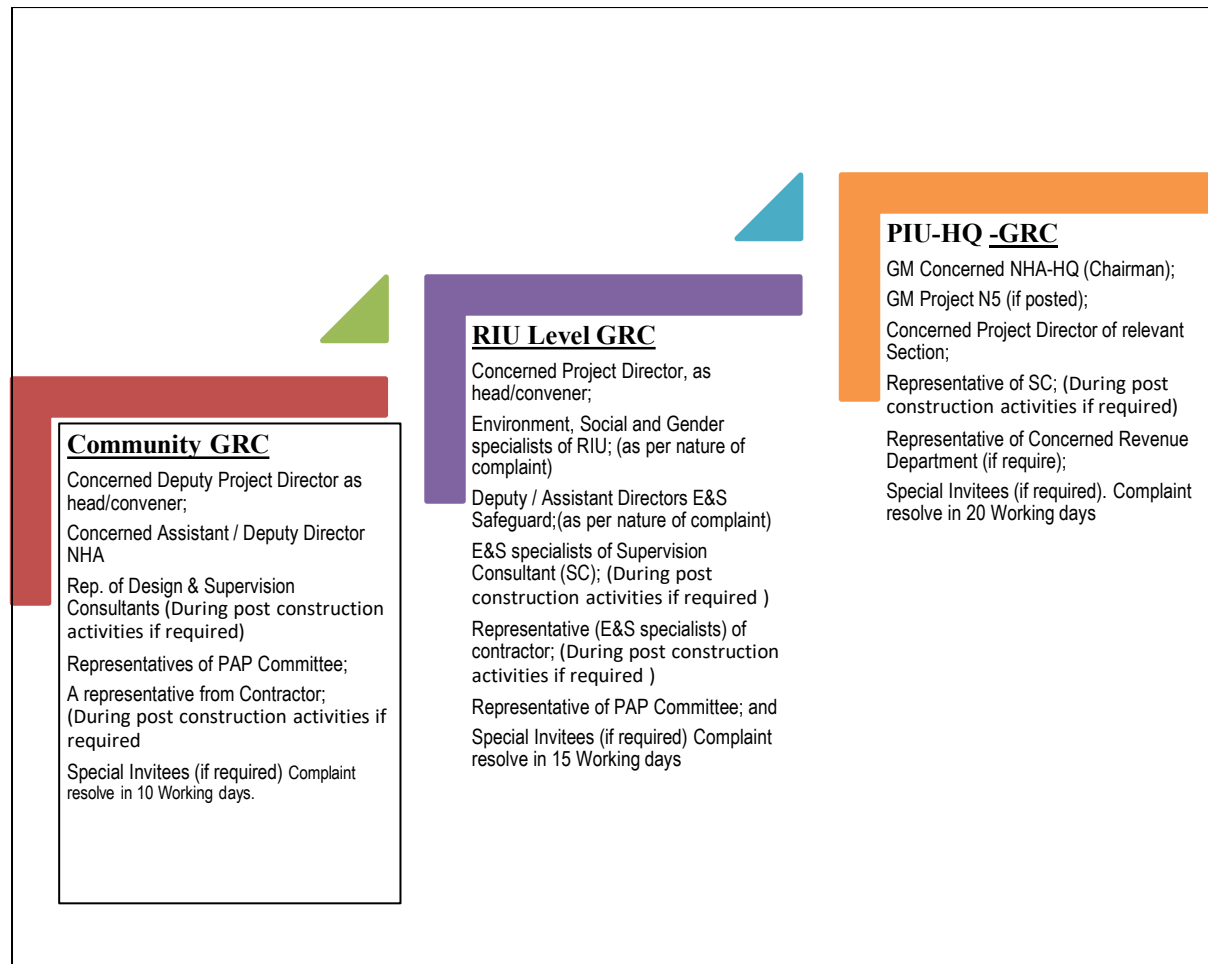


Figure 5.1: Organogram of GRC

5.6 GENDER BASED VIOLENCE COMMITTEE (GBV)

The Gender-Based Violence (GBV) Committee has been established to safeguard the rights and well-being of women, particularly those with overlapping vulnerabilities, during the planning and implementation of the project. Headed by the Project Director and other members, the committee will be addressing GBV issues.

Its key responsibilities include ensuring safe and confidential reporting mechanisms, facilitating the resolution of complaints related to compensation, movement restrictions, privacy, or other project impacts, and promoting gender inclusivity in community consultations. The committee also conducts awareness sessions, distributes informational materials, trains construction staff on gender sensitivity, and carries out outreach programs to inform women

and vulnerable groups about available reporting channels. Through these functions, the GBV Committee aims to prevent and mitigate gender-based risks while fostering a safe and inclusive project environment. The key functions and responsibilities of GBV are as following and formation of the GBV committee is depicted in **Figure 5.2**.

- To ensure that the women of the area, including those with overlapping vulnerabilities, are not negatively affected by the project.
- To ensure easy access for reporting all type of incidents or any related activity having any gender related aspects.
- To establish anonymous reporting mechanisms to ensure the confidentiality requirements of the complainant(s).
- Grievances, GBV component may in context to the payment of compensation, restrictions in their movement during construction, impact of the privacy or any other project related or issues in the vicinity.
- To facilitate the aggrieved / complainant (if any) to lodge their complaints and get their concerns resolved through this GBV Committee.
- Conduct awareness sessions and distribute informational materials.
- Ensure community consultations include women to promote inclusivity.
- To aware construction staff on gender sensitivity and GBV prevention.
- Conduct outreach programs to inform women/complainants about reporting mechanisms.

Formation of Gender Based Violence Committee (GBV)

- | | |
|---|----------------|
| • Project Director, | Head/ Convener |
| • Representative from E&S NHA | Member |
| • Gender Expert, RIU | Secretary |
| • Representative of SC | Member |
| • Representative of Contractor(s) | Member |
| • Service providers and NGOs working on these issues will be engaged (if required). | |

Figure 5.2: Formation of GBV Committee

5.7 SUBMISSION OF COMPLAINTS

To ensure that the concerns of PAPs and other stakeholders are addressed in a timely and transparent manner, a GRM has been established. This mechanism allows affected individuals to submit complaints related to the project, including social, environmental, or livelihood concerns.

5.7.1 Channels for Submitting Grievances

Grievances can be submitted through multiple accessible channels to ensure that all stakeholders, including women, the elderly, and marginalized groups, can easily raise their concerns:



- **Verbal complaints:** PAPs can approach the designated community focal points such as Project Affected Persons Committees in their area to lodge complaints verbally. These committees will assist in recording and forwarding the grievance to the GRM team.
- **Written complaints:** Complaints can be submitted in writing and submitted to PAPs committees, community centers, or project offices.
- **Phone calls:** Stakeholders can submit grievances via dedicated GRM hotline numbers, by words of mouth, which are staffed to record and respond to complaints promptly.
- **Email:** Grievances can also be submitted via the official project email addresses, which will be monitored regularly.

5.7.2 Information Required

To ensure efficient resolution, the following information should be provided where possible:

- Name and contact details of the complainant (can remain confidential if preferred)
- Nature and description of the grievance
- Date, time, and location of the issue
- Any supporting evidence (documents, photos, etc.)

5.7.3 Alternative Methods

To ensure accessibility, PAPs who are unable to submit grievances in person or via phone/email can:

- Submit complaints through family members, neighbors, or local community leaders
- Use suggestion/complaint boxes installed at community level.

All grievances will be documented, acknowledged and addressed in a timely manner in accordance with the GRM procedures. Confidentiality will be maintained where requested by the complainant.



6 LEGAL FRAMEWORK

6.1 LAR LEGAL AND POLICY FRAMEWORK

This has been prepared following the RPF developed for the proposed Project and the laws and regulatory framework with its successive amendments relevant to land acquisition and resettlement in Pakistan, the Province of Khyber Pakhtunkhwa, and in compliance with the Asian Infrastructure Investment Bank's Social Safeguard Standards of ESS2. The RAP provides measures to reconcile and address the gaps between two sets of instruments to ensure IR requirements of ESS2 are complied.

6.2 PAKISTAN'S LAW AND REGULATORY SYSTEM FOR LAND ACQUISITION AND RESETTLEMENT

In Pakistan, LAA 1894 regulates the land acquisition process and enables the federal and provincial governments to acquire private land for public purposes through the exercise of the right of eminent domain. Land acquisition is a provincial responsibility, and each province has its own province-specific amendments in the Law and interpretation of the Act. Some provinces also have their own province-specific implementation rules. The LAA and its implementation rules require that following an impact identification and valuation exercise, land and crops are compensated in cash at the current replacement rate to the titled landowners. The LAA mandates that land valuation is to be based on the last 3 to 5 year's average registered land-sale rates. However, in several recent cases, the median rate over the past 1 year, or even the current rates, has been applied with an added 15% compulsory acquisition surcharge according to the provision of the law. In addition to the provisions of LAA, related regulations setting out the procedures for land acquisition have been provided in province-specific rules.

The LAA lays down definite procedures for acquiring private land for projects and payment of compensation. For entering private land or carrying out surveys and investigations, specified formalities must be observed and notifications to be issued. Damage to any crops during surveys and investigations must be compensated. The displaced persons, if not satisfied, can go to the Court of Law to contest the compensation award of the Land Acquisition Collector (LAC).

The Law deals with matters related to the acquisition/ or temporary occupation of private land and other immovable assets that may exist on it when the land is required for public purposes. The right to acquire land for public purposes is established when Section 4 of the LAA is triggered. The LAA specifies a systematic approach for the acquisition and compensation of land and other properties for development projects. It stipulates various sections pertaining to notifications, surveys, acquisition, compensation, and apportionment of awards, along with dispute resolution, penalties, and exemptions. The surveys of land acquisition are to be disclosed to the affected persons (APs). However, the law only recognizes "legal" owners of property supported by records of ownership such as land record titles, registered sale deeds,

or agreements. The salient features of the Pakistan Land Acquisition Act 1894 are given in the **Table 6.1**.

Table 6-1: Salient Features of Pakistan's LAA 1894

Key Sections of LAA	Salient Features of the LAA 1894
Section 4	The Collector publishes preliminary notification of land acquisition and power for conducting survey.
Section 5	The Collector formally notifies that a particular land is needed for public purpose and inquires for objections or concerns from persons interested (Section 5a)
Section 6	The Collector formally declares government's intention to acquire a particular land for public purpose (The date of the publication of this declaration may be considered as the cut-off date).
Section 7	The Land Commissioner directs the Land Acquisition Collector (LAC) to take order for the acquisition of the specific land.
Section 8	LAC physically marks out, measures and plans the land to be acquired
Section 9	The LAC gives notice to all APs that the Govt. intends to take possession of the land and if they have any claims for compensation that should be made to him/her at an appointed time.
Section 10	LAC record statements of APs in the land or any part thereof as co-proprietor, sub-proprietor, mortgagee, and tenant or otherwise.
Section 11	LAC makes enquiries into the measurements, value and claims and then to issue the final "award". The award includes the land's marked area and the valuation of compensation.
Section 12	LAC gives notice of final award to APs in the acquired land.
Section 16	When the LAC has made an award under Section 11, he/she will then take possession and the land shall thereupon vest absolutely in the Government, free from all encumbrances.
Section 18	In case of AP's dissatisfaction with the award who may request the LAC to refer the case onward to the court for decision. This does not affect the taking possession of the land.
Section 23	The following factors are to be considered in determining the compensation amount for acquired land: i) market value of the land, ii) loss of standing crops, trees and structures, iii) any damage sustained at the time of possession, iv) injurious affect to other property (moveable or immovable) or earnings, v) expenses incidental to compelled relocation of the residence or business, and vi) diminution of the profits between the time of publication of Section 6 and the time of taking possession. A 15% premium is added to the amount in view of the compulsory nature of the acquisition for public purposes.
Section 28	Relates to the determination of compensation values and interest premium for land acquisition.
Section 31	Section 31 provides that the LAC can, instead of awarding cash compensation in respect of any land, make any arrangement with a person having an interest in such land, including the grant of other lands in exchange.
Section 48	Whenever the Executive District Officer (Revenue) withdraws from any such acquisition, the Collector shall determine the amount of compensation due for the damage suffered by the owner in consequence of the notice or of any proceedings thereunder, and shall pay such amount to the APs, together with all costs reasonably incurred by him/her in the prosecution of the Proceedings under this Act

Key Sections of LAA	Salient Features of the LAA 1894
	relating to the said land.

Although the Land Acquisition Act (LAA) 1894 provides for fair and adequate compensation in cases of involuntary land acquisition, its implementation is weakened by bureaucratic inefficiencies, coercive use of eminent domain, and prolonged delays from notification to compensation and grievance redress. The Act lacks provisions for meaningful consultation with affected persons, leaving the process largely at the discretion of revenue authorities. Its scope is narrow, focusing on cash compensation for land, structures, and damaged assets, without addressing livelihood restoration, resettlement needs, or support for poor and vulnerable groups. To bridge these gaps, a National Resettlement Policy and Ordinance were drafted in 2002, but remain unapproved, resulting in reliance on temporary, project-specific measures to assist non-titled occupants, tenants, businesses, and wage earners. Despite these limitations, the LAA continues to serve as the legal basis for land acquisition across sectors, enabling government agencies, including the NHA, to request land for infrastructure and development projects.

6.3 ASIAN INFRASTRUCTURE INVESTMENT BANK ENVIRONMENTAL AND SOCIAL FRAMEWORK, FEBRUARY 2016 (AMENDED FEBRUARY 2019, MAY 2021, NOVEMBER 2022, AND JUNE 26, 2024)

The Asian Infrastructure Investment Bank's Environmental and Social Framework (ESF) aims to ensure effective management of environmental and social risks in Bank-financed projects throughout their identification, preparation, and implementation. It establishes mandatory requirements through three Environmental and Social Standards: ESS1 on Environmental and Social Assessment and Management, ESS2 on Land Acquisition and Involuntary Resettlement, and ESS3 on Indigenous Peoples.

ESS-2 on Land Acquisition and Involuntary Resettlement: AIIB's ESS2 on Land Acquisition and Involuntary Resettlement aims to avoid or minimize involuntary resettlement, restore or improve the livelihoods of displaced persons, enhance the socio-economic status of poor and vulnerable groups, and implement resettlement as a sustainable development program with adequate resources for beneficiaries. Involuntary resettlement includes both physical displacement (loss of shelter or residential land) and economic displacement (loss of land, assets, income, or livelihood), resulting from involuntary land acquisition or restrictions on land use, whether full or partial, permanent or temporary.

ESS-3 on Indigenous Peoples: AIIB's ESS3 on Indigenous Peoples aims to ensure projects respect the identity, dignity, rights, economies, and cultures of indigenous peoples, enabling them to receive culturally appropriate benefits, avoid adverse impacts, and actively participate in decisions affecting them. ESS3 applies where indigenous peoples are present or collectively attached to the project area. Indigenous peoples are defined as distinct, vulnerable social and cultural groups characterized by self-identification, attachment to ancestral territories and natural resources, unique social or political institutions, and a distinct language.

6.4 SINDH RESETTLEMENT AND REHABILITATION POLICY, 2023

The Sindh Resettlement and Rehabilitation Policy, 2023 provides the provincial framework governing land acquisition, involuntary resettlement, compensation, and livelihood restoration for Project Affected Persons in development projects across Sindh. The policy emphasizes minimizing displacement through careful project design and alignment optimization, and where avoidance is not possible, ensuring fair, timely, and transparent compensation at full replacement cost. It recognizes both titled and non-titled affected persons, including informal settlers and encroachers, and provides eligibility for resettlement assistance and livelihood restoration measures based on the nature and severity of impacts. A key feature of the policy is its focus on improving or at least restoring pre-project living standards of PAPs, with special provisions for vulnerable groups such as women-headed households, persons with disabilities, and low-income households.

The policy also strengthens participatory resettlement planning through mandatory consultations with PAPs and ensures disclosure of project-related information in an accessible manner. It requires the preparation and implementation of Resettlement Action Plans for projects involving significant impacts, along with institutional arrangements for implementation, monitoring, and grievance redress. A structured Grievance Redress Mechanism is mandated to address concerns in a timely and transparent manner. The policy further promotes livelihood restoration programs, relocation support, and transitional assistance to reduce social and economic disruption. Overall, the Sindh Resettlement and Rehabilitation Policy, 2023 aligns with international good practice standards by focusing on equitable compensation, social inclusion, and sustainable rehabilitation of affected communities.

6.4.1 Salient Features of the Sindh Resettlement and Rehabilitation Policy, 2023

- Establishes a comprehensive provincial framework for land acquisition, involuntary resettlement, compensation, and livelihood restoration in development projects across Sindh.
- Emphasizes avoidance and minimization of involuntary resettlement through careful project planning, design optimization, and alignment adjustments.
- Ensures compensation at full replacement cost for affected land, structures, crops, and other assets without depreciation deductions.
- Recognizes both titled and non-titled PAPs, including informal settlers and encroachers, for eligible resettlement assistance.
- Provides for livelihood restoration and rehabilitation measures to ensure that affected persons' living standards are improved or at least restored to pre-project levels.
- Includes special provisions for vulnerable groups, such as women-headed households, persons with disabilities, elderly persons, and low-income households.
- Mandates meaningful consultation, participation, and disclosure of project information throughout the resettlement planning and implementation process.
- Requires preparation and implementation of Resettlement Action Plans for projects with significant resettlement impacts.
- Establishes a structured Grievance Redress Mechanism to address complaints and concerns of PAPs in a timely and transparent manner.
- Provides for institutional arrangements to ensure effective implementation, monitoring, and evaluation of resettlement activities.
- Promotes transitional support and relocation assistance to reduce disruption during the resettlement process; and,

- Aligns provincial resettlement practices with internationally accepted safeguard principles and good practices.

6.5 COMPARISON BETWEEN LAND ACQUISITION ACT 1894 AND ASIAN INFRASTRUCTURE INVESTMENT BANK'S LAND ACQUISITION AND INVOLUNTARY RESETTLEMENT STANDARDS (ESS2)

A comparison of Pakistan's Land Acquisition Act (LAA) 1894 and AIIB's ESS2 highlights key differences. While the LAA focuses on procedural land acquisition and compensation at replacement value, it provides limited provisions for rehabilitation, excludes informal occupants, and lacks project-specific grievance mechanisms. In contrast, ESS2 emphasizes meaningful community consultation, development of Resettlement Action Plans, and measures to restore or enhance livelihoods, with robust monitoring and grievance redress systems. ESS2 also requires compensation at full replacement cost, attention to vulnerable groups, gender-disaggregated data, and social impact assessments. Pakistan's institutional framework largely falls short of these standards, and Table 6.2 outlines gaps and recommended measures to align with ESS2.

Table 6-2: Comparison of Pakistan's LAA and the AIIB's ESS2

Pakistan 1894 Land Acquisition Act	AIIB's ESS2	Measures to Address the Gap
The expropriation elaborate contains a detailed list of properties to be expropriated, their location, information about individuals who have formal legal rights on these properties. No socio economic study is required.	Preparation of this RAP, census survey and socioeconomic study is envisaged. The study should include information on (i) current occupants in the affected area, (ii) characteristics of displaced households and their standards of living and livelihoods, (iii) magnitude of expected losses and extent of displacement, and (iv) information on vulnerable groups or persons.	All documents must be prepared in accordance with AIIB ESS2 requirements, in addition to national legal requirements. The implementation of a census is required to identify the persons who will be affected by the subproject (including those who are not registered through national procedures). The implementation of census survey/ household census is necessary also to identify characteristics of displaced households, including standard of living, level of vulnerability, establishing baseline conditions for monitoring and evaluation purposes, and to set a cut-off date.
The Expropriation Law recognizes the eligibility of persons who have formal legal rights on land and structures, as registered by the cadastre and those whose rights are recognizable under national laws (factual ownership).	AIIB ESS2 also recognizes those who have no recognizable legal right or claim to the land they are occupying on cut-off-date are also eligible for rehabilitation assistance and compensation for loss of non-land assets at replacement value.	Compensation and assistance to PAPs without legal right or claims will be made as per principles and entitlements provided in the entitlement matrix of this RAP, if they are present in the subproject affected area at the time of the cut-off date. Asset inventory and valuations of their affected properties will be conducted

Pakistan 1894 Land Acquisition Act	AIIB's ESS2	Measures to Address the Gap
		and all measures will be recorded in the internal periodical (monthly or quarterly).
Compensation for land and other assets is based on average values and department unit rates that do not ensure replacement market value of the property acquired. However, LAA requires that a 15% compulsory acquisition surcharge supplement the assessed compensation.	APs are to be compensated for all their losses at replacement cost, including transaction cost and other related expenses, without deducting for depreciation.	Land valuation is to be based on current replacement (market) value with an additional payment of 15%. The valuation for the acquired housing land and other assets is the full replacement costs keeping in view the fair replacement values, transaction costs and other applicable payments that may be required.
No provision for resettlement expenses, income/livelihood rehabilitation measures or allowances for displaced poor and vulnerable groups.	Requires support for rehabilitation of income and livelihood, severe losses, and for vulnerable groups	Provision should be made to pay for resettlement expenses (transportation and transitional allowances), compensate for loss of income, and provide support to vulnerable persons and those severely impacted (considered to be those losing more than 10% of their productive assets).
Lack of formal title or the absence of legally constituted agreements is a bar to compensation/rehabilitation. (Squatters and informal tenants/leaseholders are not entitled to compensation for loss of structures, crops).	Lack of formal title is not a bar to compensation and rehabilitation. All PAPs, including non-titled PAPs, are eligible for compensation of all non-land assets.	Squatters, informal tenants/leaseholders are entitled to compensation for loss of structures and livelihood and for relocation.
Land acquisition and compensation process is conducted independently by the Land Acquisition Collector following a lengthy prescribed legal and administrative procedure. There are emergency provisions in the procedure that can be leveraged for civil works to proceed before compensation is paid.	Involuntary resettlement is conceived, planned and executed as part of the project. Affected people are supported to re-establish their livelihoods and homes with time-bound action in coordination with the civil works. Civil works cannot proceed prior to compensation.	IA will prepare the land acquisition and resettlement plans, as part of the subproject preparation based on an inventory of losses, livelihood restoration measures, Pakistan law and principles enumerated in AIIB's ESS. Where gaps exist in the interpretation of Pakistan law and resettlement practices, requirements of AIIB's involuntary resettlement policy will prevail. Civil works may only proceed after the resettlement plan is implemented and compensation for loss of assets and other allowances (budgeted as part of the subproject cost) is fully paid.
No convenient grievance redress mechanism except recourse of appeal to formal	Requires the establishment of accessible grievance redress mechanisms to receive and	IAs will establish easily accessible grievance redress mechanism available throughout

Pakistan 1894 Land Acquisition Act	AIIB's ESS2	Measures to Address the Gap
administrative jurisdiction or the court of law.	facilitate the resolution of PAPs' concerns about displacement and other impacts, including compensation.	subproject implementation that will be widely publicized within respective subproject area and amongst the PAPs.
Except invoking legal process by notifying the land under different provisions of the LAA and announcement of award, LAA does not require social impact assessment and preparation and disclosure of specific LAR planning and monitoring documents.	AIIB require social impact assessment and preparation and disclosure of specific IR documents at different stages of project planning, design and implementation and these include IR categorization checklists, Social Impact Assessment, RPF/RAP, periodic monitoring reports, etc.	Following ESS2 criterions, the EA, in collaboration with AIIB shall conduct social impact assessment of the subproject and will prepare RAP for the subproject with IR impacts and social due diligence reports for the subproject without tangible IR impacts at subproject planning and design stage. While the periodic monitoring reports (internal and external) confirming RAP implementation progress will be prepared periodically.

6.6 SPECIFIC PROVISIONS FOR VULNERABLE AHS

One of the ESS2 requirements on involuntary resettlement is to improve the standards of living of the displaced poor and other vulnerable groups who may experience adverse impacts disadvantageously from project because of their disadvantaged/vulnerable status. Typically, those below poverty line, the landless or those without a title to land, the elderly, female-headed households, women and children, and Indigenous Peoples comprise the disadvantaged or vulnerable groups within a project's displaced population.

Vulnerable PAPs: To identify vulnerable persons/households, the following vulnerability indicators have been established for the project, and the households' that exhibit one or a combination of the conditions below will be termed as vulnerable:

- PAPs with income equal to or below officially designated poverty line.
- Landless or those without legal or legalizable title to the acquired land from which their livelihood depends on.
- APs with or without children that are headed by a disabled person, elderly or woman who are the household's primary income earner.

Vulnerable households with specific LAR impacts on their livelihood were identified during census survey. Such PAPs were consulted on measures to safeguard against impoverishment and accordingly livelihood and income restoration measures for rehabilitation and enhancement of their livelihood are provided in the RAP and ensured during execution of the project.

Provisions for Displaced Women: Acquisition of household assets can impact the women disproportionately due to their fragile socio-economic standing and it could be difficult for them to re-establish their socio-economic activities because of restricted mobility or illiteracy.

Although the female household heads or the female having title of the acquired assets are eligible and entitled for compensation and benefits for their lost assets similar as to their male counterparts, but they may need special attention because of lack of resources, education, skills, and work experience.

Indigenous People: Indigenous Peoples (IP) safeguards requirements as defined in the ESS-3 are triggered when the projects (direct or indirect) impacts are identified on the assets or resources of some distinct group of people or tribe with their socio-economic, cultural, administrative and legal institutions different from the mainstream population or if territories or natural or cultural resources that distinct tribal group/community own, use occupy, or claim as an ancestral domain or asset are affected by the project. The subproject road section traverses through the settled area of Punjab and Islamabad inhabited by the mainstream population of the province and ICT respectively. The census and socio-economic survey of displaced households, conducted based on a detailed design for this RAP, confirmed that no IP groups exist in the subproject area. Therefore, the ESS-3 on Indigenous Peoples are not applied.

6.7 CHANGE IN PROJECT SCOPE OR IDENTIFICATION OF UNANTICIPATED IMPACTS

If the subproject scope changes or unforeseen resettlement impacts arise during implementation that were not captured in the present RAP or RPF provisions, new eligibility and entitlement measures will be determined in line with AIIB ESS2 requirements and applicable Pakistani law. If necessary, an addendum to the RAP will be prepared for government endorsement and AIIB clearance and disclosed on both AIIB and NHA websites. Established standards for eligibility and entitlements in this RAP will be maintained or enhanced, but never reduced.

6.8 COMPENSATION ELIGIBILITY AND ENTITLEMENT

Cut-off date: The eligibility for compensation is limited to the government announced cut-off date for the project involving LAR impacts.

Any person who enters the subproject land after the announced cut-off date, or any assets established within the corridor of impact after the cut-off date, will not be eligible for compensation. However, PAPs will be given prior notice to remove their assets and take any salvage free of charge. The socioeconomic baseline survey and the census survey of PAPs (including squatters) commenced on **February 26, 2026**, which was established as the cut-off date for finalizing the Inventory of Losses (IOL) for this respective RAP of Section 02. Any person who enters the subproject land after February 26, 2026, will not be considered eligible for compensation.

6.9 COMPENSATION ENTITLEMENTS

In the context of involuntary resettlement, displaced persons entitled to compensation include those who experience physical displacement (loss of residential land, structures, or shelter) and/or economic displacement (loss of productive land, assets, access to assets, income sources, or livelihoods) due to (i) involuntary land acquisition or (ii) restrictions on land use or access to legally designated parks and protected areas. Individuals or entities holding or



occupying land/assets at the project site on or before the cut-off date, and who suffer full or partial permanent or temporary loss of land, structures, other attached assets, or livelihoods, are entitled to compensation and rehabilitation under this RAP.

Eligible persons broadly include: (i) those with formal legal rights to acquired land or structures, in whole or in part; (ii) those without formal legal rights but with claims recognized or recognizable under national law; and (iii) those without formal or legally recognized claims who occupy the land or structures wholly or partially. The RAP defines these categories of Project Affected Persons (PAPs) and specifies their entitlement to compensation.

- The persons whose rights are not formal or legal but whose claims are recognized or recognizable under national laws or customs will be eligible for compensation against their affected land/assets. Such PAPs may include people who have customary usufruct right to the land that is held either by the community (collectively) or the state or people who have inherited, occupied, and utilized the land for generations but lack titles simply because the state has not formalized the land records and issued title to them;
- Non-titled land users i.e., the PAPs without formal legal rights or recognizable claims under National law and customs and may include all squatters and encroachers within public ROWs. Although such PAPs lack legal or recognizable rights to the land/asset but because of lost assets or impacted livelihoods they are considered PAPs eligible to receive compensation of assets other than land and resettlement assistance.
- All business operators of affected commercial structures and their employees whether registered under law or not, non-, titled land users and the identified vulnerable groups.



7 ENTITLEMENTS, ASSISTANCE AND BENEFITS

7.1 GENERAL

This section deals with the compensation for affected, structures and assets that have been proposed based on the findings of the census, survey and under the legal and policy framework of Government of Pakistan (GoP) & AIIB ESS2. The RAP focuses on providing compensation for lost assets and rehabilitation assistance to help restore PAPs livelihoods and living standards prior to the project.

7.2 COMPENSATION FOR STRUCTURES (RESIDENTIAL/ COMMERCIAL AND OTHER)

The structure loss is determined based on the identified impacts and functional/ economic viability of remaining structure or possibility for its restoration and to put it into the same use as was before the project. For partial loss of structure, the owners (including non-titled land users/squatters) are entitled to receive cash compensation for the lost parts of a structure at replacement cost and for the repair of the remaining structure at the replacement rate for materials, labor, transport, and other incidental costs, without deduction of depreciation for the age of the structure.

Full loss of structure or loss to the extent that the remaining structure becomes functionally/economically unviable for use, such structures are compensated to entirety at full replacement cost, including all transaction costs (such as applicable fees and taxes), without deduction of depreciation for age, for self-relocation. Occupants of such structures are also provided with costs for installed utility (electricity and telephone lines) relocation costs and drinking water supplies (if any).

For stalls and kiosks or other temporary commercial structures like thatch huts, whether titled or licensed or not, the vendors will receive cash compensation for self-relocation of their stalls at the current replacement rate for the cost of labor, materials, transport, and other incidental costs, as required, without deduction of depreciation for age.

Along with entitled compensation, all AHs who are losing structures have the right to salvage materials from the lost structures. The impact assessment data for the respective project indicates that 186 AHs (7 residential structure owners, 102 permanent commercial structure owners, 77 moveable commercial structure owners) are entitled for structures compensation at full replacement cost basis. The owners/occupiers of structures will be given 01-month advance notice to vacate the affected structure at the time of payment of compensation amount.

The public and community structures including partially affected mosques at different locations along the project road section will be compensated at replacement costs basis. The compensation for mosques and other religious assets will go to the community nominated caretaker responsible for re-establishment of the affected parts. Compensation for affected

public structures will go to the management of the concerned departments who will be responsible to re-construct and re- establish affected structure. The formation of the Disbursement Committee is presented in **Table 7.1**, while the payment procedure for PAPs is illustrated in **Figure 7.1**.

Table 7-1: Disbursement Committee

Sr. No.	Staff Member
1	Project Director/Head of Committee
2	AD/DD (R&S)
3	Social Resettlement Specialist
4	Social Mobilizers
5	Patwari (If needed)

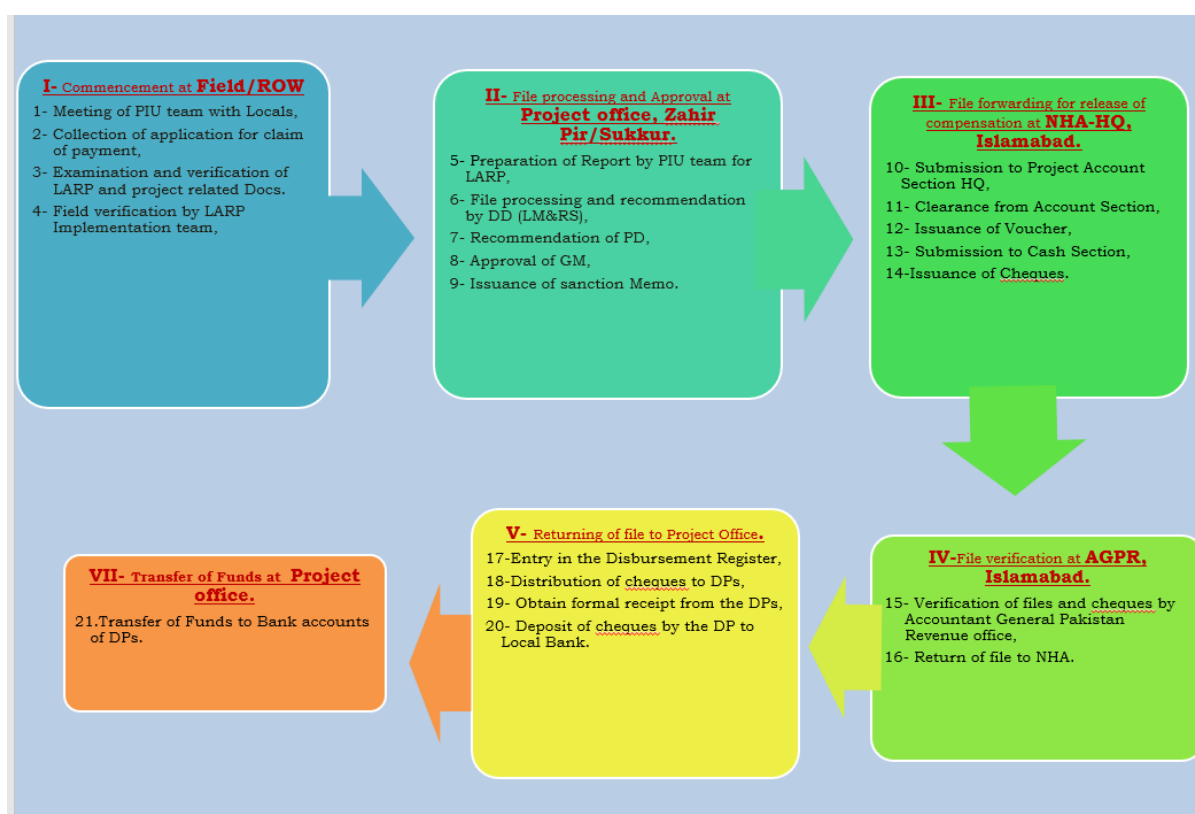


Figure 7.1: Payment Procedure for PAPs

7.3 THE DISBURSEMENT COMMITTEE

The disbursement committee will be formed to oversee and ensure transparent, efficient, and accountable disbursement of compensation to PAPs. The committee will be headed by the Project Director Its primary role is to verify PAP eligibility, confirm affected assets, and ensure entitlements are calculated in accordance with the approved RAP and NHA/donor policies. The committee will coordinate with field teams and RAP implementation consultants, prepare disbursement schedules, facilitate payments through approved modalities, maintain comprehensive records, and liaise with the Grievance Redress Mechanism to resolve issues.

By overseeing all aspects of compensation, the committee ensures that payments are timely, transparent, and conducted without coercion, favoritism, or irregularities, while providing periodic updates on progress and supporting final verification for RAP completion and audit.

The formation of the disbursement committee is depicted in **Figure 7.2** while detailed Role and Responsibilities of Compensation Disbursement Committee are provided in **Annex-XI**.

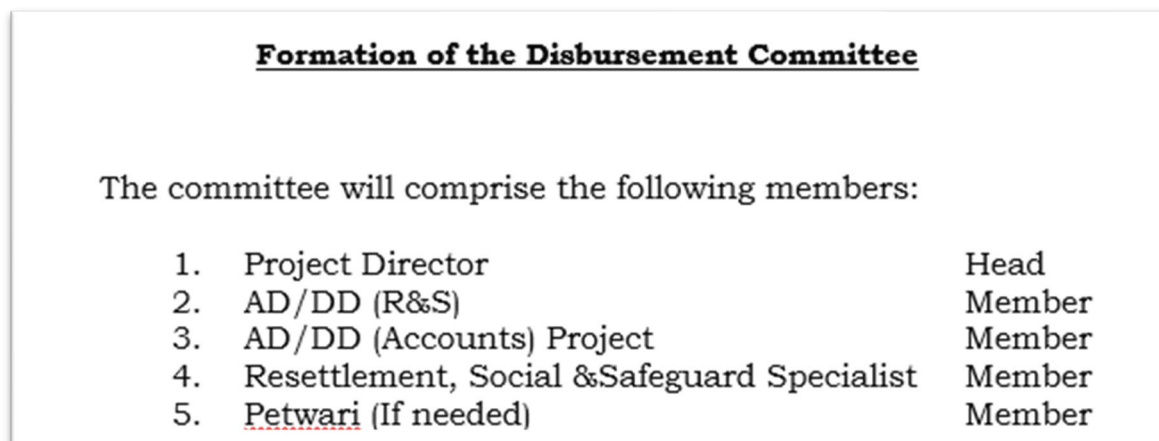


Figure 7.2: Formation of Disbursement Committee

7.3.1 Trees

The impact assessment revealed that approximately 2,550 timber trees are located within the NHA-owned ROW and will be affected by the subproject. It was confirmed during the assessment that no privately-owned trees will be impacted. All affected trees are the property of NHA and will be uprooted or cut down by the contractor engaged for construction works. The felled trees will be handed over to the Forest Department, which will be responsible for their auction. The Forest Department will ensure that NHA is duly involved and consulted during the auction process. However, the tree replenishment cost amounting to PKR. 55.02 Million has been included in the EIA, while the cost associated with tree cutting is covered under the civil works budget.

7.4 RESETTLEMENT & RELOCATION ASSISTANCE

AHs requiring relocation due to significantly affected residential or commercial structure will be supported by providing cash assistance (one-time lump sum) to relocate and re-establish their assets at the relocation site of their choice along the project road. The disrupted facilities and access to civic amenities like water supply, sewerage and electricity will be restored when PAPs are relocated outside or within the ROW. RPF and RAP provisions on relocation assistance were prepared by the consultant in consultation with the project affected persons and reviewed and endorsed by the EALS NHA. Moreover, the PAPs were consulted to determine and suggest cash assistance to be paid as relocation assistance under this RAP. Monitoring will be conducted during the project implementation to check on the status of relocating AHs. In case the monitoring shows some AHs having difficulty to restore their condition, additional support or assistance will be explored to assist the AHs.



During consultations, PAPs and local real estate agents informed that the person wishing to rent a residential structure or shop in a settlement has to pay an advance amount that varies from PKR 45,000 to PKR 50,000, depending on the location of the selected structure/plot. Based on the above information, an amount of PKR 50,000/- has been taken as self-relocation allowance, which will be provided to 52 AHs. The AHs entitled for self-relocation assistance include 52 AHs facing significant impacts on residential and commercial structures (04 AHs of residential structures, 25 owners of permanent commercial structures and 23 renter business operators of permanent commercial structures).

7.4.1 Transport Allowance

All PAPs to be relocated due to loss of structures including residences and business premises are entitled to receive a cash allowance to cover the cost of transport of people and their movable property (debris of affected structure, furniture, household items, personal effects, machinery, tools, etc.) and of setting up at the new premises at the current replacement rate for labor, vehicle hire, fuel and incidental costs.

A lump sum compensation amount, covering all discussed items, will be provided to the entitled AHs. Under this RAP, transportation allowance rates are fixed at PKR 40,000 for the loss of residential structures and PKR 30,000 for the loss of business structures or premises. In addition, owners of moveable structures will receive PKR 20,000 as a transportation allowance.

In total, 209 AHs will be eligible for transportation allowance due to the loss of structures and assets resulting from the clearance of the available ROW limits. This includes 7 AHs affected by impacts on residential structures, 102 owners of permanent commercial structures, 77 owners of moveable structures, and 23 renter business operators.

7.4.2 Transitional Support against Lost Residential Structures

Presuming one adult member of the affected structure owner's household will have to supervise the construction activities of the affected residential structure. This may prevent him from earning his livelihood during the construction period. So, to offset the impact of lost earnings, this transitional support allowance is provided to all AHs facing relocation of their affected residential structure. PAPs facing interruption in livelihood earnings during the period required to re-establish their lost residential structure will be entitled to transitional support in lieu of severe impact up to a period of 3 months. This transitional support/allowance will be provided as lump sum based on officially designated minimum wage rate for 2025-26, i.e., PKR. 40,000x3= PKR 120,000. This transitional support will be in addition to the compensation entitlement for business or income losses for any of the household member or residential structure PAP. As per impact assessment, 03 AHs will face significant impact on their residential structures constructed in the proposed ROW. These 03 AHs will be entitled for the transitional allowance.

7.4.3 Severe Impact Allowance



The AHs losing 10% or more of productive assets (commercial structure) are entitled for severe impact allowance to offset accrued income losses due to loss of productive assets. As per impact inventory, 129 AHs who will lose 10% or more loss of their income generating commercial structure (shops and hotels/restaurants) are considered severely affected.

The AHs facing physical displacement due to severely impacted residential structures are also entitled to a severe impact allowance. Thus, 129 AHs will get the severe impact allowance in addition to the entitled compensation costs and other resettlement and rehabilitation allowances entitled under the RAP.

In total, all 129 AHs (25 of commercial structure owners, 04 AHs of residential structures, 77 owners of moveable structures, and 23 renters of the commercial structures) experiencing severe impacts due to loss of commercial structures and severe impact on residential structures are entitled for severe impact allowance in addition to entitled compensation for lost commercial assets and other entitlements for relocation, rehabilitation, and business loss. Due to the unavailability of tax records or comparable rates of registered business to determine lost income, the officially designated minimum wage rate for the year 2025-26 is adopted as basis for calculating the severe impact allowance for commercial assets owners. The officially designated minimum wage rate of KP province for year 2025-26 is PKR 40,000 /month and based on that severe impact allowance for 03 month lost income is calculated as $(\text{PKR } 40,000 \times 3) = \text{PKR } 120,000/$.

7.4.4 Income Restoration Measures

In addition to the compensation entitlement for acquired assets and corresponding resettlement and relocation allowance, the AHs facing loss of income generating productive assets/livelihood source and vulnerable AHs are entitled to income restoration measures in addition to compensation for lost assets. These include providing additional financing support and restoration allowances, employment in project-related jobs, training, linking with existing micro-finance and livelihood support institutions in the project area and other relevant agencies. The livelihood restoration plan has been prepared as part of the RAP to ensure the income restoration of the PAPs. The Construction Supervision Consultant (CSC) will support NHA in implementing the livelihood restoration program. Moreover, additional measure have been taken reflected in following sections to ensure the livelihood restoration of the affected households.

7.4.4.1 Businesses Loss

Business owners operating in impacted structures (temporary or permanent) are entitled to receive cash compensation equal to the lost income during the period of business interruption up to 3 months if loss is temporary and reversible and up to 6 months if the loss is permanent. The compensation allowance will be based on business income validated through tax records. In case of unavailability of the tax records, the officially designated minimum wage rate will be used as base rate to compute compensation for PAPs.

In total, 125 AHs will be facing income losses due to affected income generating commercial structures. Out of total 25 permanent commercial structure owners business disturbance



allowance has been provided up to 6 month as they will face permanent business loss (PKR. 240,000) and remain 100 (77 owners of moveable structures and 23 renters of commercial structures) will face temporary business loss business disturbance allowance has been proved for 3 months (PKR120,000).

7.4.5 Uninterrupted Access to Resources and Means of Livelihood

In the design, it is ensured that the local routes and facilities are kept open for uninterrupted access for affected communities to access resources and means of livelihood. During execution of project civil works, it will be ensured that the local routes are kept free of obstructions and the local communities and PAPs are not restricted to access their resources and means of livelihood. Contractors will be contractually obligated to ensure uninterrupted access and will be monitored during project implementation. However, in this RAP it is affirmed that if unanticipated impacts are identified during the execution of project works, will be reviewed, and assessed as per LAR provisions. Corrective measures will be determined and compensated as per applicable entitlement provisions explained in the EM.

7.4.6 Public Services and Facilities

Public services and facilities interrupted and/or displaced due to resettlement impacts will be fully restored and re-established at their original location or a relocation site. All compensation, relocation, and rehabilitation provisions of this RAP are applicable to public services and facilities.

7.4.7 Employment Loss

During the social impact assessment, a total of 35 employees (32 of commercial structure and 03 employees of moveable structures) were identified as being affected by the project. These employees will lose their jobs due to the severe impact on the commercial structures they are working in. As a result, they will be eligible for an employment loss allowance for a period of three months. This allowance is intended to help mitigate the financial impact during the transition period. The employees could not produce the record or proof of their salaries to establish their income losses. Due to the unavailability of the salary record, the officially designated minimum wage rate for the year 2025-26 is adopted as the basis for calculating the employment loss allowance for respective employees. The officially designated minimum wage rate of Sindh province for the year 2025-26 is PKR 40,000 /month and based on that employment loss allowance for 03 month lost income is calculated as PKR (40,000 x3) = PKR 120,000/.

7.4.8 Special Provisions for Vulnerable PAPs

During the census, 57 PAPs were identified as vulnerable because of their fragile income and social status. PAPs with other vulnerabilities, including the elderly, women-headed and physically challenged were not observed. All vulnerable AHs, in addition to applicable compensation for lost assets, relocation and income restoration will be entitled to livelihood restoration/improvement support in the form of cash assistance and preference to project-

based employment or training with additional financial support and/or micro-credit facilities as well as organizational and logistical support to establish the PAP in an alternative income generation activity. To facilitate the process of training and establishment of a new income generation activity, a subsistence allowance equal to 3 months income computed based on officially designated minimum wage i.e. PKR 40,000 per month will be paid in addition to any income loss compensation and transition allowance, as applicable. Moreover, provision related to preference for project-related employment have been reflected in the civil works contracts. During project execution, interested PAPs will be provided project-based employment as per their abilities.

7.5 ENTITLEMENT MATRIX

Entitlements for compensation, relocation and resettlement rehabilitation assistance are summarized in the entitlement matrix in **Table 7.2**

Table 7-2: Eligibility and Compensation Entitlement Matrix

Table 1.21: Eligibility and Compensation Entitlement Matrix			
Type of Loss	Specification	Eligibility	Entitlements
1. LAND			
Temporary land occupation	Land temporarily required during civil works	Owner	• Rental fee payment for period of occupation of land, as mutually agreed by the parties; • Restoration of land to original state; and • Guaranteed access to structures (if any) and remaining land with restored infrastructure and water supplies.
		Non-titled user	• Guaranteed access to land and structures located on remaining land with restored access to water supplies for irrigation (if applicable); • Restoration of land to original state; and, • Income rehabilitation support, i.e., compensation for lost crops/trees as per entitlements provided (refer crop and tree section below).
2. STRUCTURES			
Residential, agricultural, commercial Structure	Partial loss of structure	Owner (including non- titled land user)	• Cash compensation for affected structure (taking into account functioning viability of remaining portion of partially affected structure) for its restoration to original use) at full replacement cost computed at replacement rate for materials, labor, transport and other incidental costs, without deduction of depreciation. • Right to salvage materials from lost



Type of Loss	Specification	Eligibility	Entitlements
			structure
		Lessee, tenant	- Cash refund at rate of rental fee (monthly rent) proportionate to size of lost part of structure and duration of remaining lease period already paid. - Any improvements made to lost structure by a tenant will be taken into account and will be compensated at full replacement cost payable as per agreed apportionment through consultation meetings.
	Full loss of structure and relocation	Owner (including non-titled land user)	- Cash compensation at full replacement cost, including all transaction costs, such as applicable fees and taxes, without deduction of depreciation for age, for self- relocation. - Right to salvage the affected structure.
		Lessee, tenant	- Cash refund at rate of rental fee (monthly rent) proportionate to duration of remaining lease period; - Any improvements made to lost structure by lessee/ tenant will be taken into account and will be compensated at full replacement cost payable as per agreed apportionment through consultation meetings.
	Moving of minor structures (fences, sheds, latrines etc.)	Owner, lessee, tenant	- Cash compensation for self-relocation of structure at replacement rate (labor, materials, transport and other incidental costs, as required, without deduction of depreciation for age). Or - Relocation of the structure by the project.
	Stalls, kiosks	Vendors (including titled and non-titled land users)	- Assist in allocation of alternative location comparable to lost location; and - Cash compensation for self-relocation of stall/kiosk at replacement rate (labor, materials, transport and other incidental costs, as required, without deduction of depreciation for age) and entitled relocation assistance for self-

Type of Loss	Specification	Eligibility	Entitlements
			relocating at the place of PAPs choice.
Trees		Forest Department	- Cash compensation for fruit trees at the current replacement rate of crop type and average yield (i) multiplied, for immature non-bearing trees, by the years required to grow the tree to productivity or (ii) multiplied, for mature crop bearing trees, by the average years of crops forgone; plus cost of purchase of seedlings and required inputs to replace trees. - Cash compensation for timber trees at the current replacement rate of timber value of species at current volume, plus cost of purchase of seedlings and required inputs to replace trees.
3. RESETTLEMENT & RELOCATION			
Relocation Assistance	All types of structures affected	All AHs titled/untitled requiring to relocate due to lost structures	- The project will facilitate all eligible AHs in relocating their affected structures at the place of their choice along the project corridor and a self-relocation allowance in lump sum equivalent to PKR. 50,000 for one time will paid as project-based support. - The disrupted facilities and access to civic amenities like water supply, sewerage and electricity will be restored when AHs are relocated outside or within the ROW limits.
Security of tenure	Replacement land and structures	All PAPs and tenants needing to relocate to project relocation sites.	If PAPs are required to relocate to project relocation sites, they will be provided with secure tenure to the replacement land and structures.
Transport allowance	All types of structures requiring relocation	All asset owner/tenant PAPs requiring to relocate due to lost structures	- For residential structure a lump sum amount of PKR. 40,000/ or higher depending upon the situation on ground. - For commercial structure or agricultural farm structure a lump sum amount of PKR. 30,000/ or higher depending upon the situation on ground.
House rent	All types of structures requiring relocation	All PAPs and tenants required to relocate as a	Rental assistance as a lump sum amount computed on the basis of prevailing rental rate for a period as agreed between the PAP and project

Type of Loss	Specification	Eligibility	Entitlements
		result of losing structures	team, to assist the PAPs in renting house or commercial structure.
Transition allowance	All residential structures requiring relocation	All AHs requiring relocating their structures.	On a case-to-case basis, the residential structure owners will be provided with transitional allowance equal to 3 months of recorded income or equal to officially designated minimum wage rate/month (i.e. PKR. 40,000/month) in addition to other applicable compensation entitlements.
Severe Impact	Complete loss of commercial structure	All structure owner / occupier PAPs facing business loss	Severe impact allowance equal to either three months of actual lost income as evidenced by tax record or in the absence of tax records three months of the officially designated minimum wage rate, in addition to entitled compensation for lost asset and business loss.
	Complete loss of residential structure	All residential structure owner / occupier PAPs experiencing physical displacement	Severe impact allowance equal to either three months of actual lost income as evidenced by tax record or in the absence of tax records three months of the officially designated minimum wage rate, in addition to applicable compensation entitlements.
4. INCOME RESTORATION			
Restricted access to means of livelihood	Avoidance of obstruction by subproject facilities	All PAPs	Un-interrupted access to agricultural fields, business premises and residences of persons in the project area will be ensured in consultation with the PAPs.
Businesses Loss	Temporary business loss due to LAR or construction activities by Project	Owner of business (registered, informal)	Cash compensation equal to lost income during period of business interruption up to 3 months based on tax record or, in its absence, comparable rates from registered businesses of the same type with tax records or computed based on officially designated minimum wage rate.
	Permanent business loss due to LAR without possibility of establishing	Owner of business (registered, informal)	Cash compensation equal to lost income for 6 months based on tax record or, in its absence, comparable rates from registered businesses of the same type with tax records, or computed based on officially

Type of Loss	Specification	Eligibility	Entitlements
	alternative business		designated minimum wage rate, and Provision of project-based employment to adult household member or re-training with opportunity for additional financial grants and micro-credit and organizational/ logistical support to establish PAP in alternative income generation activity.
Employment	Employment loss (temporary or permanent) due to LAR.	All employees with impacted wages due to affected businesses	- Cash compensation equal to lost wages at comparable rates as of employment record for a period of 3 months (if temporary) and for 6 months (if permanent) or in the absence of record, computed based on official minimum wage rate. Or - Provision of project-based employment or re-training, with additional financial as well as organizational/logistical support to establish PAP in alternative income generation activity.
5. PUBLIC SERVICES AND FACILITIES			
Loss of public services and facilities	Schools, health centres, services infrastructure & graveyards.	Service provider	Full restoration at original site or re-establishment at relocation site of lost public services and facilities, including replacement of related land and relocation of structures according to provisions under sections 1 and 2 of this entitlement matrix.
6. SPECIAL PROVISIONS			
Vulnerable PAPs	Livelihood improvement	All vulnerable PAPs including those below poverty line, landless and those without legal title, elderly, women and children, or indigenous peoples.	- In addition to applicable compensation entitlements for lost assets, relocation and livelihood restoration under section,1 to 5 the vulnerable PAPs will be provided with: - Subsistence allowance for 3 months computed based on officially designated minimum wage rate (PKR.120,000) and other appropriate rehabilitation measures as defined in the RAP based on income analysis and consultations with PAPs to ensure the living standard of the PAPs is maintained. - Provision of project-based employment or re-training, with additional financial as well as



Type of Loss	Specification	Eligibility	Entitlements
			organizational/logistical support to establish PAPs in alternative income generation activity. • Assistance to legal and affordable access to adequate housing to improve their living standard to at least national minimum standard, as feasible and applicable.
Unanticipated Impacts	As and when identified	All PAPs facing impact	• Dealt with as appropriate during project implementation according to the applicable Safeguard Policy. • The explained EM provisions of RPF will apply to compensate all un-anticipated impacts, • However, if entitlement and eligibility provisions found missing in the EM of the RAP, additional provisions in accordance with the AIIB ESS2 and LAA 1894 will be considered.



8 RELOCATION OF HOUSING AND SETTLEMENTS

8.1 INTRODUCTION

The project will involve the relocation of permanent commercial structures. The scope of resettlement activities is limited primarily to the clearance of the NHA owned ROW, which will affect permanent commercial and movable structures such as sheds and kiosks. Additionally, it will partially impact residential structures that are encroaching on the NHA owned ROW. However, due to the nature and scale of these impacts, there is no need to develop resettlement sites.

The census & IOL survey indicates that 25 permanent commercial structures/shops, 77 moveable structures will be fully displaced by this project out of the 190 affected entities. There is no provision for project-sponsored relocation sites for the affected residential and business premises. Affected HHs will be encouraged and assisted by the EA to find alternative land for relocation.

During consultations with the affected persons, they expressed the need for replacement-based compensation for their affected assets. The individuals were of the view that, with appropriate compensation, they would be able to find alternative locations of their own choice to continue their businesses.

8.2 PROJECT RELOCATION STRATEGY

The dynamics of titled holders and squatters' settlement along the project road have been considered in the development of a relocation strategy for displaced households, business and community premises. The project identifies self-relocation (permanent), group relocation (permanent) and temporary relocation options for the time being before permanent relocation as a strategy for relocation of the displaced shops on private and government land. The PAPs will be provided with adequate subsistence assistance to mitigate the livelihood disruption during relocation and reconstruction. The Project Director (PD) will be assigned to handle relocation aspects of the displaced commercial premises with assistance from the social safeguard staff at RIU. The owners of the displaced households and shops will be encouraged for self-relocation in groups or individual.

8.2.1 Self-Relocation

The project will clear NHA owned ROW over a 70 km long strip in the entire section of the existing road for widening. The PAPs will be affected on the NHA own land and will be considered as encroachers who are scattered all along the existing road. Developed land is scarce in the area and vacant public land is not also in plenty at suitable location to be developed for resettlement of the PAPs. Organized relocation site for the PAPs is not encouraging in this situation.



Various relocation strategies were discussed with the PAPs during the consultation process. However, the PAPs expressed a clear preference for self-relocation due to several reasons, including a desire to maintain control over their choice of new settlement areas, the ability to stay close to their current communities, and the flexibility to make decisions that best suit their individual or family needs. Additionally, many PAPs felt that self-relocation would allow them to preserve their livelihood activities in a more familiar environment. Thus, the project will therefore encourage permanent "self-relocation" by affected households selecting replacement land in the vicinity of their own. The objective is to minimize social disruption in the resettlement process and allow people to remain together for mutual support. The squatters/encroachers will be encouraged for self-relocation.

8.2.2 Relocation of Community and Public Structures

All public structures affected by the subproject, whether fully or partially, will be compensated at full replacement cost, ensuring that they are restored to a condition equal to or better than their pre-project state. During the design review process by the Construction Supervision Consultant (CSC), every effort will be made to apply site-specific engineering solutions to avoid or minimize impacts on public assets.

Where restoration or relocation is unavoidable, compensation for the affected public structures will be provided directly to the respective line departments or institutional management responsible for their reconstruction. For partially affected educational institutions, including the extended portions of educational institutions and the police check posts that encroach upon the NHA-owned ROW, the RIU will consult with the concerned management to determine whether restoration works will be undertaken by the institutions themselves or delegated to NHA for implementation through the project contractor. These consultations will ensure that the restoration is carried out in a timely manner without disrupting educational activities.

Restoration Committees will be established for each category of affected public structure. These committees will comprise representatives from the RIU and the concerned departments. The committees will be responsible for verifying restoration progress and ensuring quality control during reconstruction.

For permanently affected public facilities, relocation to suitable alternative sites outside the NHA-owned ROW will be undertaken. The RIU will coordinate with the management of these institutions to identify suitable land and ensure that all safety and accessibility requirements are met. Dedicated Coordination Committees, consisting of representatives from the PIU, relevant departments and local authorities, will oversee site selection and progress monitoring. The cost of reconstruction and relocation is covered under the project's resettlement budget, and construction will be executed either through the concerned department's technical wing or by NHA through the contractor, depending on mutual agreement.

In all cases, the reconstruction and restoration strategy will emphasize minimal service disruption, structural safety, and alignment with existing design standards. The RIU and CSC will jointly ensure that all affected public structures are rebuilt within the agreed timelines and that the quality and functionality of these assets meet or exceed their pre-project conditions.



For community and religious structures such as mosques and relocation of graves, a participatory and culturally sensitive approach will be adopted to ensure that restoration and compensation align with community values and religious practices. Wherever possible, during design review the design modifications will be introduced to avoid impacts; however, in cases where avoidance is not feasible, compensation will be provided on a replacement cost basis to the community-nominated management committees or caretakers responsible for reconstruction.

The consultation process will involve local communities, religious leaders, Ulemas, and other relevant stakeholders to ensure consensus on the relocation or restoration site and the timing of works to avoid disruption of communal and religious activities.

During the consultation process, the subproject design, anticipated impacts, and proposed compensation and mitigation measures were explained in detail to the recognized custodians of the affected religious structures, members of the Mosque committees, heirs of the affected graves, and representatives of the local community. It was clarified that compensation for the affected Mosques will be disbursed to the respective committees of the concerned religious structures and to the individuals nominated by the community for receiving compensation and supervising the reconstruction activities. These committees will be responsible for ensuring transparent utilization of funds, adherence to approved design and construction quality standards, and preservation of the religious, cultural, and social sanctity of the structures throughout the reconstruction process.

In addition, detailed consultations were conducted regarding the relocation of ten (10) graves falling within the project impact area. The heirs and concerned families of the deceased were consulted individually and collectively, and the purpose, relocation procedure, and precautionary measures were thoroughly explained to them. The heirs expressed their consent and agreement for the relocation of the graves, subject to proper handling, respectful exhumation, and reburial in accordance with religious practices, cultural sensitivities, and due care to maintain the dignity and sanctity of the graves. It was assured that the relocation process would be carried out in close coordination with the heirs, local religious representatives, and community elders.

Similarly, consultations were also undertaken with the heirs and caretakers of the graves located within the road median area, where extended shed and room had been constructed. During these consultations, the affected families agreed to the demolition and removal of the encroaching extensions, including the shed and room, in order to facilitate the subproject activities. The concerned heirs further agreed that these structures may be reconstructed within the median area after completion of the works, with a reduced footprint and revised dimensions. The minutes of the consultations have been incorporated in the **Annex-IX**.

Moreover, the community has already been advised to establish management committees or nominate authorized persons who will be responsible for collecting compensation and reconstructing or restoring the affected structures on behalf of the community. During the implementation of the RAP, the community will be closely engaged to assist in forming the representative committees or appointing authorized persons for the timely delivery of



compensation, ensuring that the affected community structures are either reconstructed or restored without delay.

8.2.3 Income and Livelihood Restoration Strategies

The primary focus of the Resettlement Action Plan is the mitigation of loss of assets and livelihood for the PAPs. Based on the impacts identified, the relocation of business structures to new locations outside their current vicinity could disrupt their normal way of living. Such relocation may require some time for individuals and families to adjust to the new environment, and during this period, their livelihoods may face temporary disruption. To address these challenges, the income and livelihood restoration strategy will focus on supporting the PAPs during their post-relocation phase. It will adopt appropriate mitigation measures to ensure that their standard of living is upheld, helping them regain stability as quickly as possible.

Adequate compensation and resettlement assistance will be provided to these PAPs prior to relocation, ensuring they have the resources needed to re-establish their livelihoods. This support will be tailored to the specific needs of the affected persons to facilitate a smooth transition. Additionally, vulnerable PAPs will receive special support, which may include financial assistance, livelihood training, and access to social services. They will also receive priority for employment in civil construction works related to the project, which can help in rebuilding their livelihoods and improving their economic conditions.

A comprehensive Livelihood Restoration Plan, detailing the full range of measures and support mechanisms for affected individuals, is provided in the following sections of the report. This plan outlines the strategies and actions that will be implemented to ensure that the PAPs are able to restore and even improve their livelihoods post-relocation.



9 INCOME RESTORATION AND REHABILITATION

9.1 LIVELIHOOD RESTORATION PLAN

Livelihood restoration plans (LRP) are designed to help and improve the quality of life for marginalized people by providing them with access to health care, livelihood opportunity and protection; thereby giving them a hope to constructively contribute to their communities.

The concept of benefit sharing has evolved in the last couple of decades due to poor resettlement experiences by those displaced by projects involved large displacement (physical and economical) and huge resettlement impacts. The compensation paid for expropriated land and assets have been found meager for rebuilding assets, let alone restoration of livelihoods. By its nature legally mandated compensation is neither “benefit” to displaced households nor an “investment” in their development. Recent debates on forced displacement have raised this issue clearly with a call to share the benefits of projects with the affected persons and communities. Cash compensation and relocation assistance are not enough to re-establish and improve the living standards of the project affected persons and communities.

To address the needs of project PAPs, the Project will invest in long-term community development support activities. In this regard, community consultation meetings were held during the social impact assessment to further assess the local needs in view of the overall project impacts and to enhance social and economic benefits of the Project for the local community and project affected persons.

The impacts on the PAP’s income and livelihood were assessed as part of the RAP preparation, which confirms that livelihood of the PAPs will be affected due to the clearance of NHA owned ROW for widening and reconstruction of the N5 road sections. **Table 9.1** depicts the quantum of impact on the PAPs in terms of permanent loss of their commercial assets.

Table 9-1: Loss of Livelihood due to All Impacted Commercial Structures

Sr. No.	Description	No. of PAPs Facing Loss of Income Source
1.	Owners of Permanent Commercial Structures	25
2.	Renters of severely affected Commercial.	23
3.	Employees of severely affected commercial structures	35
Total:		83

The statistics presented in **Table 9.1** indicate that 83 affected persons will experience significant impacts on their commercial structures and income, which may consequently disrupt their livelihoods. However, it is important to note that most PAPs live within joint family systems and depend on a diverse range of occupations and trades to supplement household income and maintain livelihood stability. These multiple income sources help reduce financial



vulnerability, enabling business operators to adopt diversified and resilient livelihood strategies.

As part of the updated census survey and preparation of the Inventory of Losses, a comprehensive needs identification and assessment study was conducted to better understand the preferences and requirements of the affected population. The findings revealed that, out of the 83 PAPs, only 8 expressed interest in availing skills development and training opportunities under the Livelihood Restoration Plan (LRP). The list of the interested PAPs is annexed as **Annexure-XII**. The remaining PAPs showed limited interest in participating in LRP related training activities, primarily due to their ongoing business commitments. Most of them indicated a clear preference to restore and continue their existing businesses by relocating within the same vicinity, rather than pursuing alternative livelihood options.

While all eligible PAPs will receive compensation at replacement cost for their affected assets, provisions under the LRP will remain available. One member from each of the eight (08) interested AHs who have already expressed their willingness will be provided with skill enhancement support under the program. The LRP has thus been designed in alignment with the findings of the RAP as well as the expressed needs and preferences of the affected communities.

The primary focus of this LRP is to provide needed capacity development to the project PAPs who will face severe impact on their livelihood due to permanent loss of their commercial assets and to facilitate and enhance their socio-economic development. It consists of various activities for instance, (i) livelihood restoration, development and enhancement; (ii) training of PAPs for employment in project work as well as in other trades of interest; and (iii) linkages development for better access to livelihood activities. The activities of LRP will open another window of opportunity for the AHs to build their capacity and strengthen their livelihood.

9.2 OBJECTIVE OF THE LRP

The livelihood restoration plan will aim at building the capacity of PAPs in different skill set and achieving the complete restoration of livelihood of the project PAPs who will lose their livelihood due to project activities as well as to break out of the cycle of poverty to improve or even restore their living status before project situation. The key objective of the LRP is following but not limited to;

- Promptly compensate economically displaced persons for loss of assets or access to assets. This process will be initiated prior to displacement;
- Compensate economically displaced persons who are without legally recognizable claims to land for lost assets (such as shops, Kiosks, and other source of income identified during social impact assessment) other than land, at full replacement cost; and,
- Provide additional targeted assistance (for example, necessary equipment, credit facilities, training or job opportunities) and opportunities to restore, and where possible improve, their income earning capacity, production levels and standards of living.

9.3 ELIGIBILITY CRITERIA

The Livelihood Restoration Plan is designed to support adult PAPs whose livelihoods have been affected by the project, with the objective of restoring income sources and enhancing their skills. However, based on the findings of the needs assessment conducted during the updated census survey and IOL, only eight (08) PAPs expressed interest in participating in LRP-related activities.

Accordingly, the training program will be offered specifically to these interested PAPs, focusing on equipping them with relevant skills to improve their economic prospects and support livelihood restoration. The program will remain inclusive in design, ensuring that illiteracy does not act as a barrier, and participants can benefit regardless of their educational background. The aim is to provide accessible and practical skill development opportunities that enable participants to contribute effectively to their household income.

Table 9.2 presents the details of the eight (08) PAPs and the specific skill areas in which they have expressed interest for receiving training. The LRP has been structured in line with these identified preferences to ensure its relevance and effectiveness.

Table 9-2: Distribution of Interested PAPs by Preferred Training Skills

Sr. No.	Interested Skills	No. of PAPs
1	Computer Courses	05
2	Electrician	01
3	Mobile Technician	01
4	Driving	01

9.4 PARTICIPATORY APPROACH, SOCIAL AND GENDER INCLUSION

The LRP will be implemented by following a participatory approach; eligible households will be facilitated to participate in the LRP processes (planning, implementation, monitoring). LRP planning, implementation, and monitoring activities shall be carried out for the PAPs without any gender discrimination (including male and female members from affected households). The participation of males and females from AHs will be ensured to assess their needs and concerns in particular regarding their choices for livelihood restoration activities. The following actions will be taken to ensure the participation of women and to take into account their needs and concerns;

- Need to organize frequent focus group discussions with male and female members of affected households on livelihood restoration issues and planning to assess their needs and concerns in particular regarding the choices of livelihood restoration activities;
- Provide assistance to males and females to coordinate with vocational training centers to organize training courses taking into account their specific needs ; and
- Women may prefer to choose household based small businesses as it is convenient for women to operate such business within their house premises due to the cultural norms and values. They will be given training and will be provided with follow-up support to help to set up businesses.



9.5 LIVELIHOOD RESTORATION IN THE PROJECT ACTIVITIES

Any persons from affected households having basic skills in construction work will be given an opportunity in project related employment for semi-skilled and skilled worker jobs to upgrade their skills i.e. ground working, masonry, resurface masonry, brick laying, and other associated project works. This training and working experience would be most beneficial for the semi-skilled young person currently unemployed. The expectation is that once a skill is acquired, opportunities within and outside the project open up for the abled workers. This will directly impact the lowest denomination of PAPs and therefore generate the positive impact.

The NHA will make provision in the contractors' agreements for employment of qualified semi-skilled and skilled PAPs, including female members of the affected households in the recruitment of local skilled and unskilled labor during project implementation. The jobs, in the semi-skilled and unskilled category, will be offered to the male and females of the AHs on a preferential basis. Employment in the project construction will act as an added source of income to affected households. The social staff of RIU and contractor will prepare a list of all capable semi-skilled or unskilled workers among the AHs for employment. The RIU will monitor this through monthly statements of number of individuals employed from the affected household.

9.6 TRAINING AND CAPACITY BUILDING OF PAPs

Different means of livelihood and opportunities will be explored for the restoration of livelihood of the PAPs. The training and capacity building are an important tool for sustainable income generation. Vocational Training program will be chalked out for the affected persons to build their capacity for sustainable livelihood. The primary objective of the training will be to enhance the earning capacity of affected households and facilitate the development of Small & Micro Enterprises. The methodology of training and capacity building activities is provided in **Table 9.2**.

Table 9-3: Description of Training and Capacity Building Activities

Total PAPs	Target PAPs	Duration of Training Course (Months)	Training Cost
721	One family member will be selected from the each Affected Household for training. Females will also be encouraged to participate in the trainings. Hence, 8 Trainees in total.	3	PKR. 10,000 stipends and PKR. 10,000 trainings Fees for each Trainee per month.

During the consultation sessions, various trades for training were suggested by the PAPs, including computer courses, electrician, mobile technician and driving for males, and stitching and embroidery work for females. Additionally, many educated female AH members expressed interest in taking computer courses that could help them in career building. These trades will be further discussed with interested candidates during future consultations, prior to the implementation of the LRP through Social staff of the RIU. Furthermore, trainees will be



selected based on their interests, educational background, and the availability of relevant training courses at institutions near the PAPs' residences.

9.7 PROVISION OF NECESSARY TOOLS AND EQUIPMENTS

The Livelihood Restoration Program will provide essential tools and equipment to each trainee to support the establishment of their chosen profession and facilitate sustainable income generation. To ensure that trainees are adequately equipped to initiate their work, a budget of PKR 50,000 per trainee has been allocated for the procurement of tools and equipment relevant to their respective trades.

This financial assistance will enable participants to acquire the necessary resources required for setting up small-scale enterprises, such as electrician workshops, mobile phone repair shops, computer-related services, or other skill-based occupations aligned with their training. By providing this targeted support, the program aims to strengthen trainees' capacity for self-employment, promote self-reliance, and contribute to the long-term economic stability of both the individuals and their households.

9.8 MARKET IDENTIFICATION AND LINKAGES DEVELOPMENT

Market identification and linkage development support will be provided to those PAPs who have undergone training under the project-initiated Livelihood Restoration Plan and have established or are in the process of establishing their selected trades. In line with the findings of the needs assessment, this support will primarily cater to the eight (08) PAPs who expressed interest in and availed the training opportunities.

The program will assist these trained individuals in identifying suitable markets for their products and services, as well as in developing effective business linkages with potential buyers, suppliers, and local partners. This facilitation will enhance their access to market opportunities, improve business viability, and strengthen their capacity to sustain and expand their enterprises.

By providing targeted post-training support, the LRP aims to ensure that trainees can effectively utilize their acquired skills and resources, thereby promoting sustainable income generation, self-reliance, and long-term economic stability for their households.

9.9 FLEXIBILITY

The LRP shall have some flexibility since it is known that there are many variables that can influence the effectiveness of LRP during design and implementation. Such flexibility shall ensure that risks and needed resources and improvements are identified and adjustments are made to respond to feedbacks from various groups and due to changing conditions. In case of any major shift in project scope or project activities the corrective action Plan (CAP), will be prepared.



9.10 TRANSPARENCY AND DISCLOSURE

Information that relates to LRP planning and implementation (eligibility, entitlements, and level of support) shall be properly disseminated to the LRP participants. Implementation of each of these will also be carried out with full transparency and disclosure.

9.11 MONITORING

The implementation and impacts of the activities done under the LRP will be tracked through monitoring and evaluation. The household level baseline survey will serve as a comparison point for evaluators to assess progress. Moreover, the external monitor will also monitor the effectiveness of the LRP activities.

9.12 IMPLEMENTATION SCHEDULE FOR LIVELIHOOD RESTORATION TRAINING PROGRAM

To promote skill development and enhance income generating opportunities for PAPs, a three month training under LRP will be implemented through accredited government or private training institutes located in close proximity to the affected communities. The program will commence with preparatory activities, including final consultations with PAPs and AHs to reconfirm preferred trades, verification of trainee eligibility, and selection of suitable training institutions. Subsequently, selected trainees will be formally enrolled, and orientation sessions will be conducted by the Social Staff of the RIU to brief participants on training objectives, expected outcomes, and stipend arrangements.

The training will consist of a balanced combination of classroom instruction and practical, hands-on learning in the trades identified through the needs assessment, as presented in **Table 9.2**. These trades reflect the preferences of the eight (08) PAPs who expressed interest in participating in the LRP. Regular monitoring visits will be undertaken throughout the training period to ensure quality, track progress, and promptly address any emerging issues.

Upon completion of the training, participants will undergo final assessments and will be awarded completion certificates. They will also receive career counselling along with facilitation for market linkages and self-employment support, as outlined in the preceding sections, to enable effective utilization of their acquired skills for sustainable livelihood restoration.

A post-training follow-up will be carried out to evaluate employment outcomes, capture lessons learned, and document the results in the LRP Training Completion Report, which will form part of the overall RAP documentation. The implementation schedule for the training program is presented in **Table 9.4**.



Table 9-4: Implementation Schedule for Livelihood Restoration Training Program

Phase	Timeline	Key Activities	Outputs
Preparation & Mobilization	Weeks 1–2	- Conduct follow-up consultations to confirm training trades with PAPs. - Finalize trainee eligibility based on interest, education, and proximity to institutes. - Identify and select nearby government/private institutes offering required trades. - Sign agreements/MoUs with selected institutes. - Prepare trainee information packets and mobilization materials.	- Final trainee list - Selected training institutes - Training schedule confirmed
Enrollment & Orientation	Weeks 3–4	- Enroll trainees in respective institutes. - Conduct orientation sessions by RIU Social Staff (training expectations, grievance redress, stipend process). - Complete baseline socioeconomic and skills data of trainees.	- Enrolled trainees - Orientation completed - Baseline assessment database
Training Delivery (All Trades)	Months 1 st & 2 nd (02 Full Months)	- Conduct classroom and practical training for selected trades i.e. computer courses, electrician, auto mechanic, plumbing (male), and stitching/embroidery/computer basics (female). - Bi-weekly monitoring visits by RIU Social Staff. - Monthly progress reporting by training institutes.	- Attendance sheets - Monthly progress reports - Monitoring checklists
Assessment, Certification & Career Support	Month 3 (Weeks 1–2)	- Conduct final skills assessment/examination. - Issue completion certificates to successful trainees. - Provide career counselling and job placement support. - Facilitate linkage with employers/workshops and support self-employment. - Provide necessary tools and equipment to each trainee (PKR 50,000 per trainee).	- Certified trainees - Placement and self-employment support - Tools and equipment distributed.
Post-Training Follow-Up & Final Reporting	Month 3 (Weeks 3–4)	- Follow-up with trainees on employment status and challenges. - Document lessons learned and improvement areas. - Prepare final LRP Training Completion Report.	- Post-training monitoring report. - Final LRP completion report.



10 RESETTLEMENT BUDGET AND FINANCING PLAN

10.1 COST ESTIMATION AND BUDGETING

The NHA is responsible for providing timely financial resources to manage the subproject's resettlement obligations, including ROW clearance, compensation, relocation, and income restoration. All related costs are incorporated into the subproject budget (PC-1) and funded through NHA's counterpart financing, excluding loan proceeds. Based on the inventory of losses and entitlements, the RAP budget ensures full replacement cost compensation for all affected households (AHs) and includes administrative, implementation, monitoring, and contingency expenses.

10.2 BASIS FOR ASSETS VALUATION AND RESETTLEMENT COSTS

As per AIIB' ESF, the compensation for affected assets calculated by considering, (i) fair market value of assets, (ii) transaction costs; (iii) interest accrued, (iv) transitional and restoration costs; and (v) other applicable payments, (if any) constitutes full replacement cost. The replacement cost for the structures, affected assets and trees are based on the updated scheduled rates provided by the respective government departments. The unit rates applied in determining the resettlement costs is elaborated as follows.

Valuation for non-land assets: For compensating affected assets encroaching within the ROW limits, the following procedures/methods have been used for the proper assessment of compensation rates.

To compensate for the affected structures of various types and dimensions, the updated Provincial Market Rate System (MRS) of Sindh Province for 2024-2025 has been utilized. Rates for different categories were calculated by M/s NESPAK. These rates, derived using the current MRS, are applicable for the new construction of similar types of structures and have been used to determine compensation based on replacement costs for all affected structures. Depreciation for age has not been deducted, and affected households will be allowed to take salvaged materials as per the entitlement provisions outlined in the Entitlement Matrix (EM). **Table 10.1** below details the unit rates for all types of non-land assets.

The unit rates for structures, calculated by M/S NESPAK using the Sindh Government MRS 2024-2025, are presented in **Annex-XIII** and summarized in **Table 10.1**. These unit rates apply to non-land assets.

Table 10-1: Unit Rates of Non-Land Assets

Sr. No.	Item Code	Description	Unit	Rate (PKR)
Structures/Commercial and Residential Buildings				
1.	A	Roof = RCC/RBC; Walls= Burnt Bricks in Cement mortar, Cement plastered; Floor= Mosaic	Sft	4,597

2.	B	Roof = Steel Girder + T-iron with Tiles or wooden planks; Walls= Burnt Bricks in Cement mortar, Cement plastered; Floor= Plain Cement	Sft	3,310
3.	C	Roof = Wooden Girder + Wooden Ribs with Tiles or wooden planks; Walls= Stone Masonry in Cement Mortar with mud plastering or none; Floor= Brick or Stone	Sft	3,472
4.	D	Roof = Wooden Girder + Wooden Ribs with Thatch & Mud; Walls= Stone Masonry in Mud Mortar with mud plastering or none or Walls of Wooden Planks; Floor= Earthen	Sft	3,366
5.	E	Thatched Shed with Wooden pillars / Bamboo supports, Earthen Floor	Sft	2,333
Shed and Fixtures				
6.	SA	Sheds with Roof = prefabricated RCC roofs; Pillars & Girders: reinforced concrete structure; and plain cement flooring	Sft	2,574
7.	SB	Sheds with Roof = Steel Girder + T-iron and Tiles; Pillars= Burnt Brick/Concrete Block Masonry in Cement mortar and cement plastering; Flooring: paved with burnt bricks/flooring tiles	Sft	1,949
8.	SC	Sheds with Roof = Wooden Girder + Wooden Ribs with Thatched & Mud; Pillars; Stone/Brick Masonry Pillars with mud plastering or none; Floor= Earthen	Sft	1,327
9.	SD	Iron Sheds, Roof: Corrugated steel /galvanized fiber glass; Structure: pre-fabricated panels/angle irons; Flooring: Paved	Sft	3,018
Boundary Walls				
10.	A	Boundary Wall (8 Ft Height)	Rft	4,803
11.	B	Boundary Wall (8 Ft Height)	Rft	4,148
12.	C	Boundary Wall (8 Ft Height)	Rft	3,050
13.	D	Boundary Wall (8 Ft Height)	Rft	2,361
14.	E	Boundary Wall (8 Ft Height)	Rft	1,544
Kiosk/Moveable Structures				
15.		Moveable (Kiosks and Cabin (Damage Cost)	No.	20,000
Based on MRS Rates of Sindh Province 2024				

10.3 COMPENSATION COSTS, RESETTLEMENT AND REHABILITATION ASSISTANCE

The resettlement cost estimate for this project includes eligible compensation, resettlement assistance and support cost for RAP implementation and monitoring. The support cost, which includes monitoring and reporting, and other administrative expenses are part of the overall project cost. Contingency provisions have also been made to take into account variations from this estimate. Applicable compensation for affected assets and eligible allowances for relocation, rehabilitation and income restoration of the AHs as enumerated against impacted assets are discussed in subsections below. Itemized summary budget is provided at the end of this chapter.

10.4 COMPENSATION OF RESIDENTIAL STRUCTURES

As per inventory of losses, 07 residential structures will be affected. The compensation cost of these residential structures/assets is estimated as **PKR 5.14 million**.

The road side wise affected structures and compensations cost is summarized in the **Table 10.2** while Itemized compensation cost for residential structures is depicted in **Annexure-I**.

Table 10-2: Compensation of Affected Residential Structures

Road Side	Affected Structures (No.)	Compensation Cost PKR.	Compensation Cost PKR. In Million	Remarks
South	5	4,796,546	4.80	Refer to Annex-I
North	2	343,570	0.34	Refer to Annex-I
Total:	7	5,140,116	5.14	

10.5 COMPENSATION OF PERMANENT COMMERCIAL STRUCTURES

The affected commercial structures have been documented according to their category and the extent of the affected covered area for each structure type. According to the inventory of losses, a total of 106 commercial structures owned by 102 AHs will be impacted. Compensation costs are calculated based on the identified building categories and their affected areas, with unit rates applied for each type. The estimated compensation cost for these commercial properties/assets is **PKR 41.00 million**. The road side wise affected commercial structures and compensations cost is summarized in the **Table 10.3** while Itemized compensation cost for residential structures is depicted in **Annexure-II**.

Table 10-3: Compensation of Affected Commercial Structures

Road Side	Affected Structures (No.)	Compensation Cost PKR.	Compensation Cost PKR. In Million	Remarks
South	55	18,099,528	18.10	Refer to Annex-II
North	51	22,901,544	22.90	Refer to Annex-II
Total:	106	41,001,072	41.00	

10.6 COMPENSATION FOR MOVEABLE STRUCTURES

The affected privately owned moveable structures have been documented. According to the inventory of losses, a total of 77 privately owned moveable Kiosk, huts and similar structures will be impacted. Compensation costs of these privately owned moveable structures include the damage and maintenance cost. The estimated compensation cost for these moveable structures is **PKR 1.54 million**.

The road side wise affected moveable structures and compensations cost is summarized in the **Table 10.4** while Itemized compensation cost for privately owned moveable structures is depicted in **Annexure-III**.

Table 10-4: Compensation of Private Moveable Structures

Road Side	Affected Structures (No.)	Compensation Cost PKR.	Compensation Cost PKR. In Million	Remarks
South	30	600,000	0.60	Refer to Annex-III
North	47	940,000	0.94	Refer to Annex-III
Total:	77	1,540,000	1.54	

10.7 COMPENSATION FOR PUBLIC STRUCTURES

The project impacts are envisioned on eleven (11) public structures. Compensation costs of these public structures include the cost for restoration structures which will be paid to the concerned departments. The estimated compensation cost for these public structures is **PKR 8.13 million**.

The road side wise affected public structures and compensation cost is summarized in the **Table 10.5** while Itemized compensation cost for these structures is depicted in **Annexure-VI**.

Table 10-5: Compensation of Public Structures

Road Side	Affected Structures (No.)	Compensation Cost PKR.	Compensation Cost PKR. In Million	Remarks
South	5	6,576,963	6.58	Refer to Annex-VI
Median	5	1,492,810	1.49	Refer to Annex-VI
North	1	61,760	0.06	
Total:	11	8,131,533	8.13	

10.8 COMPENSATION FOR COMMUNITY/ RELIGIOUS STRUCTURES

The IOL reflects that the project will impact three (05) community structures. Compensation costs of these public structures include the cost for restoration and relocation of these structures which will be paid to the concerned community groups nominated by the affected communities. The estimated compensation cost for these community structures is **PKR 1.60 million**.

The road side wise community structures and compensation cost is summarized in the **Table 10.6** while Itemized compensation cost for these structures is depicted in **Annexure-VII**.

Table 10-6: Compensation of Community Structures

Road Side	Affected Structures (No.)	Compensation Cost PKR.	Compensation Cost PKR. In Million	Remarks
South & Median	5	1,603,496	1.60	Refer to Annex-VII
Total:	5	1,603,496	1.60	

10.9 COST FOR LIVELIHOOD RESTORATION PROGRAM ACTIVITIES

Due to the proposed project, a total of 160 PAPs will be severely affected and may experience significant disturbance to their livelihoods. Among these, 08 PAPs have expressed their willingness to participate in training activities under LRP. Therefore, provisions for training and capacity building have been included in the RAP budget. These initiatives aim to train one member from each affected household, enabling them to develop skills and earn a sustainable livelihood in the trade or field of their interest. An indicative cost for training and capacity building is worked out **PKR. 0.88 Million**. **Table 10.7** provides the summary of the cost for the training and capacity building.

Table 10-7 Summary of the Cost for Livelihood Restoration Program

Total Affected Household	Target PAPs/ Members of AHs	Duration of Training Course (Months)	Cost Per PAP (For Three Months Duration) PKR.	Total Cost for Trainings and Capacity Building (PKR.)	Total Cost in Million (PKR.)
8	8	3	20,000*3=60,000	480,000	0.48
8	8	Purchase of necessary tools and Equipments @ PKR. 50,000/ Trainee	8*50,000	400,000	0.40
Total Cost :	8			880,000	0.88

10.9.1 Resettlement and Relocation Assistance

The AHs losing their residential and commercial structures are entitled to resettlement and relocation assistance as per provisions outlined project RPF and this RAP. The total resettlement and relocation assistance for all affected assets has been computed as **PKR 55.88 million**. **Table 10.8** depicts the resettlement and relocation assistance.

Table 10-8: Summary of Cost for Resettlement and Relocation Assistance

Sr. No.	Description	No. of PAPs	Rate	Total Compensation (PKR)	Cost in Millions (PKR)
1	Relocation Assistance				
1.1	Owners of Residential Structures	3	50,000	150,000	0.15
1.2	Owners of permanent commercial structures	25	50,000	1,250,000	1.25
1.3	Renters of commercial structures	23	50,000	1,150,000	1.15
Subtotal:				2,550,000	2.55
2	Transportation Allowance				
2.1	Owners of Residential Structures	7	40,000	280,000	0.28
2.2	Owners of permanent commercial structures	102	30,000	3,060,000	3.06
2.3	Owners of moveable structures	77	20,000	1,540,000	1.54
2.4	Renters of commercial structures	23	30,000	690,000	0.69
Subtotal:				5,570,000	5.57
3	Transitional Support Against Lost Residential Structures				

Sr. No.	Description	No. of PAPs	Rate	Total Compensation (PKR)	Cost in Millions (PKR)
3.1	Owners of residential structures	3	120,000	360,000	0.36
Subtotal:				360,000	0.36
4	Severity Impact Allowance				
4.1	Owners of Residential Structures	3	120,000	360,000	0.36
4.2	Owners of permanent commercial structures	25	120,000	3,000,000	3
4.3	Owners of moveable structures	77	120,000	9,240,000	9.24
4.4	Renters of commercial structures	23	120,000	2,760,000	2.76
Subtotal:				15,360,000	15.36
5	Business Loss Allowance				
5.1	Owners of permanent commercial structures	25	240,000	6,000,000	6
5.2	Owners of moveable structures	77	120,000	9,240,000	9.24
5.3	Renters of commercial structures	23	120,000	2,760,000	2.76
Subtotal:				18,000,000	18
6	Vulnerability Allowance				
6.1	Owners of residential structures	3	120,000	360,000	0.36
6.2	Owners of permanent commercial structures	3	120,000	360,000	0.36
6.3	Owners of moveable structures	16	120,000	1,920,000	1.92
6.4	Employees of All commercial structures	35	120,000	4,200,000	4.2
Subtotal:				6,840,000	6.84
7	Loss of Employment				
7.1	Employees of Commercial Structures	32	120,000	3,840,000	3.84
7.2	Employees of Moveable Structures	3	120,000	360,000	0.36
Subtotal:				4,200,000	4.2
8	Rental Assistance				
8.1	Owners of permanent commercial structures	25	120,000	3,000,000	3.0
Subtotal:				3,000,000	3.0
Total:				55,880,000	55.88

10.10 COST FOR LARP ADMINISTRATION, IMPLEMENTATION AND MONITORING

10.10.1 RAP Monitoring & Evaluation Cost

Monitoring and evaluation of RAP implementation process will be required through organizing internal and external monitoring arrangements. For this purpose, a sum of **PKR 5.71 million** (@ of 5% of the total compensation cost) is provided in the budget estimate.

10.10.2 RAP Implementation and Administration Support Cost

The costs required for day-to-day RAP implementation tasks and for engaging PIU-HQ staff and field staff to assist the RIU LAR team in RAP implementation, community consultation and timely delivery of RAP entitlements are worked as LAR administration support cost. RAP administration cost is calculated as **PKR 52.92 million** which is depicted in **Table 10.09**.

Table 10-9: Support Staff for Implementation of RAP

Sr.	Post	RIU	Salary/ Month	Man's Month	Total (PKR.)	Cost in Million PKR.	
A	Key Staff						
1	Resettlement , Social & Safeguard Specialist (Conduct Stakeholder, Public Relation Coordination) (Team Leader at RIU)	1	600,000	6	3,600,000	3.6	
2	Gender & Livelihood Restoration Specialist	1	500,000	6	3,000,000	3.0	
3	Environmental/OHS/ Climate Change Officer	1	500,000	6	3,000,000	3.0	
	Sub-Total				9,600,000	9.6	
B	Supporting Non-Key Staff For EALS- NHA HQ						
1	Helper/ Office Boy	1	60,000	24	1,440,000	1.44	
2	Driver	1	60,000	24	1,440,000	1.44	
	Sub-Total				2,880,000	2.88	
C	Non-Key Staff						
1	Computer Operator/Assistant/Auto Cad	1	90,000	24	2,160,000	2.16	
2	Social Mobilizers	2	90,000	24	4,320,000	4.32	
3	Petwari	1	90,000	24	2,160,000	2.16	
4	Complaints Clerk	1	60,000	24	1,440,000	1.44	
5	Helper/ Office Boy	2	60,000	24	2,880,000	2.88	
6	Driver	2	60,000	24	2,880,000	2.88	
	Sub-Total				15,840,000	15.84	
D	Logistics						
1	Vehicles for Social/ Resettlement Staff	Hiring of Vehicle	2	250,000	24	12,000,000	12
		Pol of Vehicle		200,000	24	9,600,000	9.6
2	Stationary/Social Staff Office Management/ Arrangements for field level PAP meetings				3,000,000	3	
	Sub-Total				24,600,000	24.6	
	Grand Total				52,920,000	52.92	

10.10.3 Contingencies

A 10% contingency has been added to adjust any cost escalation during project implementation and to compensate any unanticipated impact that could emerge during implementation of the RAP. The calculated contingency cost is **PKR 11.42 million**.

10.11 ITEMIZED SUMMARY BUDGET

In total, **PKR 184.22 million** is the calculated cost for payment of compensation against acquired assets. The RAP budget also includes RAP implementation and administrative support costs with contingencies. The total budgeted cost for this RAP is presented in the Resettlement Budget **Table 10.10** below.

Table 10-10: Resettlement Budget

Sr. No.	Category of Affected Assets	Unit	Impact Magnitude	Compensation Cost (PKR)	Cost in Millions (PKR)	Cost in Millions (USD)	Reference
A	Residential Structures	No.	7	5,140,116	5.14	0.018	Table 10-2
B	Commercial Structures	No.	106	41,001,072	41	0.147	Table 10-3
C	Moveable Structures	No.	77	1,540,000	1.54	0.006	Table 10-4
D	Public Structures	No.	11	8,131,533	8.13	0.029	Table 10-5
E	Community/ Religious Structures	No.	5	1,603,496	1.6	0.006	Table 10-6
F	Livelihood Restoration Program Activities	No.	8	880,000	0.88	0.003	Table 10-7
G	Relocation & Rehabilitation Cost	N/A	N/A	55,880,000	55.88	0.200	Table 10-8
H	Subtotal: (A-G)			114,176,217	114.17	0.41	
Other Costs							
I	LARP Monitoring & Evaluation Cost	5 % of H		5,708,811	5.71	0.020	N/A
J	Administration Cost	Refer to Table 10.9		52,920,000	52.92	0.19	Table 10-9
K	Contingencies	10 % of H		11,417,622	11.42	0.041	N/A
L	Subtotal: (Other Costs)			70,046,433	70.05	0.25	N/A
M	Grand Total			184,222,650	184.22	0.66	N/A
	US\$ (@1USD=PKR 279.07 as of April 15, 2026						

10.12 FLOW OF FUNDS FOR RAP IMPLEMENTATION

The RAP costs will be financed through counterpart funds provided to NHA by Government of Pakistan. The NHA will transfer the RAP costs as per budget to the assignment account maintained by the finance wing in NHA HQ. Timely funding and deposit of LAR costs for acquired asset and resettlement and rehabilitation costs as budgeted in the project RAP will assist PIU-HQ and RIU in timely completion of RAP implementation activities, payment of compensation for affected assets, taking possession of the acquired assets and handing over the ROW land for commencement of project civil works.



11 INSTITUTIONAL ARRANGEMENTS

11.1 GENERAL

The Resettlement Action Plan requires a coordinated institutional framework involving multiple agencies. The National Highway Authority, as the Executing Agency, holds primary responsibility for subproject implementation and compliance with RAP and AIIB ESS2 requirements. The Construction Supervision Consultants, supported by safeguards specialists, will assist NHA in implementing and monitoring RAP activities. Line departments such as Revenue, Forest, and Agriculture will support LAR impact assessment and valuation. Detailed institutional roles and the organizational structure for implementing environmental and social instruments are provided in the subsequent sections and **Figure 11.1**.

Reconstruction of National Highway N-5 under Pakistan's Resilient, Recovery, Rehabilitation and Reconstruction Framework Project, Phase-I (210 km)
Project Management Unit (PMU) / Project Implementation Unit (PIU) - Organizational Structure

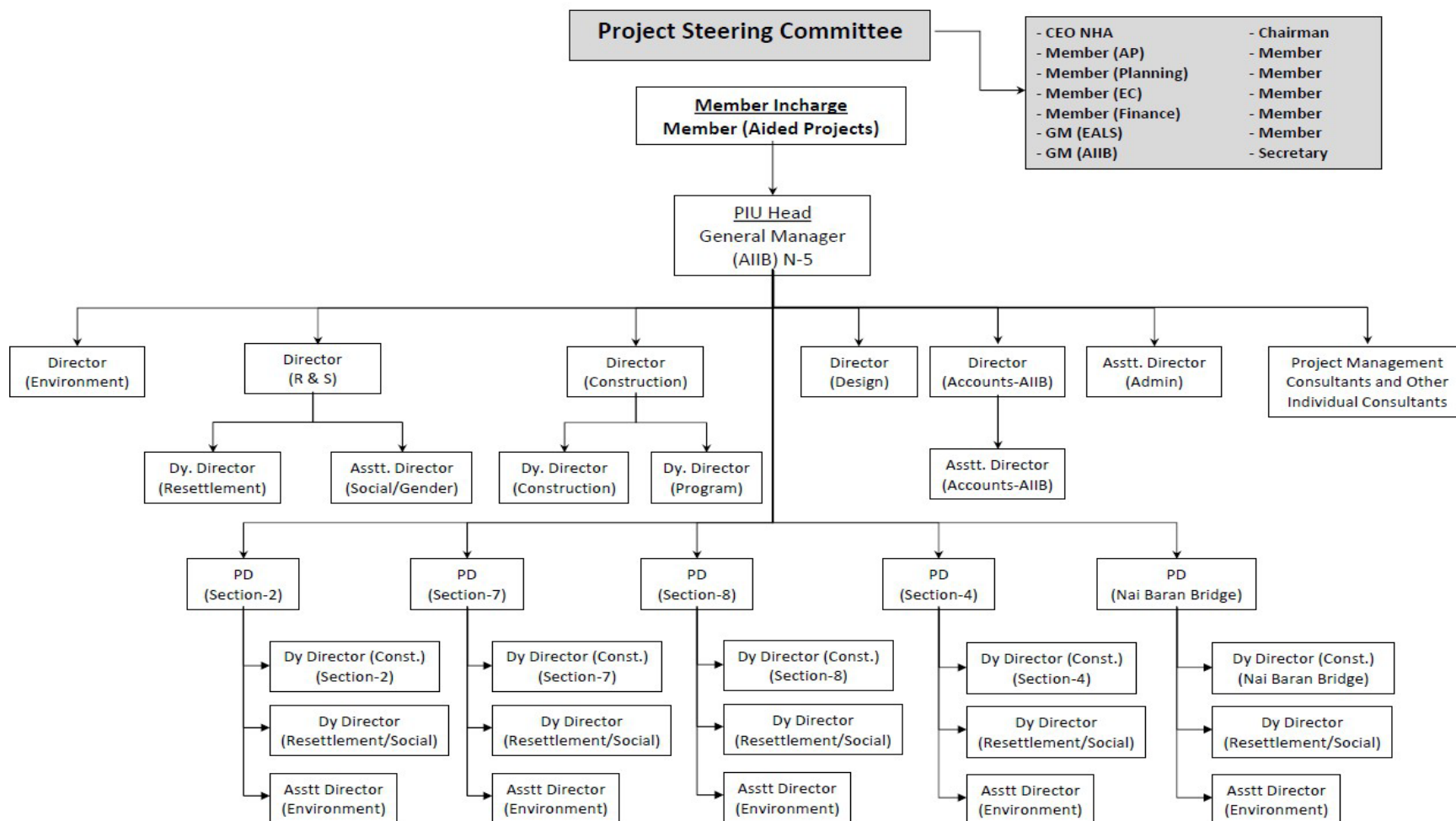


Figure 11.1: Organizational Setup for Implementation of E&S Instruments



11.2 INSTITUTIONAL ROLES AND RESPONSIBILITIES

11.2.1 National Highway Authority (NHA)

NHA holds overall responsibility for the Program, including the preparation, implementation, financing, and coordination of all land acquisition and resettlement (LAR) activities. The Authority operates through specialized wings at its headquarters and five regional zones, each overseen by a Zonal Member. For foreign-funded initiatives, dedicated project implementation units are established to ensure timely execution. Safeguard management for the subproject will be carried out through the PIU and the Environment afforestation, Land and Social Section (EALS) at NHA Headquarters, supported by Regional Implementation Units (RIU) responsible for day-to-day RAP implementation in the field.

11.2.2 General Manager (AIIB) NHA-HQ - PIU

The General Manager (AIIB), NHA-HQ of PIU is the executive head of the entire N5 project. He is responsible for necessary policy, administrative, and financial decisions and actions for effective and timely implementation of the subproject as per the approved framework and implementation schedules. He will be responsible for the overall implementation of the subproject, including environmental and social management aspects and hiring of contractors and consultants. The General Manager (Engineer) NHA-HQ PIU will be assisted by the Project Director of the subproject Section for the onsite administration and other matters with close coordination with General Manager (Engineer) NHA-HQ PIU.

11.2.3 Environment, Afforestation, Land and Social Unit (EALS)

For the acquisition and management of ROW land as well as environmental and social safeguards management of foreign-funded projects, NHA, under the supervision of the Member Administration, has established a unit called Environment Afforestation Land and Social (EALS) at the HQ. EALS land management and social staff are also extended to zonal and project levels for assisting in the land acquisition process and delivery of LAR activities.

The EALS at HQ will be responsible for policies, planning, and implementation of all safeguards-related activities of the subproject through ESC.

11.2.4 The Consultants (M/S NESPAK)

For project planning and design, NHA has engaged consultants to undertake the design and planning works. M/s NESPAK team is working closely with NHA, EALS Section, on the preparation of safeguard documents covering social, environmental, and climate change aspects. M/s NESPAK prepared a draft RAP at the project inception stage and is now in the process of developing the implementable RAPs for the project.



11.2.5 Environment and Social Cell (ESC) at PIU-HQ

An ESC will be established at PIU-HQ-NHA, which will consist on the following specialists at subproject preparation stage:

- One Environment & Climate Change Specialist;
- One Social Safeguard/ Gender /Communication Specialist;
- Stakeholder Engagement/ Public Relations& Resettlement Social Coordinator, and,
- One OHS Specialist.

The ESC-PIU-HQ will lead the overall implementation and supervision of all Environmental and Social (E&S) instruments, including the RAP, while coordinating closely with EALS-NHA on staffing, training, documentation, and execution. It will ensure integration of E&S requirements into contract documents and oversee their field implementation. The ESC will manage all environmental and social aspects of subproject activities, conduct monitoring, and prepare compliance reports for submission to the GM (AIIB) at PIU-HQ, AIIB, and other relevant agencies. Additionally, PIU-HQ will engage an independent E&S consultancy firm, in coordination with EALS-NHA, to conduct Third-Party Validation (TPV).

Moreover, ESC-PIU-HQ shall be responsible for:

- Ensuring that the required environmental and social training is provided to the concerned staff;
- Make sure that all the contractual obligations related to the environmental and social compliance are met;
- Check compliance of the E&S instruments, including implementation status of the subproject during the construction phase, is being properly carried out;
- Review monitoring reports for the progress of environment and social related activities, including implementation of RAP;
- Document and disclose monitoring results and identify necessary corrective and preventive actions in the periodic monitoring reports, and make follow-up on these actions to ensure progress toward the desired outcomes;
- Oversee the compliance of all the monitoring programs as given in E&S instruments;
- Report immediately to AIIB when environmental and social incidents are occurred;
- Maintaining interface with the other line departments/stakeholders; and
- Reporting to the concerned and relevant agencies on the status of E&S Instrument's implementation.

11.2.6 Project Director(s) – RIU

The Project Director (PD) of RIU is the executive head of the concerned subproject Section. He is responsible for necessary administrative and financial decisions and actions for effective and timely implementation of the subproject as per the approved framework and implementation schedules. He will be responsible for overall implementation of the subproject including environmental and social management aspects at site. The PD-RIU will be assisted by Deputy Project Director(s) and its E&S Staff of the project Section 02 for the onsite administration and other matters with close coordination with PIU-HQ.



The E&S staff will be placed in the RIU which will manage LAR tasks at the subproject level with technical assistance and guidance from the ESC at PIU-HQ. The E&S staff at RIU will take the ultimate responsibility for the updating, implementation, and monitoring of the RAP for the subproject.

The PD of RIU will be assisted by E&S Staff at site during subproject implementation stage which consist of:

- Resettlement & Social Safeguard Specialist,
Gender/Communication Specialist,
- OHS/ Labor Management Specialist,
- Environment/ Climate Change Specialist,

The E&S Staff at RIU will be responsible to ensure compliance of E&S instruments during construction/implementation phase. The compliance will require measurements of environmental and social parameters and observations at the construction sites to evaluate compliance.

Furthermore, E&S Staff at RIU shall be responsible for:

- Regular site visits of the construction sites to review the environmental and social performance of the Contractor(s);
- Make sure that the Contractor is implementing the additional measures suggested by the SC in environmental and social monitoring reports;
- The E&S Staff of RIU will review the report, discuss with the consultant firm and finalize the findings;
- Assist ESC-PIU-HQ in the assessment of the livelihood loss and negotiation with the affectees for fixation of compensation to be paid for temporary impacts;
- Assist in checking genuine ownership of the claimants for prompt payment to the affectees;
- Assist the Contractor for the timely payments of negotiated prices;
- Assist Contractor(s) for obtaining necessary approvals from the concerned departments;
- Ensuring that the required environmental and social training is provided to the concerned site staff;
- Review monitoring reports for the progress of the environment and social related activities to PIU-HQ through PD-RIU;
- Report immediately to PIU-HQ when environmental and social incidents are occurred; and
- Maintaining interface with the other line departments/stakeholders in coordination with PIU-HQ.



11.2.7 Supervision Consultant (SC)

PIU-HQ will engage Supervision Consultants (SC) for the proposed project as per the bidding requirements. The consultant firm will prepare site specific monthly monitoring and evaluation report and submit to RIU, ESC-PIU-HQ as well as EALS-NHA. The E&S Staff of RIU will review the report, discuss with the consultant firm and finalize the findings. In case of noncompliance from the contractors, the relevant SC will have the authority to halt the construction activities or impose penalties as per the contract conditions. The SC will submit the final version of monitoring and evaluation reports to RIU as per periodic reporting mechanism (defined in section 13). RIU will submit these reports to ESC- PIU-HQ, EALS-NHA and AIIB for their review and further action. Beside its other roles and responsibilities for implementation of the entire project, the SC will be responsible for following tasks for implementation of the RAP;

- Regularly monitor the implementation of the RAP, ensuring that the compensation, resettlement, and rehabilitation processes are being carried out according to the approved plan and schedule. Provide timely progress reports to the project management;
- Ensure that all activities related to resettlement and compensation are compliant with the policies outlined in the RAP, national regulations, and the Environmental and Social Framework (ESF) of AIIB;
- Provide technical support and guidance to the project's implementation team, local authorities, and stakeholders, ensuring they are well-equipped to carry out the RAP requirements effectively;
- Monitor the grievance redress process, ensuring that affected persons have access to a transparent and efficient mechanism for resolving issues related to resettlement, compensation, and relocation;
- Facilitate consultations and meetings with affected persons and communities to ensure they are well-informed about the RAP process and their rights. Ensure that their feedback is incorporated into the implementation process;
- Identify and address any emerging risks related to the resettlement and compensation process, including potential delays, disputes, or non-compliance with the RAP provisions;
- Ensure the quality of the resettlement activities, including proper documentation, timely payments, and the restoration of livelihoods and community structures, in accordance with the RAP's objectives; and
- Coordinate and support independent audits or evaluations of RAP implementation to assess its effectiveness and propose necessary adjustments.

E&S-Staff of SC of the proposed project will consists of the following personnel:

- E&S Team Leader (One specialist);
- Environment and Climate Change Specialist;
- OHS Specialist;
- Social Safeguard Specialist; and
- Gender Specialist.



11.2.8 Third Party Validation (TPV)

The TPV will be carried out through independent firm comprising of E&S Specialists / Consultants with Environment, gender, OHS and social & resettlement specialists. They will monitor the environmental and social parameters and conduct field surveys at the construction sites to evaluate compliance level. They will be engaged to conduct the external and independent monitoring of the implementation of the E&S instruments including RAP. This external monitoring agency is to conduct biannual, annual and final evaluation of the E&S Instruments including RAP document implementation and recommend changes if and when necessary to the ESC.

Roles and responsibilities of third party E&S Specialists / Consultants will be:

- Carry out independent monitoring at critical locations during construction phase and monitoring the implementation of E&S instrument including RAP;
- Monitor GRM and resolution of complaints;
- Inform ESC, NHA and AIIB of any significant impacts arising during construction;
- Observe and amend/prepare (if required) of corrective action plans; and
- Monitor plan implementation along with subproject Implementation Consultant.



12 IMPLEMENTATION SCHEDULE

12.1 INTRODUCTION

As per design, execution of the project works will strictly follow the available government owned ROW. A detailed schedule is prepared in this RAP indicating the sequence and timeframe of activities for payment of compensation for assets affected due to clearance of ROW limits. The RAP implementation timelines are synchronized with the contract award and construction schedule for the Project.

12.2 PREPARATION OF IMPLEMENTABLE RAP

All activities related to the assessment of LAR impacts, preparation of the RAP, and its updating were planned to ensure that a final, implementation-ready RAP, based on the final detailed design, is available prior to the award of the civil works contract, and that compensation is paid before any displacement and commencement of civil works. This final RAP has been prepared based on the final design, which includes upgrading the existing road through widening and rehabilitation while following the existing ROW.

The assessed LAR impacts and the inventory of lost assets currently encroaching within the existing ROW of N-5 for the Ranipur- Rohri (70 km) section will be verified and, where necessary, updated by the CSC during design review following the detailed design of the proposed subproject. Preparation of this final RAP enables the securing of RAP funds and the establishment of fully operational RAP implementation units. Details on implementation arrangements, including timelines, are provided in the subheadings below. Implementation of the RAP will proceed after its approval by AIIB and prior to the award and/or mobilization of the civil works contractor.

12.3 RAP IMPLEMENTATION

The NHA-endorsed Final RAP will be submitted to AIIB for review and acceptance. Meanwhile, the required LAR finances and Institutional set-up for RAP implementation and monitoring will be put in place at the PIU-HQ and RIU to facilitate RAP implementation and monitoring of the RAP. After AIIB's concurrence, the RAP will be disclosed on the NHA's website, and copies will be placed in the subproject and relevant government offices along the subproject road. The translated RAP summary will be delivered to the AHs who are losing their assets and income sources. With the disclosure of the approved RAP, the compensation payment process will start. The PAPs will be coordinated and informed on the compensation payment mechanism, and the grievances redress mechanism available, subproject-based, to address their concerns and complaints for review and redress. For the timely implementation of the RAP, the main tasks to be performed will include: i) establishment of a fully functional ESC and subproject-based grievance redress system; ii) ensure timely allocation and transfer of LAR funds in the subproject assignment account; iii) processing of claims and payment of compensation for affected assets and applicable resettlement and rehabilitation costs to all the entitled PAPs; iv) continued consultations and redress of grievances and complaints if any;



vi) removal of structures/assets for which compensation is paid and clearance of ROW as well as handing over the ROW free from encumbrance to contractor for commencing works. All the RAP implementation activities will be tracked and monitored to ensure the RAP implementation is completed as scheduled and RAP monitoring reports are prepared and shared with the EA and the AIIB.

IMPLEMENTATION SCHEDULE

Activities/ Milestones	Responsibility	Timeline															
		2025		2026								2027					
		Q 4		Q 1	Q 2	Q 3	Q 4					Q 1	Q 2				
PHASE-1: Preparation and approval of the Final RAP with Staggered Implementation Approach																	
Final RAP prepared and submitted to AIBB for review/concurrence	PIU-HQ, & LAR Consultant.																
AIBB's review comments incorporated and Final RAP accepted and disclosed in NHA and AIBB websites.	PIU-HQ, & AIBB																
AIBB Accepted Final RAP disclosed on NHA website. Hard copies placed in the project office and Final RAP disclosure summary translated into Urdu and disseminated to AHBs.	PIU-HQ																
The Project account opened and LAR costs as of approved RAP released and placed in project assignment account	PIU-HQ/ NHA																
PHASE-2: Final RAP Implementation and Monitoring																	
RIU including E&S staff fully established and grievance redress system in place and TPV engaged	RIU/PIU-HQ																
Summary of Final RAP distributed to the AHBs losing their assets and income sources established within the ROW.	RIU/E&S Staff																
PAPs approached and informed about payment and grievance redress mechanisms and advised for submission of claims	RIU/LAR Staff																
Compensation disbursement started and completed.	NHA Finance Wing/PIU-HQ & the RIU																
Final RAP implementation confirmed and external monitor's RAP compliance report reviewed and accepted by AIBB	RIU/PIU-HQ, TPV and AIBB																
Civil work contract awarded	PIU-HQ																
ROW handed over to contractor for commencing works	RIU, SC and Contractor																
Consultations and grievances recorded and resolved.	RIU GRC and PIU-HQ																
RAP Progress Monitoring and Reporting																	
Internal monitoring reports	RIU/PIU-HQ																
Submission of bi-annual TPV/external monitoring reports to AIBB	TPV																



The internal monitoring and reporting requirement start immediately with RAP implementation process and continues until the end of the RAP implementation is completed in all respects. The Social Safeguard Specialist mobilized through the supervision consultant will assist the RIU in RAP implementation and monitoring of RAP progress and compile and share periodic progress and monitoring reports with NHA (ESC/EALS) and AIIB. The table below indicates some key RAP implementation activities with tentative timeline. The RAP finalization activities with tentative timelines and responsibilities are summarized in **Table 12.1**.

Table 12.1: Implementation of final RAP and clearance of ROW

Sr. No.	Key actions for Implementation of Final RAP and Contract Award.	Timeline	Responsibility
1	RAP implementation/monitoring set-up of RIU is in place and functional.	1 st Quarter of 2026	PIU-HQ/RIUNHA
2	Final RAP prepared, approved by AIIB, disclosed, and RAP costs released to RIU.	1 st and 2 nd Quarter of 2026	PIU-HQ/RIUNHA
3	External monitor engagement and Mobilization.	2 nd Quarter of 2026	PIU-HQ/RIUNHA
4	Compensation payment for encroached assets (within ROW) completed.	2 nd Quarter of 2026	PIU-HQ/RIUNHA
6	Civil works contract award signing.	2 nd Quarter of 2026	PIU-HQ
7	Full implementation of RAP confirmed by the external monitor, and construction allowed.	2 nd Quarter of 2026	RIU/Contractor

12.4 RAP MONITORING

The RAP monitoring will be started immediately when AIIB-accepted final and implementation ready RAP is disclosed for implementation. The day-to-day RAP implementation activities will be monitored internally by the RIU to keep track of RAP implementation progress and make necessary adjustments to ensure RAP implementation is completed as planned. Periodic internal monitoring reports will be prepared and shared with the ESC/EALS and AIIB and will be disclosed on NHA and AIIB websites regularly. An external monitor/TPV will be engaged to conduct external monitoring of the RAP implementation progress, assess the achievement of RAP objective and suggest corrective measures to be implemented to ensure subproject implementation is compliant with the provisions of the RPF and AIIB's ESF requirements. The TPV will start its monitoring from the start of RAP implementation and submit periodic reports on bi-annual basis until complete implementation of the subproject..



13 MONITORING AND REPORTING

13.1 OVERVIEW

The successful implementation of a resettlement plan depends on effective resettlement management, close monitoring, and effective supervision.

The major objectives of monitoring and evaluation are to (i) ascertain whether activities are progressing as per the schedule and the specified timelines are being met; (ii) assess if compensation and rehabilitation measures are sufficient; (iii) identify problems or potential issues; (iv) identify methods and corrective actions to rapidly mitigate any problems and (v) ensure that RAP objectives are met with and the standards of living of AHs are restored or improved; (vi) collect gender disaggregated information to monitor the day-to-day resettlement activities of the subproject through the following (a) review of subproject information for all PAPs; (b) consultation and informal interviews with PAPs; (c) Key informant interviews ;and,(d)Community public meetings.

Monitoring will involve (i) compliance monitoring to ensure that all compensation and other entitlements are provided on schedule and problems are dealt with on a timely basis; (ii) The social impacts monitoring of the subproject to assess whether AHs are able to restore and preferably improve the pre-subproject living standards, incomes, and productive capacity utilizing baseline information/data on the socio-economic assessment of the AHs; and (iii) overall monitoring to assess the status of AHs and achieved compliance levels.

The LAR tasks will be monitored internally and externally. Regular monitoring of RAP implementation activities will be carried out internally by PIU-HQ and EALS through ESC and RIU through E&S staff. The RIU and PIU-HQ will provide AIIB with an effective basis for assessing resettlement progress and identifying potential difficulties and problems related to scope, the subproject's risks, and impacts.

13.2 INTERNAL MONITORING

The RAP implementation and safeguards management activities for the subproject will be subject to internal monitoring and evaluation. Internal monitoring will include day-to-day tracking progress about LAR planning and implementation activities including compensation payment progress, consultation, and community feedback campaigns launched, resettlement, rehabilitation and income restoration measures implemented, community concerns and grievances recorded and resolved, and corrective actions implemented, etc. Close monitoring of RAP implementation progress will assist to identify and resolve the impediments and ensure timely delivery of compensation and resolution of matter of concerns for PAPs and other stakeholders. Compliance with the agreed policies and procedures for the resettlement will be ensured through: (i) timely approval, allocation, and disbursement of compensation payments to affected households (AHs), including, where required, supplemental compensation for additional and/or unforeseen losses; and (ii) implementation of remedial actions, as necessary. The RIU will be responsible for internal monitoring and will share RAP implementation progress and periodic monitoring reports with the PIU-HQ and AIIB. The

census of AHs and the inventory of losses (IOL) will serve as the baseline for monitoring RAP implementation progress. At the RIU level, the environmental and social (E&S) staff will manage and maintain the land acquisition and resettlement (LAR) database, including quantified data on affected assets by type, census details of project-affected persons (PAPs), and compensation entitlements, along with payment progress against approved entitlements and payable costs to each PAP.

Potential monitoring indicators, from which project-specific indicators will be developed and refined based on the census and IOL, are presented in **Table 13.1**.

Table 13-1: Monitoring Indicators for Internal Monitoring

Monitoring Aspects	Monitoring Indicators
Institutional set-up and resource allocation	• RAP implementation and monitoring institutional set-up in place. • Budgeted RAP costs released and placed at disposal LAR implementation entities. • Grievance redress mechanism established and explained to the PAPs and affected communities. • Coordination initiative implemented and affected persons committees notified for continued consultations and participation of PAPs in RAP implementation and monitoring.
Delivery of Entitlements	• Compensation entitlements disbursed, compared with number and category of losses set out in the entitlement matrix. • Relocation and rehabilitation costs and income restoration support provided as per entitlements and schedule • Social infrastructure and services restored as and where required. • Entitlements against lost business including transitional support to re-establish enterprises delivered. • Income and livelihood restoration activities being implemented as set out in the income restoration plan.
Restoration of living standard and income	• Affected residential structures reconstructed/restored at relocation sites outside ROW limits. • Impacted business structures (shops/stalls) constructed/relocated outside construction limits and business/income activity restored. • Number and percentage of affected persons covered under livelihood restoration and rehabilitation programs (women, men, and vulnerable groups). • Number of affected persons who have restored their income and livelihood patterns (women, men, and vulnerable groups). • No of PAPs (especially vulnerable) provided opportunities in project related employment.
Consultation and Grievances	• Consultations organized as scheduled including meetings, groups, and community activities. • RAP disclosure and information dissemination activities implemented and knowledge of entitlements by the affected persons. • Community awareness about grievance redresses mechanism and its use. • Progress on grievances recorded and resolved including information dissemination to AHs on the resolution of the grievances.



Monitoring Aspects	Monitoring Indicators
	Information on implementation of special measures for vulnerable groups including Indigenous Peoples (if any).
Communications and Participation	- Number of meetings held with PAPs (male and female) to explain RAP provisions, grievance redress mechanism and compensation disbursement mechanism. - Assessment about Level of information communicated—adequate or inadequate. - Number of PAPs (male and female) participated in the meetings. - Number of meetings and consultations held with vulnerable and indigenous people (if any) with number of participants and level of information communicated.
Benefit Monitoring	- Compared to pre-project situation. - Changes noticed in patterns of occupation and resource use. - Changes observed in cost of living, income and expenditure patterns. - Changes access level and frequency with respect to social and cultural parameters. - Changes observed for vulnerable groups and IP (if any).

Following are the Term of Reference (ToRs) for the Internal Monitor:

1. Develop and review process indicators, which include project inputs, expenditures, staff deployments, etc.
2. Output indicators are results in terms of the number of affected persons compensated and mitigated, incomes restored, additional assistance provided, etc.
3. Impact indicators related to the long-term effects/benefits of the project on people's lives in the project-affected area.
4. Ascertain the methods and approaches developed to collect the project-related information,
5. Review the methodology, census survey data, sampling frames, arrangements made to collect and analyze that data, evaluate the quality control systems, recording and reporting systems adopted during the Project implementation, and periodic reporting.
6. Review internal monitoring records as a basis for identifying any areas of non-compliance, any recurrent problems, or potentially disadvantaged groups or AH.
7. Review grievance records for evidence of significant non-compliance or recurrent poor performance in resettlement implementation.
8. Discussions with the relevant Government Departments and others involved in acquisition, compensation disbursement, or livelihood restoration to review progress and identify critical issues.
9. Survey affected households and enterprises to gauge the extent to which the Project affected people's standard of living and livelihoods have been restored or enhanced as a result of the Project.
10. Evaluate the level of interaction and participation of the stakeholders, especially the affected persons or their organization, in the monitoring and evaluation process.
11. Develop, advise, and specify on the time frame fixed for the conduction of monitoring and evaluation, also prepare a schedule of activities for the monitoring and evaluation process.



12. Prepare a summary compliance report for EA on resettlement progress, any issues arising, and any necessary corrective actions.
13. Compilation of internal monitoring reports.

13.3 EXTERNAL MONITORING

NHA, through the PIU–HQ, will engage the services of an external monitor and/or an independent monitoring consultant who has not been involved in or associated with any aspect of subproject implementation to conduct external monitoring and evaluation of RAP implementation. The external monitor will carry out periodic monitoring of the RAP and submit monitoring reports to NHA and AIIB on a semi-annual basis, or at a frequency agreed upon with AIIB.

The external monitor will verify the progress of RAP implementation and assess the achievement of RAP objectives and compliance with AIIB's ESS-2 requirements. This will be accomplished through a review of RAP implementation progress reports, periodic internal monitoring reports, consultations with project-affected persons (PAPs) and other stakeholders, and impact assessments based on field surveys.

The key tasks of the external monitor include:

- Review and verify internal monitoring reports prepared by RIU E&S staff;
- Validate the RAP implementation progress reported in IMRs and assess the achieved level of RAP implementation progress, issues impeding RAP implementation, and actions required to improve the safeguards management;
- Review and assess compensation, relocation, rehabilitation, and income restoration measures provided in the RAP and establish benchmark indicators for assessment and evaluation of the level to which the RAP objectives are accomplished.
- Review baseline information on socio-economic assessment, census, and inventory of losses of displaced persons and establish benchmark indicators for impact assessment through formal and informal surveys with the AHs;
- Consult PAPs, officials, and community leaders and assess the level of information dissemination activities implemented, awareness and access level of PAPs and communities to subproject-based grievance redress and complaints handling systems;
- Assess resettlement efficiency, effectiveness, impact, and sustainability, drawing lessons for future resettlement policy formulation and planning; and
- Suggest actions for addressing the issues if any and corrective measures to be implemented by the EA to ensure the safeguards management is fully consistent with RPF provisions and AIIB's ESS-2.

The key monitoring indicators to be considered during the external monitoring for the RAP implementation as reflected in **Table 13.2**.

Table 13-2: Monitoring Indicators for External Monitor

Monitoring Indicator	Basis for Indicator
Basic information on affected persons' households (Gender disaggregated data essential for all aspects)	• Subproject location including description on subproject intervention and IR impacts. • Composition and structure, ages, educational, and skill levels with gender of household Head.

Monitoring Indicator	Basis for Indicator
	- Vulnerable households and indigenous groups (if any). - Land and other resource-owning and resource-using patterns. - Occupations and employment patterns and income sources and levels. - Participation in neighborhood or community groups and access to cultural sites and events.
Compensation payment and restoration of living standards	- Have the compensation for acquired assets including land, structures and other assets been delivered? - Were sufficient replacement land available and compensation payments sufficient to replace lost assets? - Were house compensation payments made free of depreciation, fees, or transfer costs to the displaced persons? - Have perceptions of community been restored? - Have displaced persons achieved replacement of affected assets particularly residential, commercial, and productive assets and key social and cultural elements?
Restoration of livelihoods (Disaggregate data for affected persons moving to group resettlement sites, self-relocating displaced persons, affected persons with enterprises affected)	- Was the compensation for affected enterprise sufficient for re-establishing enterprises and production? - Have affected enterprises received sufficient assistance to re-establish themselves? - Have vulnerable groups been provided income-earning opportunities? - Are these opportunities effective and sustainable? - Do jobs provided to restore pre-subproject income levels and living standards? - Were the income levels of AHs improved and/or restored as compared to SES baseline data?
Information and satisfaction levels of affected persons'	- How much do the affected persons know about resettlement procedures and entitlements? - Do the affected persons know their entitlements and aware on whether these have been met? - What is the perception of affected persons about the extent and level to which their living standards and livelihoods have been restored? - How much do the affected persons know about grievance procedures and conflict resolution procedures?
Effectiveness of resettlement planning	- Were the affected persons and their assets correctly enumerated? - Was the timeframe and budget sufficient to meet objectives, were there institutional constraints? - Were entitlements based on replacement costs and adequate for rehabilitation and restoration of the AHs? - Were vulnerable groups identified and assisted adequately? - How did resettlement implementers deal with unforeseen problems?

Based on the external monitor's report, if significant issues are identified, a corrective action plan (CAP) to take corrective measures will be prepared, reviewed, and approved by AIIB and disclosed to affected persons. The CAP implementation progress will also be reviewed and monitored by the external monitor and will be made part of the subsequent monitoring reports.



The external monitor will also confirm and validate the implementation of RAP as a precondition for allowing the commencement of civil works. Internal and external monitoring and reporting will continue until all LAR activities have been completed.

In addition to the above-defined monitoring mechanism, the AIIB will also keep a close oversight of the subproject implementation under the facility and will keep monitoring the subproject on an ongoing basis by launching safeguards review missions until a subproject completion report is issued.

13.4 REPORTING REQUIREMENTS AND DISCLOSURE OF MONITORING REPORTS

When compensation and allowances have been completed, the PIU-HQ (with support from the SC) will submit a RAP implementation completion report for the specific section. The RAP implementation completion report will be reviewed by an external monitor who will independently verify in the field. The external monitor will prepare a RAP implementation compliance report and endorse handing over of confirmed sites for commencing civil works. Following AIIB review of the RAP implementation compliance report, no-objection will be issued on handing over of sections to the civil works contractor. Both RAP implementation completion reports and RAP implementation compliance reports will be disclosed on AIIB and NHA websites as and when cleared by AIIB. The external monitor will also identify and indicate the compliance gaps (if any), corrective measure needed and monitor the implementation progress on corrective action plans executed for addressing the noted compliance gaps.

Throughout the project implementation period, NHA will prepare and submit internal monitoring reports to AIIB as part of project implementation performance monitoring. Such periodic monitoring reports (Internal) documenting progress on resettlement implementation will be prepared quarterly during RAP implementation and bi-annually after RAP implementation is completed by RIU and shall be submitted to AIIB through ESC/EALS for review and disclosure. Bi-annual external monitoring reports will also be prepared by the external monitor for NHA and AIIB review and disclosures. Within six months prior to project closing, a RAP completion report that summarizes the overall experience in RAP implementation and LAR related issues during project implementation and lessons learned which will be an input to the overall project completion report.