

# Land Acquisition and Involuntary Resettlement Due Diligence Report

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## Bhutan: Green and Resilient Affordable Housing Sector Project

Prepared by National Housing Development Corporation Ltd. for the Asian Development Bank.

## **CURRENCY EQUIVALENTS**

(as of June 2021)

Currency unit	–	Bhutanese Ngultrum (Nu.)
Nu. 1.00	=	\$ 0.0137
\$1.00	=	Nu. 72.89

## **ABBREVIATIONS**

ADB	–	Asian Development Bank
AHDP	–	Affordable Housing Development Project
BHRM	–	Bhutan Resident Mission (of ADB)
BPC	–	Bhutan Power Corporation
COVID	–	Corona Virus Disease
DDR	–	Due Diligence Report
DPR	–	Detailed Project Report
FGD	–	Focus Group Discussion
FGD	–	Focus Group Discussions
GBV	–	Gender based Violence
GRC	–	Grievance Redressal Committee
GRM	–	Grievance Redress Mechanism
HSE	–	Health Safety Environment Officer
KHEL	–	Kholongchhu Hydro Energy Ltd.
NHDCL	–	National Housing Development Corporation Ltd.
NKRA	–	National Key Result Area
NOC	–	No Objection Certificate
PIC	–	Project Implementation Consultant
PIU	–	Project Implementation Unit
PMU	–	Project Management Unit
PSC	–	Project Steering Committee
ROW	–	right-of-way
SPS	–	Safeguard Policy Statement, 2009

## **NOTES**

In this report, "\$" refers to United States dollars.

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## I. INTRODUCTION

### A. Project Overview

1. The Green and Resilient Affordable Housing Project (GRAHSP) will assist the Royal Government of Bhutan (RGoB) to establish housing infrastructure (i.e., shelters and other facilities) and provide services i.e., business development, child care centers (crèches), to marginalized urban workers including survivors of gender based violence (GBV), vulnerable women (victims/survivors of violence, poor working mothers caring for children and marginalized informal sector workers) in Thimphu, Phuentsholing municipalities (*thromde*), and in Nganglam, Trashiyangtse and SamdrupJongkhar while also adopting climate adaptation and disaster risk reduction in housing projects. The Project is in line with ADB's Strategy 2030, the Country Partnership Strategy (2019-2023) and the 12th Five-Year Plan's national key result area (NKRA) of sustainable human settlements and gender equality. In the 12<sup>th</sup> Five Year Plan, one of the aims is to remove barriers (including Gender Based Violence) that limit the opportunities and potentials of women and girls by creating enabling policies and providing adequate support services<sup>1</sup>. The Project is also aligned with the Disaster Management Act (2013) and supports a systematic approach to disaster risk management.

2. The project investments will include: (1) housing for marginalized urban workers in Thimphu and Phuntsholing comprising of civil servants, workers from corporations and private companies who earn low incomes and for whom the affordable housing is intended. Housing will also be allocated to all Bhutanese who have re-settled in Phuntsholing from Jaigaon due to COVID-19. As an interim measure they are lodged in temporary housing at the Kidu<sup>2</sup> Colony at Amochhu, near Phuntsholing. (2) Integrated service centres in affordable housing colonies comprising of facilities with services such as crèches for working mothers (operated on PPP model), health services including awareness campaigns on preventive measures for COVID 19 infection and similar diseases, psychological counseling, legal assistance, court representation, police protection, temporary shelter, livelihood and employment skills development, and assistance in community reintegration to be operated by the National Commission for Women and Children, an autonomous agency in Bhutan. (3) investment in disaster and climate resilient designs and related technologies.

### B. Objectives and Scope of this Report

3. The proposed Trashiyangtse Bhutan Affordable Housing Subproject has been assessed and is confirmed that there are no involuntary resettlement impacts. The main objective of due diligence exercises to confirm that the subproject is free of involuntary resettlement impact such as land acquisition, physical displacement, economic displacement, adverse impact on livelihood, community properties or any other impacts, based on a review of land records, stakeholder consultations and field visits to proposed project locations. This document describes the findings and provides copies of relevant documents, minutes of meetings and photographs.

4. This land acquisition and resettlement due diligence was carried out for all sub project components that include (i) construction of eight blocks of double storey housing units totalling 32 units with each block consisting of four units to accommodate four families in one block; (ii) bitumen-topped parking lot for tenants; (iii) bitumen-topped access road to housing site.

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<sup>1</sup> Gross National Happiness Commission. 2019. 12th Five Year plan. 2018-2023. Thimphu.

<sup>2</sup> Kidu is welfare

5. Due diligence involved site visits and discussions with relevant local government offices for land records, ownership details and permissions/approvals required, if any, for use of land. This was followed by a detailed public consultation to gather views of current tenants of government housing and those awaiting allotment of government housing on their experiences with living in current housing (government-owned housing, corporation-owned housing and privately owned housing, suggestions related to designs affordability of future rental among others for National Housing Development Corporation Ltd. (NHDCL).

6. Site visits and consultations were conducted by a team comprising the social safeguards consultant, the social and gender consultant and the environmental safeguards consultant recruited for project preparation by ADB and NHDC Head Office and NHDC focal person working in the Trashiyangtse district administration.

7. This draft due diligence report (DDR) has been prepared by assimilating the details of the draft DPR, findings from the field visits and discussions with relevant government officials and information gathered during public consultation which is aligned with ADB's safeguards requirements. It has been confirmed that the proposed works will not involve any temporary or permanent land acquisition and involuntary resettlement impacts.

## II. DESCRIPTION OF SUBPROJECT AREA

8. Trashiyangtse district is located in the eastern region of Bhutan bounded by Trashigang district in the east and south and Lhuntse district in the west. It covers an area of 1,437.9 square kilometres. The altitude ranges from an elevation of 1750-1880 meters above sea level suggesting that the district's topography is mostly mountainous. Administratively, Trashiyangtse comprises of 8 gewogs (counties).

9. According to the National Population and Housing Census 2017, Trashiyangtse has a population of 17,300 people but is projected to decrease to 16,831 in 2021. There were 8,719 males (50.39%) and 8,581 (49.60%) females living in Trashiyangtse. Trashiyangtse town is the most populous and developed town in the district with a total of 3,187 people resident in total of whom 1,661 (52.11%) are males and 1,526 (47.88%) are females.<sup>3</sup> Trashiyangtse dzongkhag has two higher secondary schools, two middle secondary schools, six lower secondary schools and 19 primary schools.<sup>4</sup> The male literacy rate is 72.6% while female literacy rate is 59.3%. The district is also home to the thirteen traditional arts and crafts School – called the *zorigchosum* where aspiring youth are trained and practice their craft on graduation. The vernacular dialects spoken by the people in Trashiyangtse are Brahmilo, Dakpakha, Choechangngachang, Tshangla and the national language Dzongkha.

10. According to the National Population and Housing Census 2017 population figures for Trashiyangtse town and comparing the same with the last census carried out – the National Population & Housing Census 2005, the population in 2005 was 17,740 whereas in 2017 (the last census), the population was 17,300 which is a decrease by 440 persons (2.48%).

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<sup>3</sup>Source: National Housing & Population Census 2017, National Statistical Bureau, Royal Government of Bhutan

<sup>4</sup>Source: Annual Education Statistics 2020, Ministry of Education, Royal Government of Bhutan

### III. SUBPROJECT DESCRIPTION

#### A. Present status of housing situation in the town

11. Trashiyangtse town is categorized as among the smaller district towns in terms of area, population and state of development. A town planning authority was instituted only in 1992 after the district was upgraded from a sub-division to a district in the same year, as the dzongkhag headquarters. Thereafter, the place was developed by planning out roads, drainages, layout of area for residential, commercial and to locate all essential services, like the post office, bank, hospital etc. for residents and visitors alike. The town received more importance and necessitated its development after one of the hydropower projects namely the 486 MW Kholongchu Hydro Energy Ltd. which is located within its jurisdiction was started in 2015.

12. The town area of 2.855km sq. has been developed only to an extent, with only 0.5843 km sq. built up for urban amenities. While development can be undertaken to enhance the urban environment in Trashiyangtse, shortage of affordable housing for people working in Trashiyangtse has been a continuing concern. Housing challenge is more acute for low-income staff who have difficulty in finding affordable housing. It is because of this inherent need that this project for establishing affordable housing in Trashiyangtse, was conceived.

#### B. Proposed Subproject Components

13. The details of works to be carried out in the project are summarized in **Table 1** below:

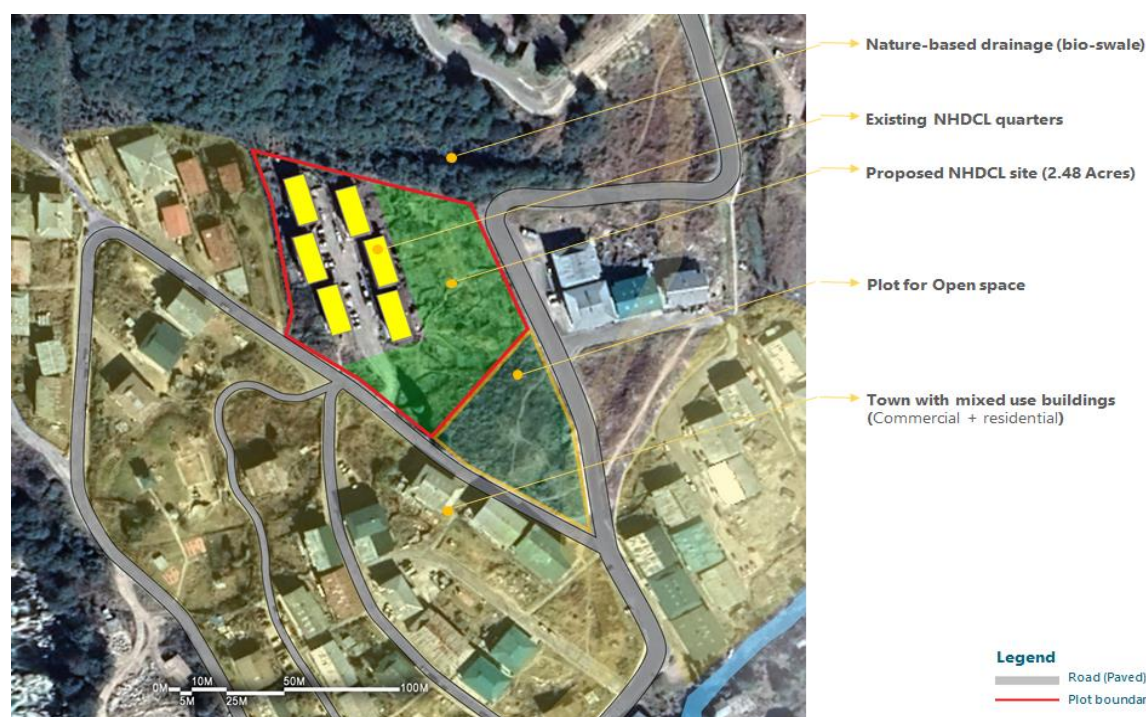
**Table 1: Proposed Subproject Components**

S.No	Sub-project Components	Quantity of Structure	Land coverage in (sq. meters) required by each structure
1	Housing Blocks (Category III)	Construction of 8 blocks of 4 units each totaling 32 units housing apartments on government land. The buildings are of the following dimensions: 19.5M X 8.8M	1372.56 SQ.M
2	Parking lot	Parking lot on government land	845.01 SQ.M
3.	Approach and internal road	Road of total length 0.107 km with off-take from government road (assured right-of-way) and aligned all within the plot allotted by ADB to NHDC	473.58 SQ.M
4.	Septic tank and soak pit	Septic tank (7.35M x 2.45M) and soak pit (2.5M dia) are located within the demarcated plot registered in NHDC's name	45.815 SQ.M
5.	Pedestrian footpath	Footpath of total length 0.103 km located within the demarcated plot registered in NHDC's name	115.80 SQ.M

S.No	Sub-project Components	Quantity of Structure	Land coverage in (sq. meters) required by each structure
6.	Nature based drainage (bio-swale)	Drainage of a total length of 0.265 km located within the demarcated plot registered in NHDC's name	
7.	Rainwater harvesting tank	Tank of dimensions 1500MM dia located within the demarcated plot registered in NHDC's name	7.08 SQ.M
8.	Drinking water tank	Tank of dimensions 1400MM dia located within the demarcated plot registered in NHDC's name	
9.	Substation	Substation of dimensions (7M x 7M) located within the demarcated plot registered in NHDC's name	49 sq.m

Source: NHDC

**Figure 1: Location of Proposed Housing Site at Trashiyangtse on Google Map**



Source: NHDC

14. The current location for developing the affordable housing is within the urban area and in fact in the middle of the town area. The plot lies adjacent to the existing NHDC housing units, of which there are six blocks currently inhabited by 24 families. The plot is bounded by existing urban roads on the southern and northern sides while to the east is government land and on the west is an existing drain and a small forest beyond also owned by the government. It is evident therefore that the housing plot is free of any hindrance that may be posed by any private or commercial entities. The map below shows in perspective the housing area that would exist in future once the housing project is completed.



**Figure 2: Layout plan of Existing and Proposed Works**

Source: NHDC



Source: NHDCL

#### IV. FIELD WORK - SURVEYS AND PUBLIC CONSULTATIONS

15. ADB DPR Consultants, the NHDC Head Office Representative and the NHDC focal point based in Trashiyangtse visited the housing site. The team observed that the proposed site is found to be vacant, unused and free of encumbrance. Hence, no involuntary resettlement impact is foreseen in this location. Nine tenants residing in the nearby NHDC housing colony subproject area have planted potato and other vegetable plots within the housing site. They would be harvesting the crop before commencement of the housing construction. In fact, the NHDC focal point informed the team that the District Administration has already issued a notification that after August 2021, cultivation of crops on government land in Trashiyangtse town will not be permitted. The tenants cultivate small quantities of vegetables for self-consumption and not for sale. The vegetables they grow are a supplement to the vegetables they anyway have to buy. As such their livelihoods will not be affected if they are not allowed to grow vegetables. Further, they were compelled to grow vegetables only in 2020 when there was a shortage of vegetables in the market due to COVI-19 pandemic. Tenants residing in the existing NHDC housing site were consulted


with and key informants interviewed to collect information for this due diligence report. During the consultations they have been informed of the impending notification from the Dzongkhag about the moratorium on growing vegetables and in principle have accepted this as evidenced from the signed participant list and the photos attached in **Appendix 1** of this report.

16. The consultative meeting revealed that workers and staff engaged with private sector and corporations, with lower incomes prefer government housing (with NHDCL if available) because of low rents and more flexible terms and conditions regarding rent increase, maintenance regimes. Details of public consultation are presented in **Table 2** and 3 below.

**Table 2: Consolidated Summary of Consultations**

S.No	Number of Person consulted	Male	Female	Issues Discussed	Outcome
1	16	9	7	New housing unit designs. Affordability of rent. Current changes faced in government, corporate and private housing in Trashiyangtse. Recommendations for design in new housing. Need for maintenance of current housing colony based on emerging problems in and around the housing colony. Future use of allocated housing plot for growing vegetables. Water, waste and flooding.	Participants consisted of current tenants of existing NHDC housing, staff working in corporations provided housing by their own employers and staff living in private housing. Generally, participants were encouraged to learn about the new housing which will be allotted to government and staff of other agencies qualifying based on salary considering that housing will be provided to low-income salaried employees. They also shared their views on the housing designs which will be incorporated in the new housing. They also shared their problems faced in current housing mainly focusing on maintenance requirements which NHDC committed to undertake immediately.

Table 3: Details of Consultations

S.No	Date	Name of Persons	Location	Topic Discussed	Outcome	Photos
1	06.04.2021	Jamyang Nidup Padamlal Chhetri Chimi Dorji Sangay Wangmo Tshundu Wangmo SherabTshomo Ngedup Dorji Sangay Choden Dorji Wangmo Jamyang Pema Yonten Gyaltshen ChhimiDolkar Saroj K. Nepal Yonten Jamtsho Pradeep Katwal Deki Yonten	Hotel Karmaling, Trashi yangtse	<ol style="list-style-type: none"> <li>1. Experience of tenants living in private housing</li> <li>2. Experience of tenants living in corporate-provided housing</li> <li>3. Payment of rental charges</li> <li>4. Demand for NHDC housing</li> <li>5. Suggestions for design of new NHDC housing</li> <li>6. Water supply and storage to the housing colony</li> <li>7. Waste disposal and flooding</li> <li>8. Use of allotted housing site for growing vegetables</li> <li>9. NHDC Housing Management</li> </ol>	<ol style="list-style-type: none"> <li>1. People support the project and encouraged that corporate staff too may be eligible.</li> <li>2. NHDC received feedback on design considerations to include in Trashiyangtse housing designs before finalization</li> <li>3. People aware of need to cease growing vegetables on housing plot in view of impending use of plot for housing construction</li> </ol>	

17. Community engagement, public consultations and disclosure will be an ongoing exercise through the subproject planning and implementation phase.<sup>5</sup> An indicative list of consultations to be conducted in future and schedule is presented in the table below. Progress of achievements in this respect will be reported in the semi-annual social monitoring reports by the PMU.

**Table 4: Schedule of Consultation and Disclosure Activities**

Activities	Target Group	Responsible Agency	Timeline
Awareness generation about the project activities	Key stakeholder agencies namely business representatives, the KHEL hydropower management who have their office nearby, tenants living in the housing colony nearby, forest and national park staff and elected representatives of local government)	PIU (District), PMU from NHDC Head Office, Municipality staff and the contractor	During detailed design, prior to start of construction, and continuously, during construction
Disclosure of construction schedule, potential temporary disturbances and GRM	Beneficiaries (site-specific consultations)	PIU/Contractor	During construction
City wide stakeholder consultations	Dissemination of project related technical and other information to representatives of all key stakeholders (at one platform), disclosure of summary of social safeguard documents in local languages, roles and responsibilities of stakeholders.	PIU/Contractor with PMU support	Once a year during project implementation cycle

## V. SCOPE OF LAND ACQUISITION AND RESETTLEMENT

18. There will not be any need to acquire private land for implementation of proposed subproject components. All the project components namely the housing blocks, parking lots and approach and internal roads will be constructed and located within the plot allotted to NHDC by the National Land Commission. The land use certificate is attached in **Appendix 2**. Other details of the plot in which the housing will be developed are presented below:

**Table 5: Details of the plot allocated for developing the housing project at Trashiyangtse**

Name of village/town	Name of Urban authority	Plot No.	Area of Plot (sq.ft)	Present land use
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<sup>5</sup> The project will follow the COVID-19 guidance and protocols of Royal Government of Bhutan (<http://www.moh.gov.bt/covid-19-strategies-protocols-and-guidance/>). ADB has also shared the guidance notes with its executing and implementing agencies in the DMCs (<https://www.adb.org/documents/series/covid-19-asia-pacific-guidance-notes>).

Trashiyangtse town	Trashiyangtse municipality	YA1-943	1,08,072 (2.48 acres)	Vacant Temporary and unauthorized use be 10 tenants of existing NHDC housing colony for growing seasonal vegetables
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The details of the sub-components which will be developed as part of the housing project at Trashiyangtse are presented in **Table 6**.

**Table 6: Subproject Components and their Land Acquisition and Resettlement Impacts**

S N	Name of the Components	Permanent Impact on Land Acquisition and Resettlement	Temporary Impact	Remarks
1	Construction of 8 blocks of double-storied residential/housing buildings	No	No	The housing blocks will be constructed on unused and vacant government land, the ownership of which has been transferred to NHDC.
2	Parking lot for housing colony tenants	No	No	The parking lot will be constructed within the plot demarcated for developing the housing sub-project, the ownership of which has been transferred to NHDC. No involuntary resettlement impact is anticipated
3	Approach and internal roads	No	No	The approach and internal roads will be constructed within the plot demarcated for developing the housing sub-project, the ownership of which has been transferred to NHDC. The plot is already bounded by existing town on two sides – north and south so approach road can be developed as off-takes from these roads. No involuntary resettlement impact is anticipated.
4.	Septic tank and soak pit	No	No	The septic tank and soak pit will be constructed within the plot demarcated for developing the housing sub-project, the ownership of which has been transferred to NHDC. No involuntary resettlement impact is anticipated.
5.	Pedestrian footpath	No	No	The pedestrian footpath will be constructed within the plot demarcated for developing the housing sub-project, the ownership of which has been transferred to NHDC. No involuntary resettlement impact is anticipated.
6.	Nature based drainage (bio-swale)	No	No	The nature-based drainage (bio-swale) will be constructed within the plot demarcated for developing the housing sub-project, the ownership of

S N	Name of the Components	Permanent Impact on Land Acquisition and Resettlement	Temporary Impact	Remarks
				which has been transferred to NHDC. No involuntary resettlement impact is anticipated.
7.	Rainwater harvesting tank	No	No	The rainwater harvesting tank will be constructed within the plot demarcated for developing the housing sub-project, the ownership of which has been transferred to NHDC. No involuntary resettlement impact is anticipated.
8.	Drinking water tank	No	No	The drinking water tank will be constructed within the plot demarcated for developing the housing sub-project, the ownership of which has been transferred to NHDC. No involuntary resettlement impact is anticipated.
9.	Substation	No	No	The Substation will be constructed within the plot demarcated for developing the housing sub-project, the ownership of which has been transferred to NHDC. No involuntary resettlement impact is anticipated.

Source: Preliminary Detailed Project Report, 2020.

19. For each sub-components of the project, details of land available to establish each structure, the status of ownership of the land, the area of the plot on which the structure will be constructed and the status of no objection certification for use of each plot for structures is presented in **Table 7**.

**Table 7: Details of land availability, ownership and status of No Objection Certificate (NOC) for sites**

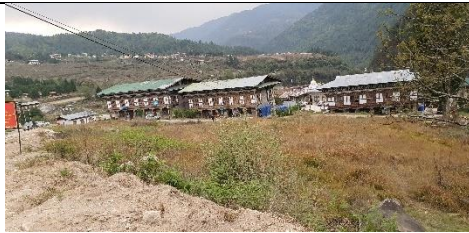

Project Component	Location	Ownership	Area of government land available at the location (sq. ft)	Area required (sq.ft)	NOC Status
Construction of 8 blocks of double-storied housing blocks	Allotted plot, Trashiyangtse town	NHDC	10,8029	10,8029	No NOC required. Land transferred to and now owned by NHDC. Adequate land for housing structures
Parking lot for housing colony tenants	Allotted plot, Trashiyangtse town	NHDC	845.01	845.01	No NOC required. Land transferred to and now owned by NHDC. Adequate land for housing amenities

Approach and internal roads	Allotted plot, Trashiyangtse town	NHDC	473.58	473.58	No NOC required. Land transferred to and now owned by NHDC. Adequate land for housing amenities
Septic tank and soak pit	Allotted plot, Trashiyangtse town	NHDC	45.815	45.815	No NOC required. Land transferred to and now owned by NHDC. Adequate land for housing amenities
Pedestrian footpath	Allotted plot, Trashiyangtse town	NHDC	115.80	115.80	No NOC required. Land transferred to and now owned by NHDC. Adequate land for housing amenities
Nature based drainage (bio-swale)	Allotted plot, Trashiyangtse town	NHDC	-	-	No NOC required. Land transferred to and now owned by NHDC. Adequate land for housing amenities
Rainwater harvesting tank	Allotted plot, Trashiyangtse town	NHDC	7.08	7.08	No NOC required. Land transferred to and now owned by NHDC. Adequate land for housing amenities
Drinking water tank	Allotted plot, Trashiyangtse town	NHDC	-	-	No NOC required. Land transferred to and now owned by NHDC. Adequate land for housing amenities
Substation	Allotted plot, Trashiyangtse town	NHDC	49.00	49.00	No NOC required. Land transferred to and now owned by NHDC. Adequate land for housing amenities

Source: NHDCL

20. Through site visit and physical verification the entire plot was examined to assess if any of the project subcomponents would impact structures or common property resources. It is confirmed that there will be no loss of any kind of common property resources. Further, no other involuntary resettlement impact such as loss of livelihood (temporary or permanent, full or partial) is anticipated under the subproject.

**Figure 3: Photographs of area where housing complex parking lot and roads are proposed**

Name of Area-NHDC plot, Trashiyangtse  Housing area – 1372.56 m. sq.	
Name of Area-NHDC plot, Trashiyangtse  Parking lot area – 845.01 m. sq.	



Name of Area-NHDC plot, Trashiyangtse  Internal roads Road length –0.107km	
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21. It is anticipated that there will be little impact on traffic. The entire plot will be cordoned off with green netting barrier around the plot to deter entry of any vehicles but also to ensure that dust and rubble is contained within the construction precinct and does not spill over to the roads on the south and north. Further, the barrier is expected to reduce dust pollution to the NHDC housing residents to the south. Excavated material from the approach and internal roads as well as from the housing plots will be back filled within the stipulated timeline or dumped on sites designated by the municipality.

22. In order that the existing NHDC housing residents are not disturbed during phases of sleep and rest, the contractor will be asked to maintain work schedule strictly not earlier than 7 AM and not beyond 6 PM. Alternatively, timings will be discussed with the residents in a consultation session and the best mutual timing will be agreed upon. The Contractor will institute and follow strictly all safety norms which will be monitored for compliance by the PIU.

23. There will not be any land acquisition or involuntary resettlement impacts now or in the future because of implementation of the subproject.

## VI. IMPACT ON INDIGENEOUS PEOPLES

24. There are also no impacts to indigenous people/ communities due to the subproject involving direct or indirect impacts to the dignity, human rights, livelihood systems or territories or natural or cultural resources that are used, owned, occupied or claimed by indigenous peoples as their ancestral domain or asset. Trashiyangtse is a district head office and town where people from all over the country have come to work in the district administration and other service provider agencies and from nearby eastern districts to conduct business. As such, Trashiyangtse town does not project any characteristic of indigenous peoples' groups.<sup>6</sup>

## VII. INFORMATION DISSEMINATION

25. The project implementation authorities will ensure that the DDR is available in the offices of the Trashiyangtse Project Implementation Unit, Trashiyangtse Municipality Office, Project Management Unit (PMU) at NHDC Head Office and posted on ADB website and the website of NHDCCL for easy access to all stakeholders including the local community of the town.

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<sup>6</sup>ADB SPS 2009 uses the term indigenous peoples in a generic sense to refer to a distinct, vulnerable, social and cultural group possessing the following characteristics: (i) self-identification as members of a distinct indigenous cultural group and recognition of this identity by others; (ii) collective attachment to geographically distinct habitats or ancestral territories in the project area and to the natural resources in these habitats or territories; (iii) customary cultural, economic, social or political institutions that are separate from those of the dominant society and culture; and (iv) a distinct language, often different from the official language of the country or region.



## VIII. GRIEVANCE REDRESS MECHANISM

### A COMMON GRIEVANCE REDRESS MECHANISM

26. The project will adopt a three-tier Grievance Redress Mechanism (GRM) in implementing the project. The GRM will receive, evaluate, and facilitate the resolution of social, environmental or any other project related grievances. The GRM will aim to provide a time-bound and transparent mechanism to voice and resolve social and environmental concerns linked to the project. The GRM described below has been developed in consultation with stakeholders. Public awareness campaign will be conducted to ensure that awareness on the project and its grievance redress procedures is generated and shared with affected persons and other stakeholders. The campaign will ensure that the poor, vulnerable and others are made aware of the need for and process in availing the GRM.

27. The GRM provides an accessible, inclusive, gender-sensitive and culturally appropriate platform for receiving and facilitating resolution of affected persons' grievances related to the project. A sample grievance redress form is in **Appendix 4**. The three-tier GRM for the project is outlined below, each tier having time-bound schedules and with responsible persons identified to facilitate and address grievances at each stage, as required. Public awareness campaigns will ensure that awareness on grievance redress procedures is generated through the campaign. The Environmental and Social Safeguard Officer of PMU will have the overall responsibility for timely grievance redress on environmental and social safeguards issues.

28. **Who can file a complaint:** A complaint may be registered by stakeholders who may be, directly or indirectly affected by the project. A representative can register a complaint on behalf of the affected person or group, provided that the representative is identified by the affected person or group and submits evidence of the authority to act on their behalf.

29. **What type of grievance/complaint:** Any comments, complaints, queries and suggestions pertaining to safeguard compliance - environment, involuntary resettlement, and indigenous people, design related issues, compensation, service delivery or any other issues or concerns related to the project can be registered. The complaint must indicate the name, date, address/contact details of the complainant, location of the problem area, along with the problem.

30. **Where and how to file a complaint:** The contractor's site office will be the primary point for receiving and lodging any complaint. Apart from that, grievances/suggestions/queries from affected persons can be dropped into suggestion boxes or conveyed through phone or e-mails. Affected persons or any complainant will also be able to register grievances on social, environmental or other related issues, personally to the Complaint Cell at PIU level.

31. **Process and Timeframe:** The grievance redress process and timeframe involved in the GRM is described below:

- (i) **1<sup>st</sup> Level Grievance (Field Level):** In case of grievances that are immediate and urgent in the perception of the complainant, concerned officer of PIU will direct the contractor to resolve the complaint and ensure that it is resolved. If the grievance is not under the contractor's scope, the Project Implementation Assistant Consultant (PIAC) will resolve this issue with the support of respective PIU. Efforts will be made to resolve all grievances within seven days from the date of receipt of a complaint / grievance. Relevant government representatives from the respective districts and sub-districts, where the subproject will be implemented, can be consulted as and when required.

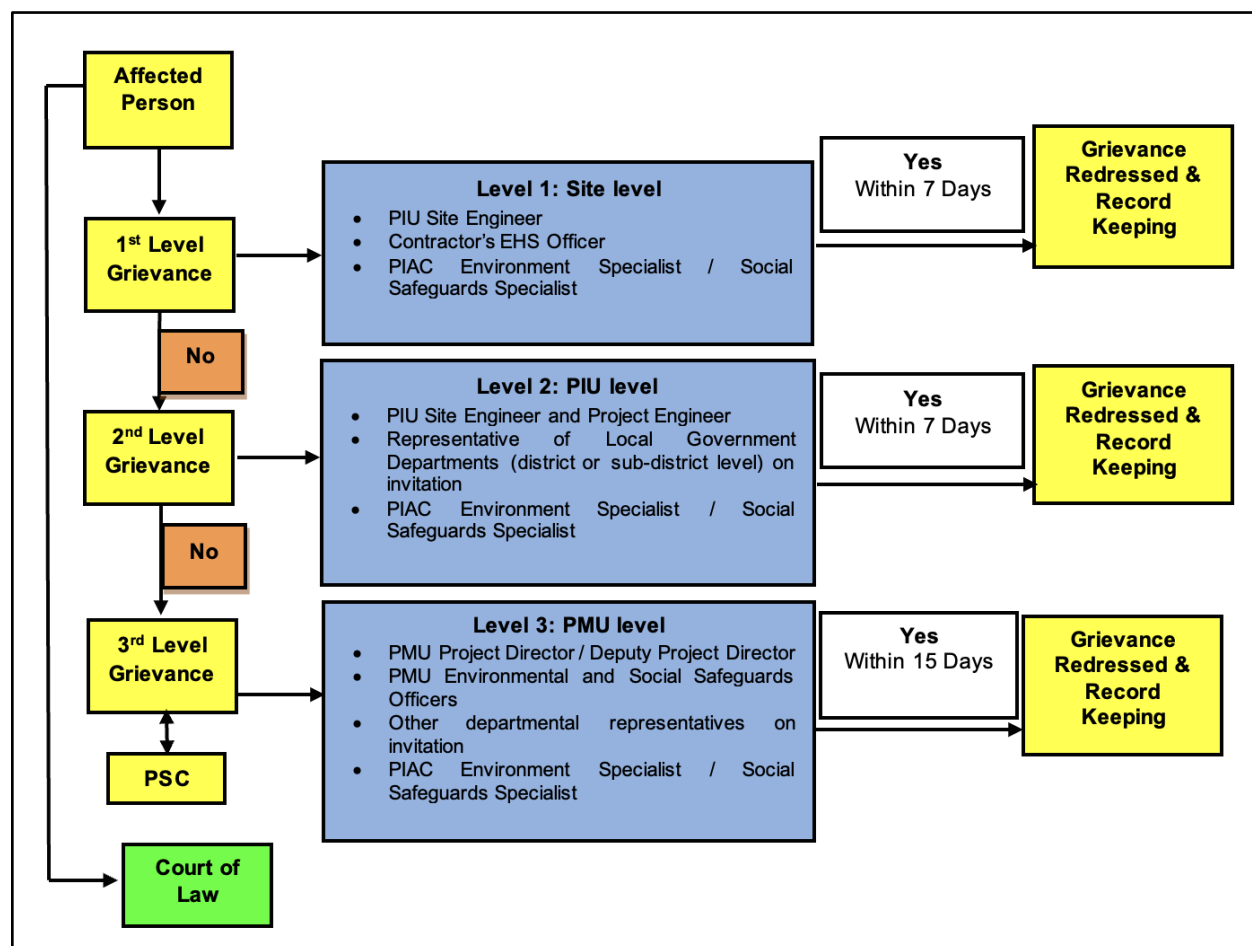
- (ii) **2<sup>nd</sup> Level Grievance (PIU):** Grievances that cannot be redressed at first level within two days will be brought to the notice of the Complaint Cell at PIU level. The Project Engineer will try to resolve the grievance/ complaint within a timeframe of seven days of receiving the complaint from the first level. The PIU may consult/seek the assistance of the Environment and Social Safeguard Officers at the PMU level. Government representatives from the respective districts and sub-districts where the subproject will be implemented can be consulted as and when required. Any unresolved complaint at the second level will be taken up to the third level.
- (iii) **3<sup>rd</sup> Level Grievance (PMU):** All the grievances that are not addressed at 2nd level by PIU will be brought to the third level. The third level will meet once a month and determine the merit of each grievance/s brought to the committee. The third level grievance redress committee will resolve the grievance within fifteen days of receiving the complaint from the second level. The Environmental Safeguards Officer or Social Safeguards Officer, PMU will provide feedback to the complainant. Any critical or unresolved matter may be taken to the Project Steering Committee (PSC) for solution.

32. MOF will chair the PSC which will comprise government officials from the Ministry of Works and Human Settlement (MOWHS), National Land Commission (NLC), the Gross Happiness Commission (GHNC), the National Commission for Women and Children (NCWC), the NHDCL, and representatives of selected subproject districts. The PSC will be established to oversee the project implementation and provide strategic and policy guidance and will meet at least biannually and as required.

33. The GRM notwithstanding, an aggrieved person shall have access to the country's legal system at any stage, such as Thromde or court of law in the respective district. This can run parallel to accessing the GRM and is not dependent on the negative outcome of the GRM.

34. The process of the project GRM is given in Figure 4.

Figure 4: Grievance Redressal Mechanism



EHS = environmental health and safety, NHDCL=National Housing Development Corporation Limited, PIC = project implementation consultant, PIU= project implementation unit, PMU =project management unit, PSC= project steering committee

35. The timeframes within which to resolve the issues may be adjusted accordingly during extraordinary circumstances, such as lockdowns or travel restrictions imposed by local or national governments due to the ongoing COVID-19 pandemic. The adjustment will depend on the period of interruption during these events, and will be decided upon by the PMU.

36. **Information Dissemination Methods about GRM.** Periodic community meetings will be held by PIUs, and PIAC with affected communities to understand their concerns and help them through the process of grievance redress (including translation from local dialect/language, recording, and registering grievances of non-literate affected persons and explaining the process of grievance redress) if required. The above Grievance Redress Process will be discussed with the different stakeholders during stakeholder consultation meetings. These meetings will be held with affected persons and community members (beneficiaries) and the concerned local government representatives where civil works are proposed. The process and timelines for grievance redress and contact details of the persons responsible for grievance redress will be shared in the stakeholder meetings. Action taken in respect of all complaints will be communicated to the complainant by letter, over phone or e-mail or text messaging.

37. **Consultation Arrangements for GRM.** This will include group meetings and discussions with affected persons, to be announced in advance and conducted at the time of day agreed on with affected persons and conducted to address general/common grievances; and if required with the Environment/Social Specialist of PMU/PIU for one-on-one consultations. Non-literate affected persons/vulnerable affected persons will be assisted to understand the grievance redress process, at the site office of the contractor and at PIU level, the official appointed to receive grievances will assist the non-literate affected persons to register complaints and follow-up with actions at different stages in the process.

38. **Record Keeping.** Records of all grievances received, including contact details of complainant, date of receiving complaint/grievance, nature of grievance, agreed actions and measures, the date these were affected, and outcome will be kept by PIU. The number of grievances recorded and resolved, and the outcomes will be displayed/disclosed in the PIU office, and on the website of PMU, as well as reported in the semiannual social and environmental monitoring reports to be submitted to ADB. The Environmental Officer and the Social Safeguard Officer will be responsible for maintaining the grievance record.

39. **Periodic Review and Documentation of Lessons Learned.** The PMU, and PIUs, supported by the PIAC specialist will periodically review the functioning of the GRM and record information on the effectiveness of the mechanism, especially on the PIU's ability to prevent and address grievances.

40. **Costs.** All costs involved in resolving the complaints (meetings, consultations, communication, and reporting/information dissemination) will be borne by the PMU. Cost estimates for grievance redress are included in resettlement cost estimates.

41. **ADB Accountability Mechanism.** If the established GRM is not able to resolve the issue, the affected person can use the ADB Accountability Mechanism through directly contacting (in writing) the Complaint Receiving Officer (CRO) at ADB headquarters. Before submitting a complaint to the Accountability Mechanism, it is recommended that affected people make effort in good faith effort to resolve their problems by working with the concerned ADB operations department (in this case, the Bhutan Resident Mission (BHRM)). Only after doing that, and if they are still dissatisfied, they could approach the Accountability Mechanism. The ADB Accountability Mechanism information will be included in the project-relevant information to be distributed to the affected communities, as part of the project GRM.

## IX. CONCLUSION

42. The field visit, public consultation and stakeholder consultations, initial screening for resettlement impacts and for impact indigenous people findings suggest that that the subproject implementation will neither cause involuntary resettlement impact nor any impact on indigenous peoples. Nevertheless, the impacts of the subproject will be re-assessed (prior to start of civil work) upon finalization of detailed design (in view of final designs and scope of work) and conduct of detailed measurement survey. In case any involuntary resettlement impact is identified at any stage of the subproject implementation, this safeguard document will be revised (with appropriate revision of project category) in accordance with ADB's Safeguards Policy statement 2009.

43. During the implementation of the civil works, the project implementation team will pursue a participatory approach and adhere to dissemination of information at all times. A grievance redress mechanism will also be established in the project. The Executing Agency will ensure compliance to all applicable laws and the ADB SPS.

## **X. NEXT STEPS**

44. After the finalization of the detailed design, a detailed measurement survey will be conducted. In case any involuntary resettlement impacts are identified during detailed design, this due diligence report will be updated accordingly (including revision of project impact category) and submitted to ADB for approval before start of civil works.

45. Formal and informal consultations will be carried out including, but not limited to: focus group discussions (FGDs), public meetings, community discussions, and in-depth and key informant interviews. Intensive information dissemination campaign will also be conducted. The updated DDR will include details of such consultations.

46. ADB's approval of the updated social safeguards document will be required prior to start of civil works.

**Appendix 1: Minutes of the Consultations conducted with NHDC housing tenants and staff living in housing provided by corporations employed with and those living in private housing, photographs and signed participant list**

**BAHP SITE VISIT - TRASHIYANGTSE  
CONSULTATIVE MEETING  
(Current Housing residents and those waiting for allotment in NHDC Housing  
06/04/2021)**

*Introduction and Objectives of the meeting*

The NHDC Focal point of Trashiyangtse Dzongkhag welcomed all to the meeting and encouraged the participants to share their views and opinions and experiences with the Team. The NHDCL Head Office Representative welcomed all to the meeting as well and explained the main purpose of the meeting which is to understand their current experiences living at the NHDCL housing and based on that their suggestions for future housing design. He also explained the site where the housing is being established and the type of housing mainly that a minimum of two bedrooms will be provided as well as two toilets and a sitting room and a kitchen as well as a verandah. He also explained that the rental will be in the range of Nu. 4000/month for about 600 square feet of space in the new housing complex once developed.

*Experience of tenants living in private housing*

Responding to queries on experience of three out of eleven participants living in private housing some of the people working in corporations mentioned in private housing the services are good but that most don't have a tenancy agreement. Also, they pay around Nu. 7000 – 8000 per month whereas those who work in Bhutan Power Corporation (BPC) and have been allocated housing through BPC pay around Nu. 3000/month for a two-bedroom house. While the rent in the NHDC Colony is almost less by half. When KHEL was established, their staff paid higher rents to private landowners and therefore rental prices increased and it became more difficult for lower-level government staff to afford even private housing. Also, in the private housing no agreement is signed with the landlord and therefore tenure is insecure. Besides, the rent in private housing is raised even after one year and not after two years so tenants are at the mercy of landlords. On the other hand, NHDCL housing tenants enjoy a lot of freedom.

*Experience of tenants living in NHDCL housing*

On inquiries with those living in NHDCL housing, the tenants pointed out to several issues they face. They mentioned that drainages are not covered plus chimney blocked, pipes in toilet too are blocked, windows are broken down, ceilings are made of plyboard, electrical fixtures pose a risk, water leaks through the walls in toilets, safety tanks getting blocked and overflow causing odor to surroundings. Therefore, it is urgent that NHDCL quarters require renovation. They also suggest that if old quarters can be repaired while the current occupants shifted to new quarters after completion then they can shift back.

The NHDCL Head Office Representative confirmed that 70% of the allocations will be done from among government staff and 30% from corporate and industrial workers. He also indicated that since there were no NHDCL staff in Trashiyangtse, the maintenance work will be outsourced to private contractors who can take up the maintenance of one or two blocks at a time and indicated

that the houses must be vacated during maintenance so that there is no hindrance and that the work can be completed within a maximum of two months and that NHDCL will review the best maintenance strategy. The NHDCL Head Office Representative acknowledged that because the houses were constructed in 2007, and with an elapse of more than a decade, maintenance has become necessary. He committed that NHDCL management would expedite the maintenance work since for some tenants' damages have become extreme and therefore almost an emergency needing immediate intervention.

#### *Payment of rental charges*

On the inquiry on the mode of payment of rent, the tenants mentioned that the rent is deducted from the salary by Accounts personnel before salary is paid. Tenants felt that this is better as sometimes tenants may not pay rent if they have other urgent expenses to incur. Some even shared the experience of people who live in private houses who have a backlog of unpaid rentals when they are about to vacate the private housing. On an inquiry about rental revision, the NHDCL Head Office Representative clarified that the revision will be done on square feet rate so if the rate is raised people will have to pay the new rate.

#### *Demand for NHDCL housing*

Also, on trying to assess demand for NHDCL housing in Trashyangtse, the focal point shared that there are six people on waiting list. The NHDCL Head Office Representative clarified that this low number of applications is because the chances of housing getting vacant is less since people can occupy for a term of ten years and many do not get transferred often. Moreover, 2014 has been kept as the baseline year from which tenancy has been offered for 10 years. On inquiry the people waiting for housing also mentioned that Nu. 4000 per month is affordable, still cheaper than private housing and of better quality. The NHDCL Head Office Representative further informed that only 7-8% of total civil servants currently provided housing (2100 units of housing). He also informed that applications for housing are now online and is now transparent and done to ward off criticism of unfair allocation of housing. To the question of who is eligible for housing if both husband and wife are both eligible, it was clarified that mostly women are allocated mostly because they fulfill the criteria of being in lower grades whereas husbands are in much higher posts and ineligible for that class of quarters.

#### *Suggestions for design of new NHDCL housing*

On inquiry about any suggestions on new housing based on their experience of living in current housing, current tenants mentioned that concrete verandah are required, also need two toilets as current one has only one toilet. Further, they mentioned that cement flooring is better for better sound and dust proofing. There were also requests for street lighting as an important facility for the housing colony as well as the need to use new products in terms of electrical fittings for easier availability during maintenance. Others mentioned the problem with chimneys in NHDCL housing and the alternative of using electric heating instead of wood was also raised. Improvement of the blacktopping (re-surfacing) of present parking was also requested. On the request for geysers, the NHDCL Head Office Representative mentioned that if geysers are provided the cost of rental will increase and therefore it has to be kept affordable.

### *Water supply and storage to the housing colony*

Tenants also recommended for a different water tank as there are many sources and there is no dearth of water. The NHDCL Head Office Representative mentioned that the mandate of the Thromdes is to supply treated water, so Thromde has to maximize efforts and resources for this. However, all agreed that dedicated storage tank is an option that can be installed to supply water during emergency shortages when water from the current source is disrupted. They also informed that unsegregated garbage is collected twice a week mainly on Wednesday and Sundays.

The Environmental Specialist also asked to verify reports of water problems. The focal person clarified that the problem is with infrastructure but foresee that this will be solved as the Dzongkhag has proposed Nu. 100 million for rehabilitating the entire water system for the whole town. The Environmental Specialist reiterated that installing water tanks for the housing units for storage is a good measure for backup water storage during shortages. This will also place less pressure on Thromde.

### *Waste disposal and flooding*

Regarding waste disposal issues, the NHDCL stated that they will discuss with thromde about disposal of construction waste as well. The participants also highlighted flooding issues in the past. However, they mentioned that mitigation for flooding had been carried out upstream which has prevented any adverse effect on the town.

### *NHDC Housing Management*

On the present management structure for the housing as well as maintenance, the tenants mentioned that the NHDCL focal point, who also lives in the NHDCL colony, is the contact person for all NHDCL tenants for any matters concerning housing, tenants, and maintenance.

**Photographs of Stakeholder Meetings/Consultations at Trashiyangtse**





## Attendance Sheet Consultative Meeting - Trashiyangtse

## LIST OF PARTICIPANTS FOR CONSULTATIONS, BAHF, PHUNTSHOLING

FOCUS GROUP DISCUSSIONS ( )

No	Name	CID No.	Male/Female	Designation	Organization	Contact No.	SIGN
1	Jamyang Nidup	11601000454	male	Exp	Human Self Employment	17580470	
2	Padam Khatun	11214008007	male	tech	-1-	17149506	
3	Chimi Dorji	10702000111	male	Driver	-11-	17335479	
4	Jangay Wangmo	11302000893	female	tech	-1-	1761041	
5	Shradha Wangmo	11512001735	11	Admin	-11-	13957098	
6	Shenab Tshomo	11607000987	female	Section officer	BPC	17245734	
7	Nyidup Dorjee	10715001740	m	LRA	Samy & L. Record Secdr	1788535	
8	Sangay Choden	11603000951	Female	Banking Assistant	BOB	17469099	
9	Dorji Wangmo	10902001403	female	Banking Assistant	BOB	17502338	
10	Jamyang Pem	1151602899	m.	Tech. Civil	BPC	1786495	
11	Yonten Gyeltzen	11502003412	Male	Tech. Elec	Municipal	17246280	
12	Chinmi Delkar	11306000920	F	Consultant	Private	17110940	
13	Sang K. Negal	1131003022	m	"	ADB	17624568	
14	Yonten Jamtsho	11915000003	M	DRO/ Trashiyangtse NHRL focal	Dzongkhag Administration	1759056	
15	Pradeep Khatun	11201002596	M	Company Secretary	NHRL	17609638	
16	Deki Yonten	10811000570	F	Consultant	ADB	77110028	

Date:

### Transcript

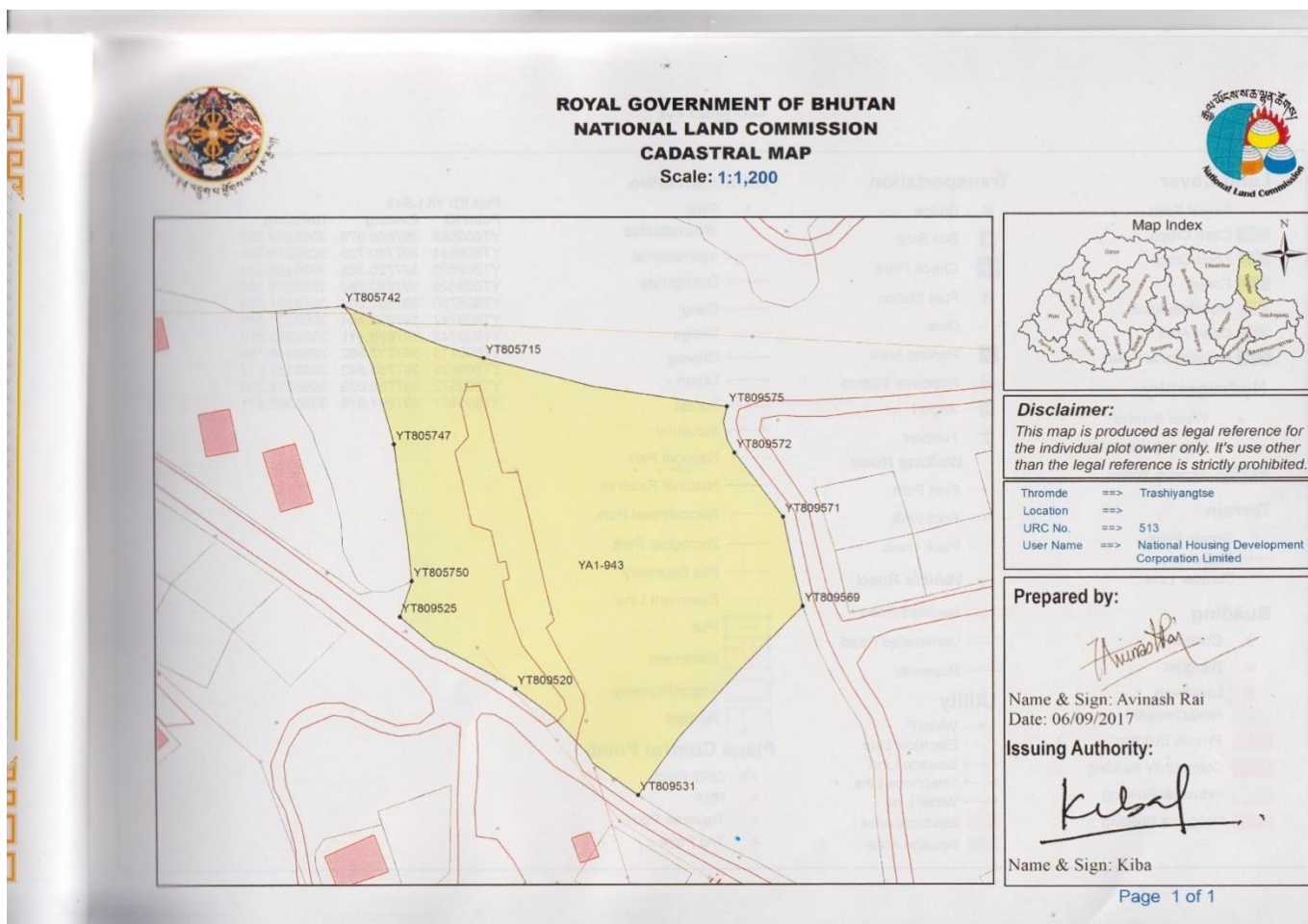
National Land Commission  
Land Use Certificate

Other details as in the certificate above in English and self-explanatory

Signature of Issuing Authority



### Appendix 3: Cadastral Map issued with the Land Registration Certificate



### Appendix 4: Grievance Registration Format

(To be translated and made available in local language/s)

The NHDCL welcomes complaint, suggestion, query, or comment regarding the project implementation. We encourage any person or group with a grievance to provide their name and contact information to get in touch with you for clarification and feedback.

Should you choose to include your personal details but want that information to remain confidential, please inform us by writing/typing \*(CONFIDENTIAL)\* above your name. Thank you.

<b>Date</b>		<b>Place of registration</b>			
<b>Contact Information/Personal Details</b>					
Name		Gender	Male Female	Age	
Home Address					
Village / Town					
District					
Phone no.					
E-mail					
<b>Complaint/Suggestion/Comment/Question</b>					
Please provide details of the grievance (who, what, where and how):					
<b>*Note: You may attach a document, letter, or note in the grievance form.</b>					
<b>How do you want us to reach you for feedback or update on your comment/grievance?</b>					

#### FOR OFFICIAL USE ONLY

<b>Registered by: (Name of official registering grievance)</b>	
If – then mode:	
<ul style="list-style-type: none"> <li>▪ Note/Letter</li> <li>▪ E-mail</li> <li>▪ Verbal/Telephonic</li> </ul>	
<b>Reviewed by: (Name, Signature, Position)</b>	
<b>Action Taken: (Date, Venue of Meeting, Other details)</b>	
<b>Whether Action Taken Disclosed:</b>	<ul style="list-style-type: none"> <li>▪ Yes</li> <li>▪ No</li> </ul>
<b>Means of Disclosure:</b>	

### Appendix 5: Site Photographs–Trashiyangtse

