

**FULL RESETTLEMENT ACTION PLAN SUMMARY - LAMU COAL PROJECT.  
RESETTLEMENT ACTION PLAN**

**Project Title: Lamu Coal Power Project**

**Project Number: P-KE-F00-009**

**Country: Kenya**

**Department: RDGE**

**Division: RDGE.1**

**Project Category: Category 1**

**1. Description of the project, project area and area of influence  
General description of the project and the area of influence.**

The Coal fired power project will include three supercritical pulverized coal-fired boilers that will produce steam for the steam turbine generator(s). The boilers will be designed to maximize efficiency and minimize air pollution during the combustion process. Each pulverized coal-fired boiler will have a dedicated steam turbine generator which will use steam produced by the boiler to drive an electric generator. Each steam turbine generator is expected to have a nominal generating capacity of 350MW, with the maximum net generating capacity of the three combined steam turbine generators expected to be approximately 1050MW. An electric switchyard will be located at the power plant site to step up the voltage of electricity produced to 400 kilovolts (kV).

The power plant will also include water treatment facilities for raw water, feed water to the plant, condensate and once through cooling water in order to maintain water quality for the process equipment. The water treatment facilities will include a desalination plant, water treatment building, water storage tanks, chemical storage tanks, clarifiers and demineralizers.

The power plant area may also include various buildings to house equipment and conduct administration, operations and maintenance activities; warehouses; electrical switchgear buildings; various pumps, motors and fans; fuel and chemical storage tanks/areas; lime/limestone, ammonia and mercury sorbent storage and handling equipment; fire protection, security and safety systems; storm water facilities; wet limestone flue gas desulfurization system; continuous emissions monitoring systems; and back-up electric generators.

The coal for fueling the power plant will initially be sourced from South Africa (but later from Kenyan sources) and be delivered to one of the first LAPSSSET berths before loading to a conveyor belt for delivery to the plant.

Limestone for use at the plant will be sourced from elsewhere in Lamu and Kilifi counties and delivered to the plant through the provided access road.

The Coal fired power plant is located on 975 acres in the Kwasasi area, about 21 kilometers north of the town of Lamu in Lamu County, along Kenya's Indian Ocean coast. The project area is neighbored by Hindi town on the North West and Mokowe to the south. These are the major towns close to the proposed site and will be the main service centers to the workers to be engaged in the power plant.

The main objective of Resettlement Action Plan, RAP was to ensure proper guidelines and procedures are adhered to in the mitigation of the adverse impacts that might occur during the project implementation in order to ensure that the Project affected persons PAPs within the project area will not be affected adversely, due to the resettlement operations, by the adverse impacts of the project. The Resettlement Action Plan (RAP) was prepared to ensure that the losses that will be incurred within the project area by PAPs will be addressed and that they are assisted to develop their social and economic potential.

## 2. Potential impacts

Description of the project components or activities that would give rise to resettlement, zone of impact of such activities, and the alternatives considered to avoid or minimize resettlement.

The project is expected to lead to both physical and economic displacement summarized in the table below:

| Key Impacts                                  | Type of Impacts       | Magnitude   |
|--|-----------------------|---|
| Loss of Agricultural land                    | Economic displacement | 975 Acres(inclusive of project area and access road)        |
| Loss of crops/trees                          | Economic displacement | Refer to table 3 below                                      |
| Loss of fishing grounds                      | Economic displacement | 3 BMUs  |
| Loss of fish landing sites                   | Economic displacement | 3 sites   |
| Loss of sites for bee keeping                | Economic displacement | 100 Acres (25 members)                                      |
| Loss of Granary                              | Economic displacement | 1   |
| Loss of grain business                       | Economic displacement | 1   |
| Loss of mangrove harvesting sites            | Economic displacement | Approximate   |
| Loss of livelihood sites for the Awer (Boni) | Economic displacement | Awer are the original inhabitants of the wider project area |
| Impact on vulnerable groups (widowed)        | Economic displacement | 2 PAPs  |

Overall, from the data collected from the affected areas, the main sources of livelihoods that would be affected or partially interrupted due to project activities were identified to include farming which includes crop farming, and livestock rearing (including bee keeping), fishing, commercial business, mangrove harvesting and wage employment both in the formal and informal sectors. The project will result in loss of land used mainly for agricultural purpose. Other plots to be affected are owned by individuals and have not been developed for other infrastructure except for one plot that is developed with a granary. The RAP process established that the project will have an impact on only one (1) structure that is used for storage of maize bought from the farmers who operate within the proposed project area. The proposed coal fired power plant will result in acquisition of a total 975 acres of land. The RAP process established that the total number of parcels and persons affected by the project within the proposed coal plant site boundaries will be 509 while the number of PAPs is 675.

It is anticipated that the fishermen operating within and around the project area will be affected by losing their fishing grounds which totals to 3 BMUs. The proposed project will affect a total of 124 fishers as per the fisheries department records of registered fishermen.

The proposed project is also anticipated to affect 50 bee hives which support strong colonies of 40,000 to 50,000 bees. The bee hives are owned and managed by a group of bee keepers operating within and around the project through an organization called Lamu Community Participation in Port Development (LACOPPOD). The organization is involved in bee keeping and sale of bee products such as honey, bee wax, propolis, venom and pollen. The organization has a membership of 25 persons. The proposed plant will therefore result in displacement of the 25 members of LACOPPOD from their bee keeping site. This will lead to loss of livelihood for the members who depend on sale of the bee products.

Lamu community dependent on mangrove industry will also be affected. Specifically, the Lamu mangrove community association, a group that deals in conservation and harvesting of mangrove in Kwasasi area Lamu County will be affected. The group was formed in the year 2015 by the general community of Kwasasi who mainly depend on mangrove conservation and harvesting for their livelihood. The group has about 114 registered members comprised of 58 men and 56 women. Of 114 registered men and women there are 23 youth. The association will not be able to access the mangroves within the area due to the construction activities and also some of the mangroves will be cleared to pave way for the project's water abstraction and discharge pipes.

**Vulnerable groups:** The analysis of the data reveals that some of the project affected persons qualify to be categorized as vulnerable. These would be marginalized communities and widows. From the survey, 2 PAPs were found to be widows.

The Awer (Boni) community get their livelihoods from hunting and gathering. Although the community do not own land within the project area, they have been getting their livelihoods for a long time within the area through hunting, gathering and bee keeping. They will lose their source of livelihood since they will not be able to access the area for their livelihoods.

Other envisaged social negative impacts along the proposed project will include:

- Increase in traffic disruptions during construction phase as a result of diversions and poor maintenance of the diversions within construction areas of Hindi and Mokowe
- Immigration into the area during and after the development of the coal fired power plant, pushing up land values with possible buying out of the residents due to higher demand for land.
- Disruption in culture, lifestyles and living habitats particularly among the Awer and the Bajuni communities.
- Emergence of new strains of diseases such as HIV/AIDS and other nutritional and lifestyle related deficiencies.

The project considered a number of alternatives to minimize need for compensation and/or resettlement. These included, among others; location of the project site in an uninhabited area, redesign of the project to use one of LAPSSSET's first three berths instead of constructing a jetty and construction of the conveyor belt for delivery of the coal from the berth along the existing LAPSSSET's road reserve instead of passing it over occupied land parcels.

### **3. Organizational responsibility**

The project is primarily under the Ministry of Energy and Petroleum (MoEP) which will have to ensure that the PAPs are duly compensated in line with Government and AfDB guidelines. The Ministry of Energy and Petroleum is also enjoined to collaborate with other institutions to ensure compliance with all the requirements relevant for compensation of affected persons. However, the actual RAP implementation will be overseen by two levels of responsibility, namely; the Resettlement Steering Committee (RSC) which will be the higher level advisory/supervisory, strategic body which enables the crucial involvement of senior Project management and Government figures to steer the overall process, ensure governance checks and balances and resolve key problems and the Project Resettlement Unit (PRU) which will be the lower level, hands-on implementing body which oversees the day- to-day implementation of the RAP and facilitates the involvement of implementers, including on the ground project staff to action the process and ensure that practical progress is made. The RAP proposes the following membership for the PRU: Resettlement Manager (Chairman), Village Chairmen, 2 representatives of displaced groups from each affected

community (x2), Community Liaison Officer (with grievance function), County Government representative from the area and NGO Representative as facilitator and observer.

**The National Land Commission:** The Commission is responsible for land valuation to determine amounts for compensation to the affected persons. The Commission handles the gazetting and inspections of affected properties. They prepare the awards and facilitate the taking of possession of the affected land upon payment of the awards to the affected persons. The National Land Commission has established County offices that will be directly involved in matters arising from the land acquisition if the affected persons are not satisfied with the awards.

**County Government of Lamu:** The County Government is responsible for ensuring that the plan is acceptable to the affected PAPs and assist in addressing/arbitrating any grievances that could arise on behalf of its residents. The County government also is best suited to mobilize the people as it has grass-root networks.

**The local CBOs and other Civil Society Organizations:** Member groups of the civil society working in the area have responsibility to ensure that the resettlement plan is implemented as planned. CSOs will also have a role to sensitize the people on various project related issues, including training and advisory services to the project affected persons as appropriate. The CSOs can also facilitate continuous consultation with affected persons to create awareness and give opportunity to air their concerns, interests and grievances.

**Grievance Redress Committee (GRC):** The GRC will serve as a dispute resolution body to negotiate and solve any problems that may arise relating to resettlement process. The GRC shall be formed within the Project Resettlement Unit Office and shall, among others; register and address the grievances raised by the PAPs.

The institutional arrangements within the executing agency and provision of adequate resources to this institution should be discussed and all inter-agency coordination should be described. The capacity and commitment of the institution to carry out the resettlement plan should also be evaluated. If necessary, strengthening of this institution should be considered and the steps that will be taken, together with a timetable and budget, should be described at the project preparation phase. There should be considerable scope for involving the local people and NGOs in planning, implementing and monitoring compensation and/or resettlement.

#### **4. Community participation**

The Rap preparation process involved collection of information through a participatory process that involved focus group discussions, census surveys, inventory stock taking, and key informant interviews. During the public and stakeholder consultations, the meetings were conducted in Kiswahili with the aid of the design plans displayed at the proposed site to illustrate to the participants on the impacts. Some of the stakeholders consulted included local chiefs, community leaders, religious groups, County Government officials, Non-Governmental interest groups, youth and women groups, indigenous communities notably the Awer community, MoEP, NLC, Amu Power staff and the affected persons among others. The PAPs were also engaged during the process of valuing their affected assets.

Consultations were also held with individual PAPs during the socio-economic survey in addition to education and sensitization during public meetings, on the RAP process. Key issues during the consultative meetings included:

- Process of land acquisition and the resettlement process per Constitution of Kenya and international standards (IFC, AfDB);
- Project impacts and proposed mitigation measures;
- Cut-off date-its meaning and application in the RAP process;
- Grievance handling and resolution process including how the PAPs and local community will be engaged;
- Eligibility criteria and compensation options; and
- PAPs and community engagement during RAP phases (development and implementation).

A summary of all the consultative meetings held during RAP preparation process is contained in Table 14 of the main RAP document.

In line with AfDB requirements, public consultation is expected to be a continuous process well into the RAP implementation phase.

A description of the consultation and participation of the displaced and hosts communities in the design and implementation of the resettlement activities including a summary of the views expressed and how these views were taken into account in preparing the resettlement plan which is described in the RAP report. A review of the resettlement alternatives presented and choices made by displaced persons, including choices related to forms of compensation and resettlement assistance, to relocating as individual families or as part of pre-existing communities, and to retaining access to cultural property (e.g., places of worship, cemeteries, etc.) is presented in the RAP report. Description of procedures for redress of grievances by project affected people shall be accessible throughout the planning and implementation stages of the project.

## **5. Integration with host communities**

Consultations with host communities and local governments and arrangements for prompt tendering of any payments due to the hosts for land or other assets will be provided to resettlers. Arrangements for addressing any conflict that may arise between the resettlers and host communities will also be made. Appropriate measures will be taken to augment public services (e.g. education, water, health, and production) in host communities to make them comparable to services provided to resettlers.

## **6. Socio-economic studies**

- a) A population census covering current occupants of the affected area, including the description of the production systems, household organization, baseline information on livelihoods and standards of living of the displaced population;
- b) An inventory of assets of displaced households; the magnitude of the expected loss – total or partial for individual or group assets, and the extent of physical and economic displacement;
- c) Information on disadvantaged groups or persons for whom special provisions may have to be made;
- d) Provisions to update information on the displaced people’s livelihoods and standards of living at regular intervals so that the latest information is available at the time of their displacement;

- e) Description of land tenure systems, including common property and nontitle based land ownership or allocation system recognized locally and related issues;
- f) Public infrastructure and social services that will be affected; and
- g) Social and cultural characteristics of displaced communities.

## **7. Legal framework, including mechanisms for conflict resolution and appeal**

### **The Land Act 2012**

Provides for the legal regime that will govern *inter alia*, the administration and management of public and private land; contracts over land, leases, charges, compulsory acquisition, easements and related rights and manages under the mandate of the National Land Commission (NLC). The proposed coal power plant is to be constructed on land tenured as community land and held in trust by the County Government of Lamu. The Kenyan Ministry of Energy and Petroleum (MoEP) is responsible for providing the land for the proposed coal fired power plant free of encumbrances to the project developer. The MoEP will ensure that land acquired for the project is done according to the provisions of the Land Act which includes fair and just compensation for project affected persons (PAPs).

### **8. Institutional framework**

The RAP was prepared in accordance with laws, regulations and guidelines for Resettlement/Land Acquisition Policy Framework of the Government of Kenya and AfDB Operational guidelines under Operational Safeguard 2 on Involuntary resettlement: Land acquisition, population displacement and compensation.

As part of the framework for RAP implementation and to address the concerns of the PAPs during RAP implementation, a grievance redress committee will be established to deal with instances of non-agreement on compensation issues, disagreement on compensation package or dispute on land ownership and acreages or any other issues related to RAP implementation. Such a committee shall include representatives of the PAPs and local authorities. The project also plans to set up a Project Resettlement Unit (PRU) and a Resettlement Steering Committee (RSC).

- a) The identification of agencies responsible for resettlement activities and NGOs that may have a role in project implementation; and
- b) An assessment of the institutional capacity of such agencies and NGOs.

### **9. Eligibility**

The process of establishing the eligibility of affected persons involved establishing the various categories of losses incurred, including, as applicable, financial loss due to loss of business, loss of property such as housing, loss of means of livelihood such as farming land or access to natural resources, among others. Based on the established forms of losses to be incurred, an entitlement matrix was developed for the proposed project. Among the eligibility criteria applicable on this project were the following, among others; land ownership recognized under laws of Kenya and including customary land and private land ownership, loss of crops (mostly perennial crops such as cashew nuts, mangos, coconut, mangrove, and other hard woods) and other assets on the land, loss of source of livelihood as a consequence of the project (such as bee keeping and loss of access to part of the mangrove resources in case of this project).

From consultations held with PAPs, the preferred form of compensation proposed by PAPs for both permanent properties and temporary structures affected by the project is monetary compensation.

The RAP indicates that all PAPs that will lose agricultural land will receive compensation of the land at full replacement cost if the PAP owns the land, and a 15% disturbance allowance on the value of the land. PAPs losing physical assets and permanent crops will be compensated at full replacement costs.

The RAP report sets out definition of displaced persons and criteria for determining their eligibility for compensation and other resettlement assistance, including relevant cut-off dates.

## **10. Valuation of, and compensation for losses**

The RAP process involved the following key phases:

- Inventory and enumeration the affected households, including identification of vulnerable PAPs;
- Conducting inventory of all assets to be affected by the project
- Valuing those assets at full replacement value as per AfDB guidelines,
- Preparing a livelihoods restoration strategy to assist people affected by the project.

Through this process, a total estimated compensation package of KShs. 1,138,997,157.76, inclusive of a 10% contingency was established to cover the compensation needs.

The fishermen who will lose their fishing grounds will be compensated for a year for loss of livelihoods as they look for other sources of livelihoods. They will also be provided with modern fishing gears and boats to enable them fish further offshore. The affected fishers suggested that offshore fishing has always been fruitful as the catch is more. Providing them with equipment will therefore increase their catch.

For the maize storage granary, the businessman will be compensated for the structure at full replacement cost to enable him construct another structure.

The mangrove cutters will be compensated for loss of livelihoods for a period of one year before they adapt to other sources of income.

For the two vulnerable widows, the project Resettlement Steering Committee through the community shall provide additional assistance to the widows to resettle them. They should be assisted to make sure they have bank accounts, notified when the compensation money is wired to their accounts and sensitized on how they should invest the money so as to have a source of livelihood. They should also be notified of any job or business opportunities emanating from the project.

For the Awer community that has depended on the project area for hunting, they will be considered for unskilled job opportunities in the project during construction and operation phase.

- a) The methodology to be used in valuing losses to determine their replacement cost; a description of the proposed types and levels of compensation under local laws and such supplementary measures to achieve replacement cost for lost assets; and
- b) A description of the packages of compensation and other resettlement measures that will assist each category of eligible displaced persons to achieve the objectives of this policy.

## **11. Identification and selection of resettlement site, site preparation and relocation**

Of the Households interviewed, they indicated preference of relocating to the back of their current homesteads and resort to other sources of livelihoods such as fishing. When asked if they would want the

County Government to find alternative land for the affected PAPs it was revealed that they will not want alternative land. Therefore there was no hosting communities to be consulted with respect to receiving displaced persons and therefore there was no need for site preparation of new settlement sites. However, the development of the project will increase demand on available infrastructural facilities and amenities in Hindi town.

For the 25 members of LACOPPOD who will lose their current bee keeping area, the 50 bee hives will have to be relocated to another site to be identified by LACOPPOD with assistance from NLC and MoEP.

- a) Institutional and technical arrangements for identifying and preparing relocation sites, for which a combination of productive potential, locational advantages, and other factors is at least comparable to the ancillary resources;
- b) Procedures for physical relocation under the project, including timetables for site preparation and transfer;
- c) Any measures to prevent influx of ineligible persons at the selected sites; and
- d) Legal arrangements for regularizing tenure and transferring titles to PAPs.

12. Shelter, infrastructure and social services

Plans to provide or finance housing, infrastructure (e.g. roads, water supply, etc.) and social services (schools, health services); to ensure comparable services to host populations; and any necessary site development.

**Outstanding issue:**

**5.12.5 Land tenure systems**

The land within the proposed project site was previously under community land where the parcel was occupied way-back by the PAPs' ancestors. The Bajuni community from the islands used this parcel for farming purposes while the Awer community used it to put up beehives. The land was however demarcated and allocated to individuals by the Commissioner of Lands, and NLC investigated the ownership process to ascertain if the titles were legally acquired. From the field survey, none of the title owners was recorded as a PAP and to date NLC has since cancelled those titles.