

# **Transport System Improvement Project (TRANSIP) (P151819)**

## **Addendum Resettlement Action Plan (RAP) Report**



**TRANSIP Project Implementation Unit (PIU)**

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# Contents

- 1 Introduction .....1
- 2 Identification and Categorization of PAPs .....4
- 3 Entitlement of PAPs.....8
- 4 Legal Policy and Administrative Framework .....14
- 5 Valuation for Compensation .....15
- 6 Proposed Compensation and Resettlement Supports .....17
- 7 Budget for the RAP Addendum .....34
- 8 Summary of the consultations with PAPs( Kebele and FHC PAPs):.....35
- 9 Grievance Redress Mechanism (GRM) .....37
- 10 Institutional arrangement .....38
- 11 Internal Monitoring and resettlement completion audit independent.....38
- 12 Implementation Schedule and Timing .....39

# 1 Introduction

## 1.1. Overview

The Addis Ababa City Transport Bureau (AATB), based on financing from the World Bank has planned to implement TRANSIP to improve the existing road and transport conditions of the city. As part of this program, the Corridor-1 Road construction sub-project (Bole Africa-St. to British Embassy area of the City) consisted a full rehabilitation of the existing 4.4km road, which will finally be integrated with the city wide ITS system for traffic management.

This road rehabilitation sub-project originates from Bole Avenue and terminates at British Embassy (4.4km). However, this corridor of road is treated in to two sections categorized with respect to the sub-City they are located and the phasing of implementation. The first section (Section-1) of the road is from 0+0000 to 1+500, which is in Yeka Sub-City covering two woredas (Wereda 07 and Wereda 08). Majority of the communities along this section of road corridor are of residents having minor commercial shops at front parts of some residents. This section of the road corridor has 6 meters right of way width serving as a two-way two-lane road with no medians and lacks pedestrian walkway and proper drainage system. This section has been planned for implementation through government budget in 2015/16, and 2015/16 and affected assets (fences/houses) have been compensated according to the government procedure. The second section (Section-2) of the road is from 1+500 to 4+400, which is located in Bole Sub-City covering two woredas (Wereda 03 and Wereda 04). This section of the corridor is with highly traffic congested area and lacks appropriate parking for taxis and buses. This section is well known for its commercial activities and is occupied with different types of businesses located along the roadside, which includes major hotels and business centres, shopping malls with cinema, and high-rise buildings occupied by businesses such as, banks, insurances and offices. It also has a multipurpose stadium after Edna mall roundabout, which is reported to have 60,000 seats.

The original Resettlement Action Plan (RAP)<sup>1</sup> for corridor – 1 sub-project was prepared by external consultant and approved by WB in October 2022, to address the identified social risk resulted from the land acquisition for the project activities and is under implementation for several months. The approved RAP covers the entire impact of the second section (section 2) and covers the impact of the first section (section 1) in due of possible design changes to widen the section of the road. Furthermore, the RAP contains the livelihood restoration

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<sup>1</sup> <https://documents.worldbank.org/en/publication/documents-reports/documentdetail/099115010242239094/p1518190cf52cc0cb0beee0b0dfce9230cd>

intervention (LRP) for the whole impacted informal business and special assistance for the vulnerable group with dedicated budget.

During implementation of the approved RAP several major challenges/issues emerged. These included the need to determine: (a) Conclusively the number of PAPs whose assets were fully impacted; (b) Fully compensate PAPs with assets which were Partially Impacted; (c) compensate PAPs for impacts of economic displacement, for FHC tenants as PAPs/Business owners; and (d) need to determine a compensation package for Kebele business owners in lieu of provision of replacement housing to continue their business. In April 2023 ACCRA PIU was advised to prepare a RAP addendum for the 2022 RAP to address these gaps.

Furthermore, claims from some of PAPs also convinced the Client to prepare the RAP Addendum for the original RAP.

## **1.2. Rational and Objectives for RAP Addendum**

This Addendum provides an update on the number and category of affected asset, households, level of impact and to create a base to compensate different category of PAPs for the impacted assets, for the lost stream income and other allowances. The purposes of this Addendum to the original RAP are therefore: -

- Ensuring all compensation entitlements of PAPs fulfills the WB's safeguard policy requirement (OP/BP 4.12 Involuntary Resettlement) and resettlement policy frameworks of TRANSIP.
- To provide update on the number, type category of affected asset households for a clear execution and monitoring of RAP implementation activities.
- To present an updated budget for implementation of the RAP addendum.

This RAP addendum report is prepared by TRANSIP Project Implementing Unit (PIU) in collaboration with Addis Ababa City Roads Authority (AACRA). The report provides an updated figure regarding affected properties and category of PAPs and other group, entitlement and compensation based on the disclosed Resettlement Policy Framework (RPF) for TRANSIP.

## **1.3. Scope of RAP Addendum**

This RAP Addendum shall be read with the originally approved RAP documents in 2022, all other issues not covered in this Addendum shall be treated as per statements of the original RAP document.

## **1.4. Procedures, Approaches and Methodology Adopted**

The following procedures, approaches and methodologies have been adopted in preparing this RAP addendum document.

- a) Consultation meetings were held between AACRA, PIU and Project Affected Peoples (PAPs) June 2023 to October 2023, through its comprehensive site visit.
- b) Following the decision to undertake the RAP addendum, various consultation meetings have held between AACRA, PIU and other stakeholders on how to prepare the RAP addendum. A core team led by ACCRA PIU has worked closely with the key stakeholders to address the data gaps in the approved 2022 RAP to prepare the 2023 RAP addendum.
- c) ACCRA has worked with Bole Sub-city and Woreda (7 &8) Land Management Units, Right of Way Engineers (RoW) from the AACRA, and the Contracting Engineer (CCECC) and Supervision Firm. Design and/or Compensation solutions have been agreed to by ACCRA and these key stakeholders to address the key right of way obstructions and agreed on design changes to minimize impacts. These included reducing the Bike paths and pedestrian walkways at two main intersections.
- d) The PIU and AACRA team, undertook an in-depth review of the approved RAP, TRANSIP's RPF, relevant government directives and guidelines as well as the World Bank OP 4.12 and then identified items that required updating to meet the requirements of the World Bank Operational policy (O.P.) 4.12 Involuntary Resettlement.
- e) Furthermore, PIU/AACRA team have conducted periodic site visits and consultations with the PAPs through individual interviews, arranged meetings with each of the relevant affected groups, including PAPs whose properties fully/partially affected FHC renters, kebele house renters, and PAPs who lost informal businesses.
- f) Alternative compensation options have been discussed and agreed to with the PAPs as individuals, and in group face-to-face meetings, and on the phone. The objective of the consultations was to brief PAPs on the compensation, assess the impact of the works on their residence and/or business, hear their views on the proposed compensation packages and secure their acceptance of the RAP offer and any other concerns. The RAP addendum has been prepared based on these discussions.
- g) In addition, consultations with relevant implementing bodies (Yeka & Bole Sub City Land Management, project woredas administrations and other relevant offices) aimed at updating the number of PAPs under each category, clarifying physical/economic displacement and facilitating the RAP implementation process, etc.

## 2 Identification and Categorization of PAPs

### 2.1. Identification of PAPs

#### a) Private Land Holders

Major Private land holder PAPs found in Section-1 part of the road corridor (British Embassy to Hayahulet road improvement section). Nevertheless, majority of its right of way (RoW) is wide open since PAPs and affected assets have been compensated and relocated as part of the previous AACRA plan before TRANSIP. However, further impacts on individual households' properties were identified due to additional land acquisition for widening of the road project.

The affected residential and business shop described are as follows: -

- Category A-1: One fully displaced (residential and business) private owned PAP (Ato Jemal Sani)
- Category A-2: One partially physical displacement of one PAPs due to partial loss of residential house (Ato Taye Derbe)
- Category A-2: One partial economic displacement of one household due to partial loss of shop (Weyneshet Tefera)

#### b) Federal Housing Corporation (FHC) Business Shop Renters

The Federal Housing Corporation (FHC) is a government body established with the purpose of constructing, renting and administer buildings for business residence and other purposes. In the original RAP, FHC has been identified as an impacted institute and timely compensated for its affected business shops rented for individuals. Following that, FHC has managed its renters by reaching a contract agreement with its renters in accordance with statements of their signed contract with its renters. FHC through its internal rules and procedures signs a contract with renters that requires they be given a one month's notice to vacate. Cash compensation was affected for FHC by the ACCRA for the demolished assets of the corporation. However, the approved RAP did not make provision for FHC tenants and doesn't cover any additional economic and resettlement allowances for its renters. This in turn is considered as one of the shortcomings in the entitlement of the original RAP. The FHC maintained it was not obliged to fully implement all the Bank's procedures nor to compensate PAPs accordingly.

A complaint was lodged against the FHC (February and March 2023). The complainants were FHC renters who alleged that they had not: (a) received any compensation from the Federal Housing Corporation (a government entity renting the shops); been given inadequate notice to vacate their business premises prior to their structures being demolished; and (c) and had not been properly consulted. Following receipt of the complaints from business renters of FHC, the PIU/AACRA/have understood that the FHC's subsequent action on

its renters was not complete in terms of some of the requirements of the WB's Operational Policy. For instance, the short notice provided by FHC for renters for eviction without adequate consultation, presence of involuntary resettlement of renters and absence of additional livelihood restoration supports have significantly impacted the renters and created major grievances.

Based on the World Bank OP 4.12 involuntary resettlement policy, these renters are considered as people impacted by the project and their involuntary relocation process must follow the procedures indicated in the Bank's Policy. Consequently, entitlements proposed in this RAP addendum are compensation to be made for the FHC business renters. This compensation is in addition to the demolished asset compensation made to for FHC in the original RAP.

For this purpose, renters of the FHC are categorised in to two categories: -

- Category B-1: PAPs whose business centres are fully impacted & have no residential house at the back of the business structure. In such regard, a total of 12 FHC renters (PAPs) are identified.
- Category B-2: PAPs whose rented business shops are fully impacted but have residential house rented from the FHC at the back of their business center and have restored their livelihood by constructing/ rehabilitating business shops at the back free space. In such regard, a total of 11 FHC renters (PAPs) are identified. Out of them, 8 renter PAPs have already constructed business house at the back free space while the remaining are under process to restore their livelihood.

### **c) Kebele houses Residential and Business Shop Renters**

Kebele houses are administered by the Addis Ababa Housing Development and Administration Bureau. In the original RAP, renters of Kebele houses were identified as PAPs. However, the original RAP had the following gaps:

- Original RAP did not identify the exact number of Kebele renters to be completely relocated and those to be maintained in place.
- Original RAP did not provide a clear compensation entitlement, specifically for livelihood restoration and lost stream of income for these kinds of PAPs.
- Original RAP did not identify categories for these kinds of PAPs according to the Project's impact on individuals.

Consequently, an entitlement proposed in this RAP addendum addresses the above gaps and incorporates additional support for this category of PAPs, to make the support compatible with the WB's OP 4.12 and the Resettlement Policy Framework (RPF) of TRANSIP.

For this purpose, there are four categories of Kebele house renters described as follows:

- Category A-3: PAPs who have rented Kebele residential houses. There are two PAP Households living in kebele houses whose homes will be fully impacted, meaning their residencies will be demolished. While their parents were provided with a two bedroom two-bedroom Kebele House, these two PAPs who were adults with families at the time living in the same compound were not considered under the approved 2022 RAP. The World Bank O.P. 4.12 Involuntary Resettlement accounts for organic growth and it has been determined that these households are eligible for compensation, including a replacement residential kebele houses. In such regard, a total of two (2) Kebele residential house renters (PAPs) are identified. (Ato Worku Teka and Ato Yonas Alemneh).
- Category B-3: PAPs whose commercial shop is partially impacted but who re-established their shops by their own effort. In such regard, a total of 3 Kebele commercial shop renter (PAP) are identified. Out of these, two (2) of them have managed the re-establish their businesses voluntarily due to insignificant rehabilitation impacts. Only one (1) PAP is identified as needing compensation in terms of covering rehabilitation cost and lost stream of income (Wro. Asgedech Kassi);
- Category B-4: PAPs whose commercial shops are to be fully impacted, to be compensated through City administrations local law provision requesting PAPs to be organized by forming corporative firm and those willing to form a corporative firm. In such regard, a total of 14 Kebele commercial shop renters (PAPs) are identified.
- Category B-5: PAPs whose commercial shops are to be fully impacted, those who are not willingly to be compensated through City administrations local law provision of requesting to be organized to form corporative firm. In such regard, a total of 5 Kebele commercial shop renters (PAPs) are identified.
- Category B-6: One residential PAPs partially displaced from his Kebele rented residential house (Mr. Tamgne Gemechu).

## **2.2. Summary of Figurative Data of PAPs**

Incorporating the identified additional impacts that were not considered in the original (approved) RAP, it is found that there are a total of 49 PAPs in which their individual assets (Private/FHC/Kebele residents, Private/FHC/Kebele business shops) are fully and/or partially impacted. Majority of the affected properties are business shops of the Federal Housing Corporation (FHC) and the tenants of Kebele shops. In addition, most business shops that were identified as partially impacted in the original RAP are now found to be impacted fully. Summary of affected household categories & affected asset based on the addendum study is presented below.



Table-3: Summary of PAPs

No	Description PAPs Category			No of PAPs	Remarks
	Owner	Type	Impact type		
<b>A. PAPs in section 1</b>					
A-1	Private	Residential + Commercial	Fully impacted	1	• [REDACTED]
A-2	Private	Residential + Commercial	Partially impacted	2	• [REDACTED]
A-3	Kebele	Residential	Fully impacted	2	• [REDACTED] • These PAPs were adults with families who were not considered for compensation. However, their Parents received compensation.
<i>Total PAPs in Section-1</i>				5	
<b>B. PAPs in section 2</b>					
B-1	FHC	Commercial	Fully impacted	12	• Compensated as per April 2023's consultation agreement, but not satisfying WB's requirement.
B-2	FHC	Commercial	Partially impacted	11	• These are FHC renters who moved back to the FHC residential house, which are in need of economic displacement compensation as per WB's requirement
B-3	Kebele	Commercial	Partially Impacted	1	• One PAP ([REDACTED]) has established her business at the back available space, is the only PAP who needs economic compensation. • Other two PAPs ([REDACTED]) have established their business at the back, but do not need economic compensation due to voluntariness and insignificant effort to reestablish their business. Therefore, only one Renter is considered as PAP
B-4	Kebele	Commercial	Fully impacted	14	• These are kebele shop renters, who have shown interest to be organized in a cooperative. • <b>NB:</b> becoming a member of the cooperatives only requires having renewed ID, trade license and volunteer to be a member. They will receive a lease.
B-5	Kebele	Commercial	Fully impacted	5	• kebele shop renters, who have not shown interest to be organized into a cooperative. • If these PAPs will to be organized in to cooperative, they entitlement to be covered with category B-4 above.

No	Description PAPs Category			No of PAPs	Remarks
	Owner	Type	Impact type		
					<ul style="list-style-type: none"> <li>• If these PAPs are permitted by respective body to be maintained in the available space, their entitlement to be covered with category B-3 above.</li> <li>• If these PAPs neither willing full to be compensated under B-4 nor permitted to stay there, they will be entitled in another category of economic compensation.</li> </ul>
B-6	Kebele	Residential	Partially Impacted	1	
<i>Total PAPs in Section-2</i>				44	
<b>Grand total for Section 1 and Section 2</b>				<b>49</b>	

### 3 Entitlement of PAPs

The approved RAP, based on the comparison between Ethiopian and World Bank OP4.12 policies on resettlement, developed an entitlement matrix. Even if most of the government procedures are in line with the OP 4.12, however, there are some differences on entitlement of some PAPs which were identified in the original RAP preparations and during the RAP updating processes.

The following table presents an updated entitlement matrix which bridges the gap between the requirements under Ethiopia land Law and the World Bank OP4.12, It provides a description of the type of impact, category of affected entities, and entitlement benefit. Every entitlement is carefully provided with analysis of the Project's impact on PAPs, with a reference of WB's OP 4.12.

Table -4: Updated entitlement matrix for affected PAPs

No	Type of Impact	Affected Person		Entitlement	
		Type	Category	Entitlement through local compensation law	Additional Entitlement need as per OP 4.12 of the WB
<b>A. PAPs under Section-1</b>					
1	PAPs to be displaced physically and economically, those to lose their full residence and commercial shops (income loss during the transition period)	Title Holder	A-1	<ul style="list-style-type: none"> <li>• Replacement land of 75 m<sup>2</sup></li> </ul>	<p>The following additional provisions are missed in the local law, specifically for land holders which their properties are visible on the 1997's (E.C) air map, but needed as per the WB's OP.</p> <ul style="list-style-type: none"> <li>• Cash compensation for affected building and other fixed assets, as any of such kinds of PAPs other than 1997's air map category;</li> <li>• 24 months (with a contingency of 100%) rental subsidy equivalent to the impacted house size, as any of such kinds of PAPs other than 1997's air map category;</li> <li>• Transportation allowance, as any of such kinds of PAPs other than 1997's air map category.</li> <li>• Psychological allowance, as any of such kinds of PAPs other than 1997's air map category.</li> <li>• Salvage right, as any of such kinds of PAPs other than 1997's air map category.</li> <li>• Cash compensation for lost stream of income for the transition period (three month).</li> </ul>
2	Partially Affected business shops which require asset compensation and livelihood	Title Holder	A-2-1	<ul style="list-style-type: none"> <li>• Cash compensation for affected assets, considering</li> </ul>	<ul style="list-style-type: none"> <li>• Shop relocation assistance, including costs of shifting and rehabilitation allowances.</li> <li>• cost and loss of stream income (2 month) Oct and Nov 2023</li> </ul>

Table -4: Updated entitlement matrix for affected PAPs

No	Type of Impact	Affected Person		Entitlement	
		Type	Category	Entitlement through local compensation law	Additional Entitlement need as per OP 4.12 of the WB
	restoration for lost income during restoration			market rates for materials.	
	Partially Affected residential house only requiring rehabilitation/reconstruction	Title holder	A-2-2	<ul style="list-style-type: none"> <li>Cash compensation for affected assets, considering market rates for materials</li> </ul>	-
3	Fully Affected PAPs, who are renters of Kebele Houses for residential purpose, compensated before TRANSIP, but compensation is found inadequate from WB's requirement view.	Kebele house PAPs not considered in original RAP ("squatters"	A-3	-	<ul style="list-style-type: none"> <li>Replacement of similar Kebele House</li> <li>Salvage right</li> <li>Transportation allowance, maximum of [REDACTED] or provision of transport lorry by Client</li> </ul> <p>❖ <i>The PAPs are expected to be relocated after compensation due to provision of replacement houses and other supports, following consultation and agreement with the PAPs;</i></p>
<b>B. PAPs under Section-2</b>					
1	Fully Affected PAPs, who are to be economically displaced (full loss of rented business shop)	FHC shop renters	B-1	<ul style="list-style-type: none"> <li>FHC office is entitled for cash compensation for FHC, to cover cost of affected assets; taking into account market rates for materials.</li> </ul>	<ul style="list-style-type: none"> <li>Fulfilling compensations as per the agreement reached with PAPs on April 2023 consultation (including 3 month of rental allowance as per their former rent, support letter and the 3 month's allowance to continue business till July 2023; all are fulfilled in time of preparing RAP addendum)</li> <li>To modify the rental cash compensation to be of six months based on the current</li> </ul>

Table -4: Updated entitlement matrix for affected PAPs

No	Type of Impact	Affected Person		Entitlement	
		Type	Category	Entitlement through local compensation law	Additional Entitlement need as per OP 4.12 of the WB
					<p>market price of FHC (the previously paid 3-month rental allowance to be deducted from the newly calculated amount)</p> <ul style="list-style-type: none"> <li>• For those renters who are not established their business till the first four month's up till July 2023, cash compensation for four months of lost stream of income based on the verified net income</li> <li>• For those renters who are not established their business till the first four month's up on July 2023, psychological allowance</li> </ul>
2	Partially Affected, whose residential house is not affected, but their business shops are affected which is in need of rehabilitation/reconstruction. (Shops in front of their FHC residential houses are affected)	FHC shop and residential house renters	B-2	<ul style="list-style-type: none"> <li>• The FHC office is entitled for cash compensation for FHC, to cover cost of affected assets, taking into account market rates for materials</li> </ul>	<ul style="list-style-type: none"> <li>• Amendment rental agreement with FHC for the reestablishment of their impacted business in the FHC residential houses</li> <li>• Reimbursement of the rehabilitation cost with current market price, or equivalently to the compensation paid for the FHC for the specific assets</li> <li>• Cash compensation for lost stream of income equivalent to two months of net income for those who established their business within two months after demolishing and four months for the remaining. Compensation for lost stream of income shall be based on the verified net income of PAPs</li> </ul>
3	Fully impacted Kebele shop in front of the Kebele residential houses (who desired to establish their	Kebele shop and residential house renters	B-3	-	<ul style="list-style-type: none"> <li>• Reimbursement of the cost incurred for rehabilitation activities based on the available valid receipts.</li> <li>• Cash compensation for lost stream of income for the transition period.</li> </ul>

Table -4: Updated entitlement matrix for affected PAPs

No	Type of Impact	Affected Person		Entitlement	
		Type	Category	Entitlement through local compensation law	Additional Entitlement need as per OP 4.12 of the WB
	business in the front space of the Kebele house				compensation lost stream of income shall be based on the verified net income
4	Fully impacted Kebele shop renters who are to be organized into cooperative firm	Kebele shop renters	B-4	<ul style="list-style-type: none"> <li>• Provision of replacement business land, considering 25m<sup>2</sup> for each, forming business cooperative firm</li> <li>• Transportation allowance [REDACTED]</li> <li>• Physiological impact support/allowance [REDACTED]</li> </ul>	<ul style="list-style-type: none"> <li>• Cash compensation for the lost stream of the verified net income for three months of transition period</li> <li>• Salvage right for structures constructed by their own</li> <li>• Support letter (up on request of PAPs) to get permission for temporary shops in the newly provided area (conditions and decisions to be made by respected governmental body)</li> <li>• Support letter (up on request of PAPs) to access a financial institution.</li> <li>• The space of 25 sq meters is significantly larger than most of the shops Kebele PAPs are vacating. <i>The PAPs are expected to be relocated after compensation due to provision of replacement land, lost stream of incomes and other supports following consultation and agreement with the PAPs;</i></li> <li>❖ <i>The Cooperative will receive a lease document in its name.</i></li> </ul>
5	Fully impacted kebele shop renter who do not want to be part of the cooperative, and not permitted to remained there	Kebele shop renters	B-5	-	<ul style="list-style-type: none"> <li>• If these PAPs will to be organized in to cooperative, they entitlement to be covered with category B-4 above</li> <li>• If these PAPs are permitted by respective body to be maintained in the available space, they entitlement to be covered with category B-3 above</li> </ul>

Table -4: Updated entitlement matrix for affected PAPs

No	Type of Impact	Affected Person		Entitlement	
		Type	Category	Entitlement through local compensation law	Additional Entitlement need as per OP 4.12 of the WB
					<ul style="list-style-type: none"> <li>• If these PAPs neither willingly to be compensated under category B-4 nor permitted to stay there, they will be entitled for a Six-month rental subsidy based on the market price for m<sup>2</sup> in the area. They are still operating their businesses.</li> <li>❖ <i>The PAPs are expected to be relocated after compensation due to provision of lost stream of incomes or rental subsidiary and other supports, following consultation and agreement with the PAPs;</i></li> </ul>

## **4 Legal Policy and Administrative Framework**

Legal frameworks of the Federal Democratic Republic Government of Ethiopia and Addis Ababa City Administration (AACA) relevant proclamations, regulations, guidelines, have been considered in the original RAP of Corridor -1- approved in October 2022 and are relevant for this RAP addendum. In addition to the local compensations, this RAP addendum is prepared based on the references made to the WB Operational Policy on Involuntary Resettlement OP 4.12. Further policy and administrative framework information are discussed in the original RAP document.

AACG regulation No 79/2014 on compensation and replacement and rehabilitation of affected persons due to expropriation of land is relevant to address the identified resettlement issues of the corridor. This is regulation is a legislation that aims to regulate various aspects of urban development and land use in the city of Addis Ababa, Ethiopia. The regulation covers a range of areas including zoning and land use classification, building standards, environmental protection, and the preservation of historical sites. It sets guidelines for the development and construction of buildings, ensuring safety and adherence to certain standards. Additionally, the regulation promotes sustainable development practices, encourages the preservation of green spaces, and regulates the use of public infrastructure. Overall, it serves as a comprehensive framework to guide the growth and development of Addis Ababa in a sustainable and organized manner.

Regarding on some outstanding issues in the project, the regulation 79/2014 brings resolution for major issues. For instance, with regard to fully displaced Kebele residential house owners, the regulation provides that they will be entitled to receive a replacement house in condominium building, or a similar Kebele house. Additionally, they will receive support to help them cope with psychological and social discontinuity as well as transport assistance. Likewise for Kebele Business House owners who are fully displaced, they will be entitled to receive 25m<sup>2</sup> of replacement land, which will be established with the corporative association. Similarly, they will also receive support for psychological and social discontinuity, as well as transport assistance.

On the other hand, according to the regulation for the land possessed between May 1988 to April 1997 EC the fully impacted PAPs are only entitled for replacement land based on the city administration land allocation principle without compensation payment for the affected assets. Even if cash compensation for land holding PAPs under this category is not supported by the regulation 79/2014, the RAP addendum has considered the WB's resettlement requirement for such kinds of PAPs, to be eligible for other compensation packages indicated in the entitlement matrix.



NB: other regulations and proclamations that are relevant to the original RAP are also relevant to this RAP addendum.

## **5 Valuation for Compensation**

### **5.1. General**

The strategy adopted for compensation of the affected properties / assets majorly follows the Federal Government proclamation No. 1161/2019, Regulation No.472/2020 and Addis Ababa City Administration Directives 19/2013/14. In addition to the FDRE & Regional Governments laws and regulations, TRANSIP's RPF and WB policies are adopted in the process setting procedures for compensation payment. Basis of compensation for land, structures, business, fixed improvements and other temporary impacts are based on, among other things, current market valuation, production & productivity valuation, material and labour valuation, disposition of salvage materials and other fees paid. The responsibility to assess assets and assign compensation values lie with the respected land administration offices at Sub city level.

Furthermore: -

- Compensations for temporary impacts are calculated based on the criterion/principles of the Bank's operational policies.
- Compensation equivalent to lost income of some PAPs are calculated by considering the exact duration of impact that the project resulted on PAPs as well as collecting data from respective government offices.
- Physical restoration/ rehabilitation of assets as per the available data.

In addition, some PAPs are entitled to transitional assistance which includes moving expenses, temporary residence (if necessary), and compensation for loss of social ties and psychological impact and moral damage at a lump sum amount.

In this RAP, the methodology for valuing assets is based on at Full Replacement Cost principle. Compensation will be based on current Full Replacement cost and will be sufficient to replace assets, plus necessary transaction costs associated with asset replacement. Replacement costs are taken as a minimum estimate of the value of measures that will reduce the damage or improve on-site management practices and thereby prevent damage.

The replacement cost approach involves:

- direct replacement of expropriated assets and covers an amount that is sufficient for asset replacement,
- net depreciation (depreciation should not be considered),
- moving expenses, and
- Other transaction costs including administrative and title deed costs.

Similarly, World Bank’s OP 4.12 defines replacement cost, “method of valuation of assets that helps determine the amount sufficient to replace lost assets and cover transition costs. In applying this method of valuation, depreciation of structures and assets should not be taken into account.”

## 5.2. Basis for Valuation

The basis for the valuation of affected assets and properties is as per TRANSIP’s RPF and technical procedures of Sub-Cities. As a mandated organ, the exact valuation of affected assets, properties and lost incomes is to be carried out by property valuation committee, and led by Sub-Cities according to Proclamation No. 1161/2019. The Addis Ababa City Government also has issued directive No.19/2013/14 to be used as valuation method for replacement of land for housing, business, and others. This RAP addendum is prepared to direct a provision of entitlements for PAPs, to provide them adequate compensation for lost assets, properties, and incomes.

The cost indicated in this RAP addendum is through making use of all available data from respective governmental offices and PAPs, for budgeting purpose. However, cash compensation figures are subject to revision by the Sub Cities during RAP implementation, without affecting provision of entitles. This is due to valuations shall be comprehensively done and verified by respected valuation professionals of sub-cities.

## 5.3. Replacement of Land for Construction of Impacted Buildings and Assets

As per the Addis Ababa City Government directive No.19/2013/14 has set valuation method, criteria and methodology for the replacement of expropriated land used for the construction of impacted residential houses is shown below;

*Table-5: Replacement of land for the construction of residential houses*

<b>Size of the land to be expropriated in m<sup>2</sup></b>	<b>Replacement land at redevelopment area in m<sup>2</sup></b>	<b>Size of house to be allocated in condominium housing in m<sup>2</sup></b>	<b>Replacement land at the expansion area m<sup>2</sup></b>	<b>Type of building eligible</b>
50 and below	-	25	75 -in housing association	According to local development plan
51-100	-	30	90 in housing association	”
100-150	-	35	125	”
151-200	-	50	175	”
201-250	105	-	200	”
251-300	150	-	250	”
301-350	175	-	300	”
351-400	200	-	350	”

Table -6: Replacement of land for construction of buildings used for businesses

Size of the land taken in m <sup>2</sup>	Replacement land at redevelopment area in m <sup>2</sup>	Replacement in condominium housing in m <sup>2</sup>	Replacement land at the expansion area m <sup>2</sup>	Type of building
150 and below	-	50		According local development plan
151-250		75		"
251-350	150	-		"
351-450	200	-		"

## 6 Proposed Compensation and Resettlement Supports

### 6.1. Resettlement and compensation proposed for section -1-

a) Fully Impacted Residential and Business Private House (Physical and Economic Displacement): (PAP category A-1)

- There is only one (1) private owned house found in section-1 for full relocation.
- The name of PAP is Ato [REDACTED], address Wereda 08 of Yeka sub-City.
- The house has both residential rooms and additional one room currently used as running his business at front section, so that the PAP is to be impacted by the project both physically and economically.
- Therefore, the compensation entitlement for this PAP is analyzed as follows: -
  - Based on the city administration regulation, this PAP shall be provided 75 m<sup>2</sup> of replacement land and he is provided for optional sites.
  - Salvage right, as any of such kinds of PAPs other than 1997's air map category.
  - Furthermore, the following cash compensation allowances shall be provided for this PAP, as per the entitlement matrix indicated in this Addendum.

Table-7: cash compensation for PAP category A-1

No	Type of Cash compensation	Analysis of Compensation		Remark
		Description	Estimate of Total Cash (ETB)	
1	Cash compensation for affected building and other fixed assets, as any of such kinds of PAPs other than 1997's air map category	<u>Asset Valuation</u> CIS: 25.12m <sup>2</sup> Mud-house: 50.79m <sup>2</sup> HCB house: 5.6m <sup>2</sup> <u>Cost of the Asset</u> CIS: 3,053.59 ETB/m <sup>2</sup> Mud-house: 565.52 ETB/m <sup>2</sup>	[REDACTED]	Asset valuation is considered through technical estimation and considering the full replacement cost principle, based on data received from Yeka Sub-City. Valuation and compensation figures shall be verified and modified (if needed) by official sub-city valuers

No	Type of Cash compensation	Analysis of Compensation		Remark
		Description	Estimate of Total Cash (ETB)	
		HCB house: 751.88 ETB/m <sup>2</sup>		
2	24 months rental subsidy equivalent to the impacted house size, as any of such kinds of PAPs other than 1997's air map category	<u>House type for calculation</u> CIS: 25.12m <sup>2</sup> , Mud-house: 50.79m <sup>2</sup> , HCB house: 5.6m <sup>2</sup> , TOTAL area: 81.51m <sup>2</sup> <u>Rental Rate</u> 274.94ETB/m <sup>2</sup>		Rental subsidiary rate is considered through technical estimation, based on data received from Yeka Sub-City. Valuation and compensation figures shall be verified and modified (if needed) by official sub-city valuator. • For budgeting purpose, 100% contingency is considered.
3	Transportation allowance, as any of such kinds of PAPs other than 1997's air map category;	Transportation allowance is [REDACTED], as per the local law provision		-
4	Psychological allowance, as any of such kinds of PAPs other than 1997's air map category;	Psychological allowance is [REDACTED], as per the local law provision		-
5	Cash compensation for lost stream of income for the transition period	<u>Net Monthly Income</u> [REDACTED]/month <u>Time needed to reestablish</u> 3 month		Net income is considered through technical estimation, based on data received from the PAP. Cash compensation figures shall be verified and modified during RAP implementation (if needed)
<b>Total cash compensation, to be used for budget calculation</b>				

*b) Fully Impacted Kebele Renters for Residential Houses (Physical Displacement) (PAP category A-3)*

- There are two (2) Kebele house renters found in section-1 for full relocation.
- The name of PAPs is Ato [REDACTED], address Wereda 08 of Yeka sub-City;
- The houses are fully residential, so that the PAPs are to be impacted by the project only physically.

- PAPs are compensated before TRANSIP, with their parent families.
- Even though the provided replacement houses are not adequate based on the Bank policy, considering the regulation of the city administration, the client believes as these PAPs are properly compensated.
- WB has undertaken several discussions with all levels including with ACCRA head and officials of the Yeka sub city administration land management and woreda 08 officials. The Bank has understood there is difficulty with woreda office to provide further supports for these renters.
- However, the Bank Policy OP 4.12 requires that the PAPs be provided the following compensation entitlements:-
  - PAPs will be provided another replacement Kebele houses for their life (through special administration decision);
  - Salvage right, as any of such kinds formal Kebele renter PAPs;
  - Furthermore, transportation allowance of maximum [REDACTED] or provision of transportation lorry shall be provided by the Client.

c) Partially Impacted Private Residential and Business Houses (Economic Displacement) (PAP category A-2)

- There are two (2) private house owners found in section-1 for partial demolition.
- The name of PAPs is Ato [REDACTED], address Wereda 08 of Yeka sub-City;
- The house for [REDACTED] is residential with additional shop room for business purpose. Part of the house and one shop were demolished before five years. This PAP is again identified as a partially impacted private house and section of his house are marked to be demolished. T
- The house for [REDACTED] is to be impacted partially with significant economic displacement. This PAP has been identified as partially impacted private residential house. However, the PAP rented the front part of the residential house for shop and the project will fully demolish the shop of the PAP. Therefore, this PAP shall be provided cash compensation for its economic displacement.
- Therefore, the compensation entitlement for these PAPs is analyzed as follows:-
  - Ato [REDACTED] shall be provided for the value of demolished asset as per the provision of local regulation;

- For Ato [REDACTED], the cash compensations is analyzed as follows:-

Table-8: cash compensation for PAP category A-2

No	Type of Cash compensation	Analysis of Compensation		Remark
		Description	Total Cash (ETB)	
1	Partial loss of residential house (for [REDACTED])	For asset compensation as per the proclamation	[REDACTED]	Valuation is through technical estimation, using data from sub-city. Valuation and compensation figures shall be verified and modified (if needed) by official sub-city valuers
2	Partial loss of business shop (For [REDACTED])	For asset compensation as per the proclamation	[REDACTED]	Valuation is through technical estimation, using data from sub-city. Valuation and compensation figures shall be verified and modified (if needed) by official sub-city valuers
		For loss of stream income for 2 month	[REDACTED]	Monthly rental revenue of the PAP is identified as 6,000ETB. This figure shall be verified before payment
<b>Total cash compensation, to be used for budget calculation</b>			[REDACTED]	

NB: Compensation payments for physical asset (residential and business shop) for Ato Taye Derbie and Woynishet Tefera have already been compensated by AACRA. Therefore, the cash compensation figures will not be used for budgeting.

Table-9: Summary of cash compensation for section 1 PAPs

No	Name of the PAP	Description of the cash compensation	Amount in ETB
1	[REDACTED]	Compensation for the lost stream of income, assets and other allowance	[REDACTED]
2	[REDACTED]	Cash compensation for partially affected residential house asset	[REDACTED]
3	[REDACTED]	Cash compensation for partially affected business shop physical asset	[REDACTED]
		Cash compensation for the lost stream of income	[REDACTED]
4	[REDACTED]	Transportation allowance	[REDACTED]
5	[REDACTED]	>>	[REDACTED]
	<b>Total</b>		[REDACTED]

NB:

- As noted above compensation payment for physical asset (residential and business shop) for [REDACTED] have already been compensated by AACRA.
- Transportation allowance for [REDACTED] could be changed in terms of providing transportation lorry, for supporting their move.

## 6.2. Resettlement and compensation proposed for section-2

### a) Fully Impacted FHC Business Shop Renters (Economic Displacement) (PAP category B-1)

- There are twelve (12) FHC business shop renters found in section-2 for full relocation.
- The 13th FHC shop renter ( [REDACTED] ) was considered as fully impacted PAP, and later on became partially affected through re-establishment of her business in the remaining space;
- The name of PAPs is listed on table below, address all found in Wereda 04 of Bole sub-City;
- The shops used as running business so that the PAPs are fully impacted/displaced economically by the project;
- Therefore, the compensation entitlement for these PAPs is analyzed as follows:-
  - Based on the city administration regulation, Cash compensation for FHC, to cover cost of affected assets; taking into account market rates for materials (committed earlier, before preparation of this RAP addendum);
  - Cash compensation for six months of rental subsidy based on the current market price of FHC (as per the recent assessment for PAPs socio economic data).NB the three months rental subsidy based on the old rate transferred for the renters during the time of relocation will be deducted.
  - For those renters who are not established their business till the first four month's (August 1,2023 - November 30,2023), cash compensation for a four months of lost stream of income based on the verified net income (as per the recent assessment for PAPs socio economic data and recommendation of the Bank's safeguard team);
  - For those renters who are not established their business till the first four month's up on July 2023, psychological allowance (as per the recent assessment for PAPs socio economic data and recommendation of the Bank's safeguard team);
  - Salvage right for the demolished assets (committed earlier, before preparation of this RAP addendum);
  - Accordingly, the following cash compensation allowances shall be provided for this PAP, as per the entitlement matrix indicated in this Addendum;

Table-10: Six months rental subsidy payment for fully displaced FHC business shop renters based on the recent market price of FHC.

No .	Name of PAP	Sex	Types of business	Amount paid during displacement	Revised Rental Subsidiary as per latest market price				
					Size of the shops m <sup>2</sup>	Latest market price in m <sup>2</sup> of the FHC shop	6 months rental subsidy based on the latest market price	Deduct Amount paid during displacement	Total Remained Amount to be paid for PAPS
1									
2									
3									
4									
5									
6									
7									
8									
19									
10									
11									
12									
13									
<b>Total</b>									

NB: #12 renter ( ) has got the business area through competition from FHC, immediately after the first 3 month rental subsidiary and provision of supporting letter. Therefore, this PAP is not eligible for other compensation packages. The originally paid 3-month rental subsidiary is taken as transportation and psychology allowance;



*NB: #13 renter (██████████) was considered as fully relocated and received the rental subsidiary for the first 3 months. Later on became partially affected through re-establishment of her business in the remaining space and not eligible for other compensation packages. The originally paid 3-month rental subsidiary is taken as transportation and psychology allowance;*

Table-11: compensation for loss of stream income and physiological allowance

No	Name of PAP	Sex	Types of business	Monthly net income based on 2015 Income tax record	Months required to reestablish the business	Compensation for the lost stream of income	Cash Compensation for Psychological Allowance	Total Additional Amount to be paid for PAPS
1	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
2	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
3	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
4	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
5	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
6	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
7	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
8	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
19	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
10	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
11	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
12	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
13	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	<b>Total</b>			[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Monthly Income amount for PAPs #7, 9 & 11 were taken from PAP's monthly income with similar area proportion and type of business

Table-12: Summary of cash compensations

No.	Name of PAPs	Sex	Types of business	Rental Subside		Lost Stream of Income and psychological compensation	Total Cash Compensation	
				Total	Unpaid		Total	Unpaid
1	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
2	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
3	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
4	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
5	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
6	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
7	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
8	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
9	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
10	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
11	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
12	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
13	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	<b>Total</b>			[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

*b) Partially Impacted FHC Renters (Those their business in the front is fully impacted and moved to the back) (PAP category B-2)*

- There are eleven (11) FHC business shop renters found in section-2 for partial relocation;
- Most of the PAPs (except [REDACTED], who both the front and the back houses are used for business) have provided permission from the FHC to change their FHC residential house at the back into business, as per the request and preference of the PAPs.
- Seven of the renters have reestablished their business in their residential houses and one PAP ([REDACTED]) has mixed his business in to the existing business at the back. All are provided the salvage right of the demolished assets and are in a better situation and happy on their new business.
- The remaining three renters are on progress of renovation and planned to commence their new business by mid of November 2023.
- Even though these PAPs were supposed to reestablish similar size of the impacted business, almost all of them have preferred to expand their business and reestablish a better and sustainable business. However, these renters were exposed for the restoration and rehabilitation cost and lost stream of income for few months.
- The name of PAPs is listed on table below, address all found in Wereda 04 of Bole sub-City;
- Therefore, the compensation entitlement for these PAPs is analyzed as follows:-
  - Reimbursement of the cost incurred by the rehabilitation and restoration activities (equivalent to the compensation paid for FHC for the specific impacted shop);
  - Compensation for the lost stream of income for the transition period from demolishing to the commencement of the new business;
- Accordingly, the following cash compensation allowances shall be provided for this PAP, as per the entitlement matrix indicated in this Addendum.

**b1) the cash compensation for PAPs to cover their cost of rehabilitation is analyzed as**

Table-13: The cash compensation for PAPs to cover their cost of rehabilitation.

No	Name of PAPs/HHs	sex	ID of affected house	Types of business	Cost of Rehabilitation	Remarks
1	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	
2	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	
3	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
4	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	
5	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	
6	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	
7	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	
8	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	
9	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
10	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
11	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
<b>Total</b>					[REDACTED]	

**Note that:**

1. The reimbursement is equivalent to the pre-displacement business (the compensation paid for the FHC for each renter shops is the base for the reimbursement amount and the payment will be made based on the legal receipt).
2. PAP #11, [REDACTED] (one of the renters from this category), was considered as fully impacted renters who have no space or residential house at the back and provided three months rental subsidy, salvage right and support letter from the government. However, the assessment team have identified that the renter has re-established her business in the remaining space immediately following the notification. Her legal representative [REDACTED] is currently running the Boutique business without problem with the revised rental agreement with the FHC. The renter used the provided three months rental subsidy for the renovation cost since the renovation took place immediately, the renter did not face lost stream of income. This renter will not be eligible for the renovation cost reimbursement and compensation for the lost stream of income.
3. FHC did not compensated for the demolished shop of PAP#10 ([REDACTED]) and PAP #4 ([REDACTED]). This is because of the shops were constructed in the area which was not permitted by FHC. Both have currently constructed their business shop in the

remaining free space of his FHC residential house premises. Thus, these PAPs are not included in the proposed reimbursement of the cost incurred by the rehabilitation cost.

**b-2) The cash compensation for PAPs to cover their lost stream of income for the period covering from demolishing to reestablishing the business.**

Most of the PAPs have restarted their new business within two months of time except the three PAP who are under rehabilitation stage. Two months of their estimated net profit will be provided to compensate the lost stream of income for the seven (7) renters who have started within two months of time. The remaining three (3) renters who are planning to commence their new business before mid-November 2023 will be provided equivalent to the four months of their lost stream of income.

Table-14: The cash compensation for PAPs to cover their lost stream of income.

No	Name of PAPs/HHs	sex	Types of business	Estimated monthly income	# Months of the lost stream of income.	Compensation for the loss stream of income.	Remark
1	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
2	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
3	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
4	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
5	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
6	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
7	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
8	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
9	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
10	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]					[REDACTED]	

Monthly income for PAPs no 1, 3, 8, 9 and 10 could not be found from respective government offices. For budgeting purpose, their monthly income is calculated by taking average value of income from other PAPs of similar business.

Table-15: Summary of Cash Compensation for the Partially Displaced FHC Shop Renters

No	Name of the Renters	Rehabilitation Cost to be Reimbursed	Compensation for the Lost Stream of Income	Total Cash Compensation
1	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
2	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
3	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
4	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
5	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
6	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
7	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
8	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
9	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
10	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	<b>Total</b>	[REDACTED]	[REDACTED]	[REDACTED]

c) Partially Impacted Kebele shop Renters (PAP category B-3)

- There are three (3) Kebele business shop renters found in section-2 for partial relocation;
- Two renters ([REDACTED]), both were working on Boutique business) have reestablished their business at the front section of their Kebele house. Currently they are happy and do not have interest to request the reimbursement of the cost incurred for rehabilitation and the lost stream of income for less than a month. Both have provided a written conformation for the project. Accordingly both of these PAPs will not be provided the restoration cost and the lost stream of income.
- However, the third PAP ([REDACTED]) is an elder that have disable child in the family member and found to provide additional support. Before the project's impact, the PAP has been working on the women boutique, but now forced to reestablish her shop using some the front section of the Kebele residential house. The reestablishment took

nearly four months and causes the PAP to lose four months to be restored in terms of income. Besides, the rehabilitation activity incurred some expenses. Considering the HHs situation and the level of impact this renter will be provided:-

- They were provided the salvage right;
- The reimbursement cost of the rehabilitation activity based on the available valid receipt and;
- The compensation for the lost stream of income for four months based on the verified information from the revenue office;

Consequently, the cash compensation for this PAP is analyzed as follows:-

Table-16: Reimbursement of the rehabilitation cost based on the available receipts.

No.	Name of PAPs/HHs	Sex	Types of the impacted business	Total rehabilitation cost based on the submitted receipt
1				

\* The rehabilitation cost of Asegedech Kasse is as per the scope of work observed on ground, considering expense receipts of the PAP and through engineering estimation.

Table-17: Compensation for the lost stream of income for four months

No.	Name of PAPs/HHs	Sex	Types of the impacted business	Estimated monthly income	# of months out of income	Total compensation for the lost stream of income
1						

Table-18: Summary of cash compensation

No.	Name of PAPs/HHs	Sex	Rehabilitation cost based on the submitted receipt	compensation for the lost stream of income	Total cash compensation
1					

*d) Fully Impacted Kebele Shop Renters, willing to be organized in a work cooperative firm (PAP category B-4)*

- There are fourteen (14) Kebele business shop renters found in section-2 for full relocation.
- As part of the compensation provision through local law, these PAPs will be organized to establish a work cooperative firm and each member of the cooperative will be provided 25m<sup>2</sup> as a replacement.



- Besides, all the PAPs will be also provided, loss stream of income for three months ( the estimated period that will cover from the time of demolishing the shop to the starting time of the new business), transportation allowance [REDACTED], psychological support equivalent to [REDACTED], and capacity building training.
- Consequently, the cash compensation for this PAP is analyzed as follows:-

Table-19: Compensation for the lost stream of income for four months

No	Name of PAPs/HHs	Sex	Types of the Impacted Business	Estimated Monthly Income	Estimated Time to Reestablish After Relocation	Lost Stream of Income	Remark
1	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
2	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	
3	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	
4	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	
5	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	
6	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	
7	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
8	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	
9	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	
10	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	
11	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	
12	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	
13	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	
14	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
			[REDACTED]			[REDACTED]	

NB:

- The shop of PAP #14 ([REDACTED]) is closed, and the owners is not around. The person did not pay income tax in the recent time and the TIN is closed in 2010 EC. Besides this shop is closed for several months before the coming of the project. Thus, the stream of income is not impacted by the Project.
- Monthly income for PAPs no 1 and 7 could not be found from respective government offices. For budgeting purpose, their monthly income are calculated by taking average value of income from other PAPs of similar business

Table-20: Compensation for the psychological and transportation allowances

No	Name of PAPs/HHs	Sex	Types of the Impacted Business	Psychosocial Allowance	Transportation Allowance	Lost Stream of Income for the Estimated Transition period
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
<b>Total</b>						

Table-21: Summary of the total cash compensation

No	Name of PAPs/HHs	Sex	Types of the Impacted Business	Three months Loss Stream of Income s	Transport and Psychological allowance	Total cash compensation
1						
2						
3						
4						
5						
6						

No	Name of PAPs/HHs	Sex	Types of the Impacted Business	Three months Loss Stream of Income s	Transport and Psychological allowance	Total cash compensation
7						
8						
9						
10						
11						
12						
13						
14						
	<b>Total</b>					

e) Fully Impacted Kebele Shop Renters, Not willing to be organized in a work cooperative firm (PAP category B-5)

- PAPs whose commercial shops are to be fully impacted, those who are not willingly to be compensated through City administrations local law provision of requesting to be organized to form corporative firm;
- The number of PAPs under this category are five (5);
- These PAPs will be provided the following compensations:-
- Option-1: If these PAPs agree to be organized in to cooperative, their entitlement to be covered with category B-4 above
- Option-2: If these PAPs are permitted by respective body to be maintained in the available space, their entitlement to be covered with category B-3 above
- Option-3: If these PAPs are neither willing to be compensated under category B-4 nor permitted to stay there, they will be entitled for a Six-month rental subsidy based on the market price for m2 in the area.

Accordingly, If Option-3 is to be mutually preferred by PAPs and the respective governmental body, the cash compensation for this PAP is analyzed as follows:-

*Table-22: Six months rental subsidy (If they decided to leave the area and not interested to be part of the cooperative)*

No	Name of PAPs/HHs	Sex	Types of the Impacted Business	Area in m <sup>2</sup>	Monthly estimate Rate /m <sup>2</sup>	Monthly Rental Rate	Number of Months to be Compensated	Total compensation for 6-month rental subsidy
1								
2								
3								
4								
5								

NB: the estimated monthly rental rate is found from the recent data from FHC renter, which is the same as the rate used for the rental subsidy of FHC renters (Mr. Samson Lemma)

f) Partially Impacted Kebele Residential House Renters (PAP category B-6)

Partially impacted residential Kebele house ( ). This PAP will be provided rehabilitation cost for the partially impacted kebele residential house which is estimated to . However, due to the frequent change of rehabilitation cost for construction materials, 100% contingency is considered only for budgeting purpose (for budgeting purpose, the RAP addendum considered ). Actual rehabilitation cost should be calculated based on the actual condition on ground during the activity.

N:B: This rehabilitation cost is through engineering estimation of major components of the affected asset (for the purpose of budgeting)

## 7 Budget for the RAP Addendum

The cost estimate and budget required for the implementation of this Addendum RAP are summarized below.

The cost and budget estimate is prepared on the basis of the requirement as compensation payment for affected PAPs, FHC, utilities owners and federal government bodies due to affected houses, fence, utilities and other affected properties. Moreover, livelihood restoration and rehabilitation measures for PAPs and also the budget required for administrative costs in the implementation of this Addendum RAP.

Table-23: Budget needed to implement RAP Addendum

No	Description of the compensation	No PAPs	Total cash compensation in ETB
1	Cash compensation and allowance for PAPs in section 1	5	██████████
2	Compensation for fully displaced FHC renters	12	██████████
3	Compensation for lost stream of income and rehabilitation cost economically displaced FHC renters who moved back to the FHC residential house	11	██████████
4	Compensation fully displaced Kebele shop renters (organized in cooperative)	14	██████████
5	Compensation for six months of rental subsidy fully displaced kebele shop renters (that are not organized in to cooperative)	5	██████████
6	Compensation for lost stream of income and rehabilitation cost reimbursement for the kebele shop renters (██████████) .	1	██████████
7	Compensation for the Partially impacted kebele house renter (██████████)	1	██████████
	<b>Total</b>	<b>49</b>	██████████
	Contingency (20%)		██████████
	<b>Grand total</b>		██████████

The total estimated cost including 20% contingency is ██████████

NB:

1. The net cash compensation for PAPs shall be verified by respective authority, thus there will be some change on the total amount of the compensation;
2. 20% of contingency is considered for the purpose of budgeting;

## 8 Summary of the consultations with PAPs( Kebele and FHC PAPs):

### a) Kebele PAPs Consultations:

In Bole sub city woreda 04, a total of 23 Kebele PAPs were identified and invited for consultations regarding the project implementation procedure and compensation entitlement. In consultation process key stakeholder including sub city and woreda house administration, Addis Ababa Land development and Administration Bureau, World Bank and PIU participated in consultation process. Among the PAPs, 12 were fully impacted with no free space at the back side. Two PAPs did not meet the requirements to cooperate with the fully impacted PAPs. Nine (9) PAPs were partially affected and wanted to stay in their current location. Out of these nine PAPs, three (3) had enough free space to

continue their business and residence. One (1) PAP had a residential Kebele house that was partially affected. Each PAPs expressed their views and suggestions on compensation entitlement, rules and regulations, alternative solutions, and challenges that face them. Overall, the PAPs supported the road development project initiated by the government. However, during the relocation process, they proposed and require assistance including: -

- Each PAPs require a site plan 25m2 before relocating,
- Ensuring that the replacement land is free from claim,
- Providing loan assistance for construction,
- Providing alternative business sites until construction is completed, and
- Assistance with the lost stream of income for at least one year.

On the other hand, there were 10 PAPs who wanted to stay in their current business shops and were not interested in taking the replacement land offered by the government. According to government representatives, six of these PAPs did not have sufficient land holdings to run their businesses. The government gave clear directions for these six PAPs to receive the allocated 25 m2 and cooperate with the fully impacted Kebele PAPs. However, these PAPs still insisted on not taking the replacement land. As an alternative organizing them into a cooperative and providing a 6-month rental allowance and vacated the current business shop without receiving the replacement land. Lastly, there was one PAP with a partially affected residential Kebele house. The PAP suggested that if the impact was minimal, he want to stay in their current place. However, if the impacts are high and led to full demolished, he prefers replacement condominium.

#### **b) Consultations with FHC PAPs:**

Consultations were undertaken with a total of 23 Kebele PAPs (12 fully affected and 9 partially affected) and 24 FHC PAPs (13 fully affected and 11 partially affected). Detailed discussions were held with the PAPs, and alternative options were also explored. For the 13 fully affected FHC business shops, initially, all of them were provided with a 3-month rental allowance, support letter, and 3-month notice period. However, two of the PAPs, [REDACTED] had different scenarios. [REDACTED] had signed an agreement after the cut-off date, and [REDACTED] was initially categorized as fully affected and compensated with a 3-month allowance but continued the remaining small portion of the business shop. According to information received from the PAPs during the consultation , except for [REDACTED], none of them had resumed their business yet. The PAPs also mentioned that finding rental houses in the Gola Gole area was extremely difficult, and some building owners required key fees, which the PAPs could not afford. According to government law, there was no provision for individual compensation for FHC PAPs; rather, the compensation was given to the client FHC. However, based on the PAPs' recommendation, they suggested that at least a 6-month rental allowance would help them continue

their businesses. The other category of FHC PAPs included those who had free space at the back side, a total of 10 (ten). These PAPs had previously shops in the front section, which were demolished due to the project. Some of them continued their business by rehabilitating on the remaining space. Out of these, seven PAPs continued their business, while the remaining (3) three planned to complete construction and reopen their businesses by the end of November 2033. For this PAPs group, there is no compensation that was given by the FHC as the client for the affected assets and rehabilitation expenses incurred. Therefore, the PAPs suggested that compensation should be provided to cover the costs of rehabilitation.

## **9 Grievance Redress Mechanism (GRM)**

TRANSIP has issued the GRM guideline in March 2019 with the principles of ensuring accountability and transparency to PAPs in particular and to the whole community of the city in general to ensure the rights of beneficiaries and PAPs including Gender Based Violence (GBV) cases. In accordance with the guideline, Grievance Redressing Committee (GRC) for Yeka Sub city, Woreda (07) & Woreda (08) and Bole Sub city Woreda (03) & Woreda (04) have been established at Land Administration Development offices. The GRC has nine (9) nominated members of the committee, among them the gender officer designated for GBV survivors' grievances. The members are from Land Management and Development Office, Council, Women`s and Children Office, Labor & Social Affairs, Environmental Protection & Green Development Office, Administration Attorney Office, Public Grievance and Complaint Reception Office and Land Management Commission.

Billboard banner have been displayed on selected five (5) location along the corridor-1 to create awareness and to broaden mode channel for complaints to respond their grievance timely. During RAP consultation with the affected community, the established GRM was also introduced.

Moreover, the Hotline GRM services operationalize through **Hotline call (9620)**, with full-time personnel deployed and trained and reside in ACCRA is also established by the project.

Thus, the implementation of this RAP Addendum will follow the existing grievance redressing procedure as stated in the already approved RAP. However, the client should regularly strengthen the system by capacity building, follow its functionality and accessibility and regularly report the GRM performance.

## **10 Institutional arrangement**

The approved RAP has clearly identified and presented in a comprehensive table that stipulated the tasks, institutions, and institutional responsibilities. This RAP Addendum will use similar institutional arrangement and procedure since there is no change regarding institutional arrangement.

Building on the existing institutional arrangement, the PIU will strengthen the coordination and collaboration of several actors, stakeholders for the smooth implementation of the RAP addendum. Biweekly and monthly stakeholders meeting will be conducted to review the implementation process of the RAP.

## **11 Internal Monitoring and resettlement completion audit independent**

This monitoring and evaluation process should be an integral part of this RAP and will be a device for overseeing the implementation of RAP and the extent to which it complies with the recommendations set out in the RAP.

The monitoring and evaluation process should be, as much as possible, participatory whereby all the stakeholders namely PAPs, AATB/PIU, AACRA, Woreda, Sub cities to be involved. The monitoring guide/checklist process and report shall consider gender and vulnerable group perspectives. Regular monitoring of the implementation of the RAP will be conducted by these stockholders, with strengthened coordination platform.

Internal monitoring will be the overall responsibility of the resettlement implementation agency (AACRA) in a close coordination with AATB/PIU and respected sub-cities. The day-to-day field supervision is to be conducted by the Consultant's safeguard staffs (sociologists and environmentalists) and reported in the monthly and quarterly progress reports to AATB/PIU, which are subject to review by AACRA. PIU's safeguard team in collaboration with AACRA's right of way team will inspect the RAP implementation activities in regular basis.

### **11.1. RAP completion audit by independent consultant**

As already indicated in the original RAP an independent consultant will be hired to conduct completion audit for the original RAP and the addendum.



## 12 Implementation Schedule and Timing

The required time to implement this RAP addendum activities of cash transfer for the compensation of the impacted assets, cash compensation for the lost stream of income, follow up to ensure the establishment of the impacted business as well as the implementation of the LRP and other special support approved in the approved RAP. All the compensation and resettlement actions for section 2 PAPs should be implemented before the commencement section 2 physical work.

Table-24: Implementation schedule and timing

No	Description of Activities	2023	
		Nov	Dec
1	Provided replacement land for PAP A-1 ( ), section-1		
2	Pay compensation for the affected assets, lost stream of income, all allowance and advance notification for the PAP A-1 ( ), section-1		
3	Relocate PAP A-1 ( ) to the new area, section-1		
4	Provided replacement kebele houses and advance notice for PAP A-3 (the two HHs) and relocate to the new place, section-1		
CL 1	WB's clearance for construction works of Section-1		
5	Provide the replacement land with plan for PAPs in category B-4		
6	Payment of all compensation for impacted assets and for lost stream of income and other allowances for FHC renters (PAP B-1)		
CL 2	WB's clearance for construction works of Section-2		
7	Grievance redress measures		
8	Monitoring and Evaluation		

N:B:

- For the purpose of expediting construction activities, construction works of section-1 will be cleared first
- All other compensation, including land, should be provided before works on Section 2 start.