

Regarding the Objection

Private Sector Partnership and Finance Department,
Japan International Cooperation Agency

July 15, 2014

This English text is a translation of Japanese version for the reference purpose only and in case there are any discrepancies between English and Japanese, the Japanese versions shall prevail.

I. General Statement

- For resettlement related to the project of Thilawa Special Economic Zone (Class-A Area) development, we believe that we, as JICA, has dealt with the matter in accordance with the JICA Guideline for Environmental and Social Considerations (April 2010: "hereinafter referred to as JICA GL").
- Starting from May 2013, JICA specialists (7 people) were sent to the Myanmar government. To support them to execute appropriate resettlement in accordance with JICAGL, we have devoted a considerable amount of resources for assistance and monitored continuously the progress of resettlement. At the same time, the JICA headquarters has repeatedly dispatched a mission to inspect/deliberate whether they are acting based on JICA GL.
- At the beginning, the Myanmar government did not have a thorough knowledge of international standards relevant to the environmental and social considerations, and on January 31, 2013, they issued a forced displaced order to displace Thilawa residents within two weeks. Afterward, the Japanese government and JICA requested them to follow the procedures complying with the international standard. As a result, displacement of residents to be resettled was not executed.
- After that, JICA repeatedly provided explanations of JICA GL and support by dispatching JICA specialists as described above. As a result, the Myanmar government's understanding was improved, and under the initiative of the chairperson of Thilawa SEZ Management Committee and executive members of the Myanmar government, resettlement procedures complying with the international standard have become ensured.
- The compensation/support for this resettlement was, as described in detail below, established

reflecting the requests from residents by going through a number of rounds of consultation sessions with the residents and consultation with residents by different groups and on an individual basis, and an agreement was reached between each of all concerned households. The resettlement project includes compensation and support for lost assets, livelihood opportunities and resettlement cost comprehensively, and JICA recognizes that the contents and established processes with JICA GL.

- The Myanmar government is engaged in supporting livelihood recovery and developing the relocation sites considering residents' requests, and efforts are being made to resolve any issues that have arisen at the relocation sites (water quality of well etc.). Occupational training and employment opportunity matching service in the special economic zone are also actively provided, and JICA understands that the procedures comply with JICA GL.
- To the Myanmar government, the Thilawa Special Economic Zone development project is a symbol of democratization and economic reform of the country, and this resettlement issue has been handled with respect to residents especially after JICA specialists started to support it. It was the first time that Myanmar established the Resettlement Work Plan in accordance with the international standard, and the Myanmar government recognizes it will be a good practice of resettlement for the future cases and is making efforts to share the experience within the government.
- The Myanmar government planned to carry out resettlement for 2000ha zone in the future complying with the international standard just as done in the Class-A Zone, and JICA is going to continue dispatching specialists for support.

II. Detailed Statement

The relevant facts regarding the points in the objection that was submitted by the residents of Thilawa on June 2, 2014 are listed below.

* Points 1 – 48 below were excerpted from the objection (the numbers for the points were numbered by JICA).

* [Relevant Facts]: This lists JICA's (the Operational Department's) understanding of the facts based upon data and information that it has confirmed through fieldwork by JICA, JICA experts, the Myanmar Government, and other sources.

[Action]: With regard to items requiring or potentially requiring a action in the future, this lists items (or policies) on the details of the action and planned action by JICA (the department overseeing the project).

[JICA GL Assessment] This lists JICA's (the Operational Department's) understanding of the points pertaining to violations of the JICA Guidelines for Environmental and Social Considerations (April 2010).

1. Projects with Respect to which the Objection is submitted

[Relevant Facts] etc. is omitted.

2. Substantial damage actually incurred or likely to be incurred by the Requester as a result of JICA's non-compliance with the Guidelines

1) Loss of farmland and/or access to farmland (P2~3)

Point 1. (P2. Last Paragraph to P3. Paragraph 1) The 81 households that have already been displaced in the first phase of the project have completely lost the farmland they previously occupied and/or owned. Of these, 13 households lived outside of the 400 ha area. The 68 households who also lived on the 400 ha of Phase 1 have been resettled in small housing lots with no farmland at all. Households have not received compensation for their lost land. Furthermore, due to inadequacies in the levels of compensation provided for loss of crops, livestock, and other assets, they have no prospect of acquiring replacement land.

[Relevant Facts]

“The 81 households that have already been displaced in the first phase of the project”

- True.
- There were 81 households targeted for resettlement, including households that only had farmland or goat sheds within the area.

“The 81 household have completely lost the farmland they previously occupied and/or owned.”

- False.
- As indicated below, the project site is owned by the Myanmar Government (the land was acquired in 1997), and so the claim that the households owned it is false.

(Reference 1) Land acquisition in 1997

- In November 1996 the Thanlyin-Kyautan Development Company (a joint venture corporation between the Department of Human Settlement and Housing Development, Ministry of Construction (MOC) and SMD International Pte. Ltd. of Singapore) was established in order to develop the Thanlyin-Kyautan Industrial Zone, which has an area of 1,230 ha.
- In 1997 the Department of Human Settlement and Housing Development acquired the land in the Thanlyin-Kyautan Industrial Zone with the intention of developing this zone.
- Those residents who had been living on the land at the time were provided with a resettlement area and resettlement expenses, while those residents who had been using the project site as farmland were given compensation for their farmland.
- The amount of compensation for the farmland came to 20,000 kyat/acre. The farmland had been nationalized through the Land Nationalization Act that was enacted in 1954, and so ownership rights for the land resided with the state. Though not legally sanctioned, sales of land usage rights have customarily been carried out. The aforementioned amount of

compensation referenced the unofficial sales price for the usage rights to the farmland (8,000 kyat/acre) for the surrounding regions at the time, and was set at a level that exceeded this price, to which the residents agreed.

“13 households lived outside of the 400 ha area.”

- False.
- Of the 81 households, there were 16, not 13, that lived outside of the 400 ha area and only had farmland or goat sheds within the area.

“The 68 households who also lived on the 400 ha of Phase 1 have been resettled in small housing lots with no farmland at all. Households have not received compensation for their lost land.”

- True.
- The land was not eligible for compensation, and replacement farmland was not provided.
- As indicated in (Reference 1), the Myanmar Government had acquired the land and the resettled residents were not in a position where they had legal rights to the land. For this reason, currently land acquisition has not been carried out for the relocation.
- By way of compensation and support following the resettlement, a compensation and support program to provide cash and support to the residents in recovering their livelihoods was drawn up.
- Conversely, while it is not necessarily stipulated as being mandatory in international standards (World Bank Safeguard Policies, etc.),¹ a plan was formulated to prepare a resettlement area for residents who had homes on the project site and to provide them with land and homes (but due to the fact that there was not enough land in the peripheral areas, another plan to not provide them with replacement land for their farmland was formulated).
- The Myanmar Government held consultations with the residents over this proposed compensation and support program, and after repeated consultations it revised it by reflecting the will of the residents into the government’s initial draft. Finally an agreement was reached on the details of the compensation and support for all of the households to be resettled in December 2013.
- When it came to the houses eligible for compensation for assets, of the residents to whom homes and land were provided in the resettlement area 29 households received houses that were larger than their houses from prior to the relocation, 12 households receives houses that were

¹ See the World Bank’s Safeguard Policies OP 4.12-15 and 16.
(<http://web.worldbank.org/WBSITE/EXTERNAL/PROJECTS/EXTPOLICIES/EXTOPMANUAL/0,,contentMDK:20064610~menuPK:64701763~pagePK:64709096~piPK:64709108~theSitePK:502184,00.html>)

the same size, and 27 households received houses that were smaller. Those households whose homes were smaller than from prior to the resettlement were compensated for the difference at a unit price of 8,900 kyat/ft² for the difference in the area with their homes from prior to the resettlement.

“Inadequacies in the levels of compensation provided for loss of crops, livestock, and other assets,”

- False.
- Through the four rounds of consultation sessions with the residents and the numerous consultations between the government and residents by different groups and on an individual basis that followed these, an agreement was reached on the details of the compensation and support between the Myanmar Government and the residents. This agreement reflected the demands of the residents, such as by raising the annual yield for the compensation for rice cultivation from three years’ worth to six years’ worth and expanding the sections of the resettlement area.
- It deems inappropriate to consider the levels of compensation being inadequate since they were formulated through this process.

(Reference 2) Overview of the details for compensation and support

1. Overview of the compensation and support for lost assets
 - Homes: Places to live were provided in the resettlement area. In cases where it was acknowledged that there were differences in the floor space between the places to live in the resettlement area and their original homes, cash compensation equivalent to this difference was provided. Cash was paid to those households that wanted to build a home on their own.
 - Other structures: An amount equal to twice their market price was paid.
 - Agricultural implements: An amount equal to their market price was paid.
2. Compensation and support for the loss of livelihood opportunities (including livelihood support during the relocation period until new livelihood opportunities could be established)
 - Rice: An amount equal to six-times the market price was paid for the yearly yield.
 - Vegetables, trees: An amount equal to four-times the market price was paid for the yearly yield or number of trees.
 - Livestock (cows/buffalo): An amount corresponding to the number of animals was paid. For the income from milk cows, an amount equal to three-times the annual income was paid.

- Compensation for time spent not working: 28,000 kyat (4,000 kyat \times 7 day's worth) / person (note: 1 kyat \doteq 0.1 yen)

3. Resettlement support

- Moving expenses (150,000 kyat/household), transportation costs (72,000 kyat/person), support for changing schools (30,000 kyat/person), and resettlement cooperation costs (100,000 kyat/household)

4. Support for the socially vulnerable (people aged 61 or older, poor households, disabled persons): 25,000 kyat/person² ((1) for each household a total of 50,000 kyat was paid to a total of two people of the vulnerable person themselves and a helper, (2) in the event that someone had two or more factors classifying them as socially vulnerable, then support was provided for each one)

5. Support for restoring livelihoods: Occupational training, employment opportunity matching services, and other programs are offered.

6. Provision of land and homes in the resettlement area: Area for each household (25 X 50 feet \doteq 116 m²)

7. Construction of infrastructure in the resettlement area:

- Main access road (between the resettlement area and an arterial roadway): A concrete paved road was constructed
- Roads within the resettlement area: Laterite-paved roads were constructed
- Wells: These were built in eight locations
- Installation of electrical infrastructure: Distribution lines were set in place, and lead-in power lines and meter boxes for each house were installed

“They have no prospect of acquiring replacement land”

- False.
- According to the JICA experts, there are cases of families among the residents jointly pooling their compensation and support money to rent new farmland and carry on with agriculture.

² This was established based on the retail price of one big bag (equivalent to 50 kg) of intermediate or high quality rice, based on the assumption that the amount of rice consumed per person in three month's time is roughly one big bag (this three-month figure was arrived at by referring to examples from the surrounding countries).

2) Loss of livelihood opportunities (P3)

Point 2. (P3. Paragraph 2) The displacement of the Requesters and the communities they represent has caused and will continue to cause the loss of important livelihood opportunities – in particular, the land-based livelihoods that previously sustained them. Moreover, the displaced have been moved to resettlement areas prior to the development of new livelihoods opportunities and without a proper assessment as to the fit between the resettled population and the jobs that may become available as the SEZ develops. As a result, approximately 40 previously self-sustaining families are currently without means of supporting themselves and without any concrete prospect for a sustainable livelihood in the near future.

[Relevant Facts]

“The displacement of the Requesters and the communities they represent has caused and will continue to cause the loss of important livelihood opportunities – in particular, the land-based livelihoods that previously sustained them.”

- Partially unclear.
- As indicated in (Reference 1), the Myanmar Government had acquired the land and the resettled residents were not in a position where they had legal rights to the land, and so therefore replacement farmland was not provided. So for this reason it is true that they lost their land-based livelihood opportunities.
- As described in the following points, at present livelihood recovery support is being provided when it comes to the post-resettlement livelihood opportunities of the Requestors, and so it is unclear whether this same state of affairs will continue on into the future.

“The displaced have been moved to resettlement areas prior to the development of new livelihoods opportunities and without a proper assessment as to the fit between the resettled population and the jobs that may become available as the SEZ develops.”

- Partially false.
- When confirmation was made with the Myanmar Government through the JICA experts, discussions were held with the residents over the details for livelihood recovery support at the stage of the resident consultations concerning the compensation and support plan. But the residents’ focus was concentrated on the amount of compensation and support, and so as a result it is true that the resettlement was carried out before livelihood opportunities were developed.
- The Myanmar Government reached an agreement with the residents over compensation and support, including livelihood support in the resettlement period. Based on this, rapid progress was made with the drafting of a livelihood recovery support plan following the resettlement.

The details of this are listed below.

- The Myanmar Government established the Income Restoration Program Implementation Sub-Committee (IRPISC) and drafted livelihood recovery support programs (December 6 and 23, 2013, January 24, 2014). This sub-committee is comprised of officials from the Myanmar Government and two resident representatives.³ It is in charge of matters like drafting livelihood recovery support plans, holding dialogues with the residents, monitoring the conditions, implementation, and so forth.
- The Myanmar Government has held resident-participation workshops (December 11 and 22, 2013 and January 16, 2014). The Myanmar Government took part (Yangon Regional Government, Thanlyin, Kyauktan Township, candidate training institutes, etc.), as did a total of 334 residents slated to be resettled. The Myanmar Government listened to the residents' requests regarding livelihood support and their living environment, and also carried out individual inquiry surveys on those households that were unable to attend. (Note) In the end, 44 of the 81 households of impacted residents were recorded as having attended the program.
- Based upon the residents' requests, the Myanmar Government offered 13 training courses (food production and sales, driving vehicles, computer skills, carpentry, driving large vehicles, automobile repair, welding, electrical work skills, furniture production, etc.). It began sequentially rolling out programs starting from the middle of January 2014, and thus far ten courses have been offered.
- The Myanmar Government offered occupational training, in addition to which it matched people with employment opportunities by introducing residents to the building contractors for the Thilawa Special Economic Zone (Class-A Area).
- On page 34 of the RWP it mentions that roughly 20 industrial categories were introduced as examples of employment opportunities that were expected to be generated within and around the periphery of SEZ and on the outskirts of the resettlement area. It also makes mention of matters like prospects for the implementing agency for the occupational training and for the training period.
- As was mentioned above, the Myanmar Government held three rounds of resident-participation workshops starting from December 2013. In doing so, it accommodated those who said that there were some residents who had absolutely no idea what sort of occupations they would like to start working in or about occupational skills training by inviting six locations that accept trainees and that offer occupational skills training in the area around the resettlement area and in Yangon (government-affiliated, private, NGOs, etc.) to the workshops. At the workshops

³ The resident representatives were elected through a mutual vote by the residents at the first resident-participation workshop (December 11, 2013).

they held question and answer sessions with the residents over employment opportunities and the training subjects.

“Approximately 40 previously self-sustaining families are currently without means of supporting themselves and without any concrete prospect for a sustainable livelihood in the near future.”

- False. The current situation is described below.
- JICA experts held hearings with the households in the resettlement area for two weeks from March 10 – 23, 2014, where they instituted surveys on their living and livelihood conditions (42 of 68 households responded; these 42 households were all of the households that were living in the resettlement area as of the time of the survey). The results confirmed that of the 42 households, 29 of the household heads had taken up employment, 6 of them were seeking employment, and 7 of them were retired and were living on their pensions and through the support of their families.

[Action]

- The JICA experts will be utilized to provide support so that in the future the Myanmar Government can sequentially develop the contents of the livelihood recovery support program by following the PDCA cycle.
- When it comes to support for acquiring employment opportunities in SEZ in particular, information on the companies making inroads into the area will be disclosed. After this has been done, the JICA experts will continue to be utilized to provide support so that the Myanmar Government can implement occupational skills training in advance in an efficient manner so that the people can obtain employment opportunities and work in their desired type of occupation.

Point 3. (P3. Paragraph 2) Local authorities have promised that resettled individuals can find work on the construction crew for the SEZ, but for the most part those jobs have not yet materialized, and those jobs that are available pay extremely low wages. The relocated villagers were told by a representative from the SEZ Management Committee on February 15, 2014 that jobs on the SEZ construction crew would pay 10,000 kyat (US\$10.30) per day. However, when 40 villagers arrived for the positions, they were offered only 4,000 kyat (US\$4.15) per day for physically demanding work, such as digging land. As a result, only 4 people from the 81 families from the 400 ha area are now working in these positions

[Relevant Facts]

- False.
- The Myanmar Government matched people with employment opportunities by introducing residents to the building contractors and other employers for the Thilawa Special Economic Zone (Class-A Area) on several dates such as February 28 and March 19, 2014.
- As of the end of May 2014, 15 of the resettled residents were hired and were working as construction site workers in the SEZ.
- As of June 13, 2014, the developed land within the SEZ was partially destroyed as a result of the heavy rains that struck the site at the end of May, and so the construction work by regular workers was halted in order to carry out repair work. As a result, the resettled residents who had been working as construction site workers were in the same position as the other regular workers in that they were waiting for the construction work to resume.
- During the interviews on July 1, 2014, some of the residents said that they were doing day labor at the construction sites in the area around Yangon while they were waiting for the construction work to resume in SEZ.
- Aside from those people mentioned above, there are plans to hire about five other people as staff, cleaners, and security guards for the SEZ Project Office.
- The salary for the SEZ construction workers is 4,000 kyat per day and up, with the possibility for them to receive raises after starting work based on their attitude towards work and their skills. One of the affected residents working within SEZ is earning 8,000 kyat per day out of recognition for his experience.
- The minimum pay of 4,000 kyats a day is comparable to that paid in other construction sites near Yangon. The minimum pay for one day of work at Myanmar International Terminals Thilawa (hereafter referred to as “MITT”) is 3,500 kyats

[Action]

- Same as the [Action] for Point 2.

3) Impoverishment (P3~4)

Point 4. (P3. Paragraph 3) The effects of resettlement have been harsh for most – if not all – the displaced community members, who have lost land, livelihoods, and homes. The consequences have been economically devastating for residents who farmed other people’s land or worked as day laborers in or near the area from which they were displaced. These residents were were not eligible for crop or livestock-based compensation and have had to survive on inadequate transitional assistance. There are approximately 10 households that fall into this category. Additionally disadvantaged are families that chose to accept a stipend to build their own resettlement houses instead of accepting poor quality and inadequate pre-built homes at the resettlement site. Those families have found that the stipend was insufficient to build a house and purchase new farm land, and are struggling to make ends meet. There are approximately 51 households that fall into this category.

[Relevant Facts]

“The effects of resettlement have been harsh for most – if not all – the displaced community members, who have lost land, livelihoods, and homes. The consequences have been economically devastating for residents who farmed other people’s land or worked as day laborers in or near the area from which they were displaced. These residents were were not eligible for crop or livestock-based compensation and have had to survive on inadequate transitional assistance. There are approximately 10 households that fall into this category.”

- Unclear whether or not this is true.
- It is unclear whether or not those residents who had been working as day laborers prior to being resettled were economically devastated and had to rely on transitional assistance to survive.
- The JICA experts held hearings with the households in the resettlement area for two weeks from March 10 – 23, 2014, where they instituted surveys on their living and livelihood conditions (42 of 68 households responded; these 42 households were all of the households that were living in the resettlement area as of the time of the survey).
- According to the results of the survey, of the 11 families (not including tenant farmers) who had been working as day laborers prior to the resettlement, 10 households were still working as such after the resettlement (four of their heads of households were doing the same work as before), while one family was supporting itself by running a small store.
-

“Additionally disadvantaged are families that chose to accept a stipend to build their own resettlement houses instead of accepting poor quality and inadequate pre-built homes at the resettlement site. Those families have found that the stipend was insufficient to build a house and purchase new farm land, and are struggling to make ends meet. There are approximately

51 households that fall into this category.”

- False.
 - Initially, the Myanmar Government’s plan was to build houses by itself for all of the families in the resettlement area.
 - When the Myanmar Government explained this plan to the residents at consultations with them over the compensation and support details, several residents expressed the desire to build their own homes. Ultimately the Myanmar Government accepted this request and reached an agreement with the residents that in cases where they built their own homes they would be paid a sum total of 2.5 million kyat in installments in accordance with the progress on the construction work. What is more, it was also agreed that the construction of the homes would be completed by about the end of November 2013 with an assumed construction period of about two to three weeks.
 - In cases where the residents built homes or equivalent structures in the resettlement area, these were to be built for the standard 7,000 – 10,000 kyat/f² based on market prices. The Myanmar Government (Department of Human Settlement and Housing Development, MOC) set the value somewhat on the high side for the construction of homes in the resettlement area at approximately 2.1 million kyat (approximately 11,000 kyat/f², with a home size of 12×16 f²), on top of which it added the costs for building toilets, and thereby paid 2.5 million kyat.
 - As for the houses, of the residents to whom homes and land were provided in the resettlement area 29 households received houses that were larger than their houses from prior to the relocation, 12 households receives houses that were the same size, and 27 households received houses that were smaller. Those households whose homes were smaller than from prior to the resettlement were compensated for the difference at a unit price of 8,900 kyat/f² for the difference in the area with their homes from prior to the resettlement.
 - As indicated in (Reference 1), the Myanmar Government had acquired the land and the resettled residents were not in a position where they had legal rights to the land, and so therefore the costs needed to purchase replacement farmland were not included in the scope of the compensation.
 - Those households that elected to build homes on their own included both farm families and non-farm families. Separate payments were made to the farm families for rice (an amount equal to six-times the market price for the yearly yield) and vegetables and trees (an amount equal to four-times the market price for the yearly yield or number of trees) as compensation and support for the loss of livelihood opportunities. As for the non-farm families, day laborers were paid compensation for time spent not working of 4,000 kyat ×

7 day's worth per person, by way of example.

- Among the residents there were 56 households that built homes of their own accord, while the government built homes for 12 of the households.

Point 5. (P3. Last Paragraph) Prior to displacement, villagers in Phase 1 had higher incomes than they do now. Around 20 households were farmers, growing seasonal crops, such as eggplant, longbeans, roselle, okra, etc. They earned a minimum of 1 million kyat (US\$1,030) per acre per year. Those families with lucrative betel nut trees could earn as much as 4 million kyat (US\$4,124) per year. Approximately 14 households farmed larger plots of land for rice, earning on average 500,000 kyat (US\$515) per acre per year.

[Relevant Facts]

“Around 20 households were farmers, growing seasonal crops, such as eggplant, long beans, roselle, okra, etc. They earned a minimum of 1 million kyat (US\$1,030) per acre per year.”

- Partially false.
- The number of households whose primary income was derived from the cultivation of crops other than rice was five, with seven households doing this as a side business. If you were to combine these together they would total 12 households, not around 20 households.
- Based on the DMS Survey, The income of households that derived their primary income from crops other than rice is between 360,000 – 3,000,000 kyat, and since land was not subject to compensation, detailed measurement of agricultural land was not performed. Therefore, income per 1 acre is not definite, so it is possible that the income per acre could have been 1 million kyat (US\$1,030) per year for some households. Based on the agreement between the Myanmar Government and the residents, these farm families were paid an amount equal to four times the market price for the yearly yield of vegetables, by way of example, as compensation and support for the loss of livelihood opportunities by the Myanmar Government.

“Approximately 14 households farmed larger plots of land for rice, earning on average 500,000 kyat (US\$515) per acre per year.”

- Unclear whether or not this is true.
- As was mentioned above, according to the results of the DMS the income per acre is far from clear, but 22 households (including households other than those deriving their primary income from rice) were earning an income of more than 500,000 kyat per year. Based on the agreement between the Myanmar Government and the residents, these farm families were paid an amount equal to six-times the market price for the yearly yield of rice, by way of example, as compensation and support for the loss of livelihood opportunities by the Myanmar Government.

Point 6. (P3. Last Paragraph) Those who previously worked as day laborers in the sea port and surrounding industries could make 8,000 to 10,000 kyat (US\$ 8.25 to 10.30) per day; if there was no work available that day, they would still be paid 3,000 kyat (US\$ 3) for showing up. However, since relocation these laborers have to pay 2,000 kyat (US\$2) for transportation to and from work, reducing their earnings to a level that is unsustainable.

[Relevant Facts]

“Those who previously worked as day laborers in the sea port and surrounding industries could make 8,000 to 10,000 kyat (US\$ 8.25 to 10.30) per day”

- Unclear whether or not this is true.
- The daily wages of those residents who had been engaged in day labor in the sea port or the surrounding industries is unclear.

“If there was no work available that day, they would still be paid 3,000 kyat (US\$3) for showing up.”

- Partially false.
- The contents of the interviews that were carried out by the JICA experts with the resettled residents who had been working at MITT are described below.
 - Day labor at MITT operates on a shift system, with the supervisors overseeing the day laborers determining their shifts. Accordingly, it is not the case that anyone who went to the worksite would be paid 3,000 – 3,500 kyat in attendance fees. Rather, those workers allocated to days when there was no work (such as when no cargo ships were anchored, or when there was no cargo to be loaded and unloaded, etc.) would be paid 3,000 – 3,500 kyat prior to returning home if they showed up in the morning and waited around on standby until quitting time.

“However, since relocation, these laborers have to pay 2,000 kyat (US\$2) for transportation to and from work, reducing their earnings to a level that is unsustainable.”

- Unclear whether or not this is true.
- The primary means of transportation from the resettlement area to MITT are two-seater bicycle taxis, the round-trip fare for which is about 2,000 kyat.
- It is unclear whether or not it is true that this has reduced their earnings to a level that is unsustainable.

Point 7. (P4. Paragraph 2) Since moving to the relocation site, most of the households are now in debt due to the high costs of building houses and loss of livelihoods. They are now borrowing money from relatives or family friends to make ends meet at a staggering 20% per month interest rate. Three families have used their relocation houses as collateral on loans. At least 20 families have already had to move away from the relocation area in order to find adequate livelihoods and homes.

[Relevant Facts]

“Since moving to the relocation site, ... high costs of building houses”

- Unclear whether or not this is true.
- As for the costs of building houses, as described below the Myanmar Government paid costs that were above market prices. It is unclear whether the families built houses by paying amounts over and above said costs out of their own pocket.

(Reference: Costs of building houses borne by the Myanmar Government)

- Initially, the Myanmar Government’s plan was to build houses by itself for all of the families in the resettlement area.
- When the Myanmar Government explained this plan to the residents at consultations with them over the compensation and support details, the majority of the residents expressed the desire to build their own homes. Ultimately the Myanmar Government accepted this request and reached an agreement with the residents that in cases where they built their own homes they would be paid a sum total of 2.5 million kyat in installments in accordance with the progress on the construction work. What is more, it was also agreed that the construction of the homes would be completed by about the end of November 2013 with an assumed construction period of about two to three weeks.
- In cases where the residents built homes or equivalent structures in the resettlement area, these were to be built for the standard 7,000 – 10,000 kyat/f² based on market prices. The Myanmar Government (Department of Human Settlement and Housing Development, MOC) set the value somewhat on the high side for the construction of homes in the resettlement area at approximately 2.1 million kyat (approximately 11,000 kyat/f², with a home size of 12×16 f²), on top of which it added the costs for building toilets, and thereby paid 2.5 million kyat.

“Most of the households are now in debt due to ... the loss of livelihoods.”

- Partially false.
- It is unclear whether most of the households are now in debt due to the loss of livelihoods, but it is true that some households are in debt.

- The JICA experts held hearings with the households in the resettlement area for two weeks from March 10 – 23, 2014, where they instituted surveys on their living and livelihood conditions (42 of 68 households responded; these 42 households were all of the households that were living in the resettlement area as of the time of the survey), then performed follow-up confirmation again in May. From these it was confirmed that of the 42 households, 29 of the household heads had taken up employment, 6 of them were seeking employment, and 7 of them were retired and were living on their pensions and through the support of their families.
- As for the indebted status of the residents, in the interview survey on each of the households mentioned above only one household responded that they had debts. But according to the JICA experts, there is reason to surmise that about 10 households are conceivably in debt due to their living circumstances and talks with neighboring residents.

“They are now borrowing money from relatives or family friends to make ends meet at a staggering 20% per month interest rate. Three families have used their relocation houses as collateral on loans.”

- Unclear whether or not this is true.
- Since a bank lending system has not developed in Myanmar, there are numerous cases of people making ends meet by helping one another out by means of lending and borrowing money with interest from family and acquaintances when they need cash. As for the interest rate in such instances, between parents and children and siblings there are times when the interest rates are low at 3% or the like, but in other cases there such rates can reach 20 – 30%. According to the JICA experts, there are families who earn their living from the income from this interest by lending out their compensation and support money (cash) to the residents within the resettlement area. But they said that such cases are commonly seen not only in the resettlement area, but also in other agricultural village regions as well.

“At least 20 families have already had to move away from the relocation area in order to find adequate livelihoods and homes.”

- Partially false.
- There have been 19 households that have sold off their homes in the resettlement area (19 households had sold off their residences as of June 15, 2014), but the reasons why they sold them are uncertain. Below are listed the reasons for why different households sold off their homes that had been confirmed by the JICA experts as of June 15, 2014. (The reasons include personal information and cannot be disclosed)

Point 8. (P4. Paragraph 3) Around 80 farmers from Ahlwan Sut and Phaya Kone villages in Thanlyin Township have lost their livelihoods during the dry season since to the Myanmar Government stopped the distribution of irrigation water from the Zamani Reservoir in December 2012 without providing any advance notice. These farmers used to till more than 600 acres of irrigated rice fields in the 2,000 ha area during the dry season (between December and April) and used to earn 480,000 to 560,000 kyat (US\$ 495 to 577) per acre. They have now lost their livelihoods during two dry seasons.

[Relevant Facts]

“...since to the Myanmar Government stopped the distribution of irrigation water from the Zamani Reservoir in December 2012 without providing any advance notice.”

- True.
- The Myanmar Government stopped the distribution of irrigation water in December 2012.

“Around 80 farmers from Ahlwan Sut and Phaya Kone villages in Thanlyin Township have lost their livelihoods during the dry season. These farmers used to till more than 600 acres of irrigated rice fields in the 2,000 ha area during the dry season (between December and April) and used to earn 480,000 to 560,000 kyat (US\$ 495 to 577) per acre. They have now lost their livelihoods during two dry seasons.”

- Unclear whether or not this is true.
- There was one household in the Class-A Area that was affected by this water stoppage (but according to information from Thanlyin SLRD staff members this household had been receiving irrigation water supplied from Thilawa Dam, not Zamani Dam). Out of consideration for when they had been receiving the distribution of irrigation water, the family was paid compensation and support money equal to six-times their yearly yield.
- The Myanmar Government is currently conducting a survey on the households that were affected by this stoppage of irrigation water in the 2,000 ha area. It has been confirmed that the handling of this issue was considered within the compensation and support plan relating to the resettlement that was formulated after this survey. For this reason, at this point in time the number of farmers who have lost their livelihoods during the dry season and their livelihood status are unclear.

[Action]

- The Myanmar Government is currently carrying out a DMS on the 2,000 ha area. JICA experts are being utilized to provide support for the smooth implementation of the survey by the Myanmar Government to ensure that considerations over compensation and support to the households affected by the stoppage of irrigation water are performed as quickly as possible.

- For its part, JICA will maintain a close watch to ensure that the action carried out for households that were affected by the stoppage of the distribution of irrigation water in the 2,000 ha area is consistent with that in the Class-A Area.

4) Loss of educational opportunities (P4)

Point 9. (P4. Paragraph 4) When the villagers moved to the relocation site in November and December 2013, their children were allowed to finish out the school year at their old schools. However, for some families, the cost for transportation was too high and students had to drop out. For example, in the relocation site, these families had to pay 3,000 kyat (US\$ 3.09) per day for motorbike taxi to the school and back, whereas previously they only paid 6,000 kyat (US\$ 6.19) per month.

[Relevant Facts]

- Partially false.
- According to the JICA experts, while there was one household that had to temporarily put a stop to its child commuting to school, this has not given rise to any children who have been forced to give up school. The results of the confirmation by the JICA experts are described below.
 - The Myanmar Government (Thilawa SEZ Management Committee) was concerned that as a result of the resettlement the children's school would now be farther away, the transportation expenses would be more expensive, and their school commute times would be longer. So when the compensation and support amounts were handed over (prior to the resettlement), the government explained that it would issue letters of recommendation to the residents to assist them in the moving procedures when they transferred to a school in the vicinity around the resettlement area.
 - But the resettlement period fell exactly around the end of the school year, and since the parents were concerned about changing the children's educational environment (for example: separating them from their familiar friends and teachers or a change in the educational policies) they did not go through the school transfer procedures. As such, as per the residents' wishes it was decided that the children would not transfer to the schools in the vicinity around the resettlement area, but rather would finish out the school year at the schools that they had been going to from before the resettlement.
 - Due to the abovementioned course of events, as a result the Myanmar Government decided that it would pay the residents 2,000 kyat/week (400 kyat/day per person) as school commuting fees for the children following the resettlement. This amount was calculated on the assumption that they would be using ferry busses, and when the relocation was carried out there were two and a half months remaining in the semester so an agreement was reached with the residents that four months worth of transportation fees would be paid to give them some extra leeway. As of March 2014, there was only one household out of the total 42 households residing in the resettlement area that had temporarily given up on

having one of its children commute to school until they could transfer to a school in the vicinity around the resettlement area for the new semester due to the burden of transportation fees.

- As of June 13, 2014, all children of the household have successfully completed the school transfer procedures with the government's support, and it has been confirmed that they are going to school in the vicinity around the resettlement area.

Point 10. (P4. Paragraph 5) For the upcoming school year, which begins in June 2014, the Thilawa SEZ Management Committee has made no preparations for the education of 52 children from the relocation site. The village head of Myaing Thar Yar, the nearest village, previously advised the resettled families that the village school could not accept the resettled students due to lack of space. On May 28, 2014, when families went to enroll their children at the Taman Oo School in Myaing Thar Yar village, the school headmistress said that she had been forced to accept the children's registration despite the considerable challenge that an additional 52 children will pose in the classroom. The children's parents are concerned that the students will be treated unfairly because of this situation.

[Relevant Facts]

“For the upcoming school year, which begins in June 2014, the Thilawa SEZ Management Committee has made no preparations for the education of 52 children from the relocation site.”

- False.
- According to the JICA experts, the Myanmar Government has been carrying out the following preparations with a view towards the fiscal year starting in June.
- Specifically, for the transfer to the schools in the area surrounding the resettlement area, the Myanmar Government has issued to the schools letters of recommendation that include lists of the children eligible for the transfer. It has also explained the situation in which the resettled residents are in to the schools directly, and has held talks with them to ensure that the transfer will be carried out smoothly. As a result of this, for the semester starting from June the children of all of the households who wish to transfer schools may do so.

“On May 28, 2014, when families went to enroll their children at the Taman Oo School in Myaing Thar Yar village, ... an additional 52 children will pose in the classroom.”

- False.
- According to the JICA experts, there were 45 newly accepted students.

“...the school headmistress said that she had been forced to accept the children's registration despite the considerable challenge”

- Unclear whether or not this is true.
- It is unclear whether the headmistress made this statement or not. As a result, out of consideration for the wishes of the residents in the resettlement area the Myanmar Government has decided to provide support for transferring schools to children who were not originally eligible for it, such as the relatives of residents in the resettlement area.

- As for the school's capacity, owing to changes in the Myanmar Government's educational policies middle school education has been free of charge, which has had the affect of increasing the number of students to an appreciable extent.
- The contents of the report from the JICA experts are listed below.
 - They said that since the school on the outskirts of the resettlement area is highly regarded, they received requests from the residents in the resettlement area to allow not only the children of households in the resettlement area, but also children who were not originally eligible for it, such as the relatives of residents in the resettlement area, to matriculate to the schools.
 - Initially the school wanted to set a limit on the number of students accepted on account of the educational environment (the number of classrooms and chairs). But when the residents of the resettlement area consulted with the Myanmar Government (Thilawa SEZ Management Committee) asking it whether it would approve of the transfer, the Myanmar Government asked the school for its cooperation and held consultations that included resident representatives. As a result, all 45 of the students wishing to go to the new school were allowed to do so.
 - Because of this, the school the students were to transfer to anticipated that a new problem would arise in terms of the lack of physical capacity for things like desks and chairs, and so the Myanmar Government decided that it would respond by means of securing such equipment. Later on, when the situation was confirmed with this same school headmistress on June 14, 2014, she said that since the parents of some of the children had provided desks and chairs they would have enough even without the support of the government.
 - In addition, according to the headmistress, since the number of students in this new semester (June) has increased, the school is currently in a position where they have reached their upper limit for the number of students that can be accepted in each of the school years. It goes without saying that the acceptance of the resettled residents has had a major impact on this. But starting from this semester, changes to the government's educational policies have done away with the tuition fees up through secondary education, and so as a result residents in the surrounding areas who until now had given up on continuing their children's education for economic reasons now wish to have them attend this school. This has also had a considerably large impact.
 - Given the circumstances mentioned above, there is an extremely large number of students for this semester, and so the school is considering adding to and expanding its classrooms and also furnishing facilities that include desks and chairs. Since the World Bank is currently providing financial backing to the educational sector of the Myanmar Government, one countermeasure that is currently being considered is to use this support

to furnish new facilities.

“The children’s parents are concerned that the students will be treated unfairly because of this situation.”

- Unclear whether or not this is true.
- When the JICA experts checked with the children (in their third year in middle school) living in the resettlement area on how things were going at their new school (June 13, 2014), they found that they were not being treated particularly unfairly compared with the other children.
- What is more, when the JICA experts interviewed the headmistress on June 20, 2014, she said that she would provide supplemental lessons to those children who were falling behind in their academic abilities together with other such students.

5) Substandard housing and basic infrastructure (P4~5)

Point 11. (P4. Paragraph 6) The site to which the first group of 68 households were resettled was prepared hastily and incompletely. Houses were erected over the course of barely one month, raising concerns of their structural integrity given the muddy, sandy nature of the soil on which they were constructed. The houses themselves are small for a single family and very close to one another providing little privacy from one's neighbors. The plot of land for each house measures only 25 x 50 feet and is insufficient even to keep a kitchen garden for subsistence.

[Relevant Facts]

“The site to which the first group of 68 households was resettled was prepared hastily and incompletely. Houses were erected over the course of barely one month”

- False.
- The course of events regarding the building of houses is described below.
 - Initially, the Myanmar Government's plan was to have all of the families in the resettlement area build their own homes.
 - When the Myanmar Government explained this plan to the residents at consultations with them over the compensation and support details, the majority of the residents expressed the desire to build their own homes. Ultimately the Myanmar Government accepted this request and reached an agreement with the residents that in cases where they built their own homes they would be paid a sum total of 2.5 million kyat in installments in accordance with the progress on the construction work. What is more, it was also agreed that the construction of the homes would be completed by about the end of November 2013 with an assumed construction period of about two to three weeks.
 - But in actuality none of the homes were completed (or “deemed completed,” wherein the construction of the structure was completed but the painting of the outer walls had not been finished) in November 2013. Between November 9 and 28, 2013 there were 33 homes in the resettlement area that people had moved into (but this includes homes that are currently uninhabited, or that are inhabited by a different family). At the request of the residents, they were given approval to move in to the homes while they were still being built on the condition that the homes within SEZ be demolished. The homes for these 33 families were completed (or deemed completed) over a period lasting from the middle of December 2013 until the end of January 2014.
 - Construction started on the 12 homes that were built by the contractor arranged by the government on November 13. By November 22 four were completed, with the remaining eight completed on November 27 (but this excludes things like the installation of electricity meters).

- As of May 27, 2014 the construction work on four of the 68 homes had not been completed. Most of the remaining 64 homes have provisionally been deemed to be complete and are inhabited. But of these there are five homes that do not meet the requirement that their exterior walls be painted with earth oil, which was agreed upon between the Myanmar Government and the residents, and so these are being treated as being deemed completed rather than being complete in a strict sense.
- According to the JICA experts, considering the size of the homes that the Myanmar Government had the contractor build, the construction of the structures could have been completed up through the installation of the floors, walls, and ceilings within a range of about one to two weeks if they had several carpenters and workers working on it for the normal working hours each day. While the amount of inputs would vary for each day, if you included the work for things like the interiors and painting them then conceivably it should have been possible to complete the homes within two weeks to one month.
- As for the majority of the homes build by the residents themselves, they would work on these when they had free time, or hire a carpenter and entrust them with the construction work in a partial manner. So since they were not necessarily putting effort into them in a concentrated manner, it took them a longer time to complete.
- In Myanmar, the purchasing of electricity meter boxes and wiring work are ordinarily the responsibility of the user (resident), but for the residents in the resettlement area the Myanmar Government installed these on its own responsibility for all 68 of the homes. The installation of meter boxes was carried out for most of the residences in December 2013, but their installation on the four homes that were still under construction was carried out starting in January 2014.

“... raising concerns of their structural integrity given the muddy, sandy nature of the soil on which they were constructed.”

- Unclear whether or not this is true.
- All of the homes built by the Myanmar Government and those built by the residents themselves have raised-floor style structures. This was done based on the presumption that the ground becomes flooded and soggy during the rainy season, and so this is the natural structure given the climatic and topographical features of the local region.
- The construction of the homes is not crude or fragile compared to the homes in the area surrounding the resettlement area. Put in terms of Japanese homes, some of the homes use a mat foundation for their underlying infrastructure. But most of them have structures that use ready-made or pre-cast, block-shaped concrete foundations for their foundations, and have pillars fixed in place on top of this foundation.

“The houses themselves are small for a single family”

- Unclear whether or not this is true.
- With regard to the size of the houses, 29 households received houses that were larger than their houses from prior to the relocation, 12 households received houses that were the same size (increase/decrease of less than 20 ft² (1.8 m²)), and 27 households received houses that were smaller. Those households whose homes were smaller than from prior to the resettlement were compensated for the difference at a unit price of 8,900 kyat/f² for the difference in the area with their homes from prior to the resettlement. A detailed comparison of the floor space from before and after the resettlement is provided below.

No	Category	No. of households	Notes
1	Increase of more than 100 ft ² due to the resettlement	11	Households that received larger houses from prior to the resettlement: 29
2	Increase of more than 20 ft ² but less than 100ft ² due to the resettlement	18	
3	Increase of less than 20 ft ² due to the resettlement	2	Households that received houses that were the same size from prior to the resettlement: 12
4	Decrease of less than 20 ft ² due to the resettlement	10	
5	Decrease of more than 20 ft ² but less than 100ft ² due to the resettlement	15	Households that received smaller houses from prior to the resettlement: 27
6	Decrease of more than 100 ft ² but less than 200ft ² due to the resettlement	6	
7	Decrease of more than 200 ft ² but less than 300 ft ² due to the resettlement	3	
8	Decrease of more than 300 ft ² but less than 400 ft ² due to the resettlement	2	
9	Decrease of more than 400 ft ² due to the resettlement	1	
Total		68	68

Note) This is not the actual difference with the current floor space, but the difference in area based on the compensation calculations.

“...very close to one another providing little privacy from one’s neighbors”

- Unclear whether or not this is true.
- It is true that the houses are close to one another compared to before the resettlement. In the surveys on living and livelihood conditions carried out in March 2014 by the JICA experts, 31 of the 42 households that responded replied that noise problems had gotten worse (the remaining 11 households replied that there was no change from prior to the relocation).

“The plot of land for each house measures only 25 x 50 feet”

- True.
- The plot of land for each house is 25 x 50 feet.

“... and is insufficient even to keep a kitchen garden for subsistence.”

- Unclear whether or not this is true.
- As of June 13, 2014 kitchen gardens had been started by three of the households, though these are small in scale.
- These households have begun to raise saplings for melons, bananas, orchids, and other plants in their gardens before the rainy season, and they intend to use them for their own personal consumption and to sell.

[Action]

- When it comes to the noise problems in the resettlement area, upon the request of the residents officials from the Myanmar Government (Village Officers) have held numerous discussions with the residents and are making efforts to reduce noise. But if the problem persists then there is the possibility that a action such as formulating rules for within the resettlement area will be needed. For its action to the noise problems, JICA is making efforts to get the residents to resolve the problem between themselves. It is also keeping a close watch on the status of assistance for these efforts by the Myanmar Government, and will provide support for the assistance from the Myanmar Government through JICA experts as needed.

Point 12. (P5. Paragraph 1) There are inadequate drainage facilities in the relocation site. Unfinished and open ditches run along the narrow roads, leading some yards to be flooded with waste water. Already poor drainage and flooding in the dry season raise serious concerns about the conditions of the houses and the site in general during the rainy season. Furthermore, roads are narrow and without any trees, creating a very hot and uncomfortable environment for the displaced households. Thus the displaced villagers have been forced to endure difficult and inadequate housing conditions in the relocation site.

[Relevant Facts]

“There are inadequate drainage facilities in the relocation site. Unfinished and open ditches run along the narrow roads, leading some yards to be flooded with waste water. Already poor drainage and flooding in the dry season raise serious concerns about the conditions of the houses and the site in general during the rainy season.”

- False.
- The drainage channels running along the roads have largely been completed, and in most places they are covered with concrete covers (there are some areas where they have been left open).
- Some of the households have scraped out some of the sidewalls of the drainage channels to allow them to carry away water from within their residential plots.
- According to the JICA experts, even with the open channels, so long as no problems arise that would impede their drainage functions, such as the residents in the resettlement area throwing away large amounts of trash in the drains, then the thinking is that their functionality as drains will be preserved.
- The ground of the residential plots is lower than that of the roads. According to the JICA experts, since roads serve as an essential lifeline for access, raising them up higher than the surrounding land is a common measure to prevent them from becoming submerged taken in the lowlands and flatlands of places like the Yangon Region and the Ayeyarwady Region.
- Once the rainy season begins in the local region, rain falls almost every day starting from June. A heavy rain fell on June 13, and in the middle of the rain and after the rain had stopped the Myanmar Government and JICA experts checked on the situation in the resettlement area. The results of this showed that the drains were functioning to discharge water. In addition to this, the residents of some of the households took countermeasures such as piling up soil on their own plots, and so no major damage such as inundation under the house floors due to the rain was observed. On the other hand, those homes that are currently uninhabited were found to be in a state in which rainwater and trash had accumulated on the premises.

“Furthermore, roads are narrow and without any trees, creating a very hot and uncomfortable

environment for the displaced households. Thus the displaced villagers have been forced to endure difficult and inadequate housing conditions in the relocation site.”

- Unclear whether or not this is true.
- The widths of the roads within the resettlement area are either 13 feet or 9 feet and 6 inches.
- No trees had been planted within the resettlement area, but the JICA experts confirmed that starting from June some of the households (two households) had planted trees in front of their own homes ahead of the arrival of the rainy season. Their objective in planting the trees was to provide shade from the sun in the summertime. These households are of the opinion that it is important to go about making efforts on their own to improve the community (in the resettlement area), and have made appeals to the other families to plant trees. But the other households lack this sort of awareness, and so they were not able to gain their understanding. The sapling trees were obtained by the heads of these households from an acquaintance.
- With regard to the living environment in the resettlement area, improvements have been carried out compared with prior to the resettlement, such as the installation of power distribution and electricity meters in each of the homes.

[Action]

- In the event that flooding problems occur due to the fact that the ground of the residential plots is lower than the roads, then the Myanmar Government will have to consult with the residents to consider possible countermeasures and take action over this. Where necessary, JICA will provide support to ensure that the consultations between the residents and the Myanmar Government proceed smoothly.

6) Loss of access to adequate clean water (P5)

Point 13. (P5. Paragraph 2) Due to the haste with which the relocation site was prepared, only two out of four water pumps at the site are currently functional. The water from these pumps is muddy and not suitable for drinking. There are also two open wells that have algae growing on the surface. Although the villagers wait for the sedimentation to settle before using the well water, it still smells strong. Therefore, approximately 20 households near Myaing Thar Yar are using water from that village's wells, while another 20 are buying clean water. The remaining households have no viable option but to use the dirty water. In their prior homes, residents had adequate access to clean water and no need to buy it. However, as a result of their resettlement in an inadequately prepared site, relocated villagers now have only limited access to clean water, raising concerns about health ramifications.

[Relevant Facts]

- Partially False.
- Up through around the middle of June 2014 the Myanmar Government undertook initiatives to make successive improvements, and so six of the seven wells that had been installed in the resettlement area were usable (the pump on one of the wells was broken) and all of them could be used to supply water for daily use without any problems. Yet despite this, as things stood they were not being used for drinking water (they either use the wells in the vicinity around the resettlement area for drinking water, or purchase it from households among the resettled residents that have dug their own wells in their homes).
- In light of the aforementioned circumstances, the Myanmar Government has been making further improvements since the middle of June 2014, with the result being that as of July 1 eight wells have been installed within the resettlement area that are all usable. One of the eight wells is an open well and two of them are hand pump wells, which the residents have started using to get drinking water, while the other five wells are only being used for water for daily use (the residents are still either using the wells in the vicinity around the resettlement area for drinking water, or purchasing it from households among the resettled residents that have dug their own wells in their homes).

[Action]

- The Myanmar Government is aware of the challenges, and since June 14, 2014 it has been working towards making successive improvements, such as digging out four new wells. For its part, JICA will continue to keep a close eye on the situation and provide the necessary support to the Myanmar Government.

7) Damages Incurred by Requesters (P5~6)

Point 14. (P5. Paragraph 3) A's parents had 20 acres of land before his relocation, however, the land was not in use. It had previously been confiscated in 1997 and was filled in with soil for construction, and was therefore unusable for farming. In the years prior to the relocation, A worked as a sewing machine mechanic in garment factories near Yangon, earning between 110,000 and 120,000 kyat (US\$113 to 124) per month. A chose to build a house in the relocation site rather than take the poor quality house prepared by the government. He spent approximately 6 million kyat (US\$6,185) to construct the new house, including the cost of filling in the housing lot with sand to try and prevent the possibility of flooding in the rainy season. He has now incurred a debt of 2.7 million kyat (US\$2,784), loaned to him by his father and aunt in order to finish his house. A spent almost 40 days to build his house, during which time he could not regularly work in the garment factories. The 28,000 kyat (calculated at 4,000 kyat per day for 7 days) (US\$29) that he received for the loss of work opportunity due to moving was not adequate. Because of the time spent away from this job during the construction of his house and moving to the relocation site, A is now only working 2 days per week plus odd jobs at the factories when he is needed. He earns 100,000 kyat (US\$103) per month now, and is planning to open a sewing shop in front of his house, so his wife can also work there.

[Relevant Facts]

Relevant Facts include personal information and cannot be disclosed

Point 15. (P5. Last Paragraph) B has a total of 3.5 acres of farmland. His family previously used one acre of hillside farmland in the 400 ha area to grow crops of cabbage, eggplant, rose and betel nut leaves, where he continues to live there despite the resettlement process. The family also raises 6 cows and 30 chickens. In addition, the family also has 2.5 acres of farmland in the 2,000 ha area on which they currently grow rice, with 2 harvests per year.

After accepting the first installment of his compensation and beginning to build a new house in the relocation site, B realized that the compensation would not be enough to finish the house or to buy replacement land to grow crops or raise livestock. He has therefore refused to sign and take the second and third installments. B has now incurred a debt of 4.5 million kyat (US\$4,639) to family members and a pawnbroker. Additionally, the government has ordered him to stop growing betel nut and crops on his land in the 400 ha where he is still living.

[Relevant Facts]

Relevant Facts include personal information and cannot be disclosed.

Point 16. (P6. Paragraph 2) C lives just outside of the 2,400 ha area of the SEZ project, but has 4 acres of farmland for rice cultivation in the 2,000 ha area, the profits from which he shares with his sister. In their agreement, C farmed that field during the dry season, while his sister farmed it during the rainy season. In December 2012, the government halted the distribution of irrigation water from the Zamani Reservoir to approximately 600 acres of farmland, including C's shared field. He has already lost two years of dry season crops of rice worth 1.6 million kyat (US\$1,649) per year, but has not received any compensation for this loss of livelihood. He holds an additional 10 acres of farmland in the 2,000 ha area that he uses to farm rice, harvesting one crop per year in the rainy season.

[Relevant Facts]

Relevant Facts include personal information and cannot be disclosed.

3. / 4. The provisions of the Guidelines that the Requesters consider were violated by JICA, the facts constituting JICA's non-compliance, and the causal relationship with the damage

Point 17. (P7. Paragraph 3) On November 4, 2013, a full draft of the RWP was finally made public, which the Requesters were not aware of until non-governmental organizations (NGOs) informed them at the end of November 2013. By December 2013, 67 Phase 1 families had been relocated, all except B's family.

[Relevant Facts]

“On November 4, 2013, a full draft of the RWP was finally made public”

- True.
- On November 4, 2013, a draft of the RWP was made public at the office of the Thilawa SEZ Management Committee and the General Administration Department (GAD) in Thanlyin and Kyauktan Townships. (it was made public in Myanmar and English at the office of the Thilawa SEZ Management Committee and in Myanmar at the GAD of the townships).
- The Myanmar Government also made it public on its website at:
http://www.mediafire.com/view/dmbchg5u2vg9535/110413_RWP_Final.pdf
At that time, the government put up a notice of the publication in each Township or Village Office and each market.
- In addition, the Myanmar Government announced the publication on its website through two newspapers – Myanmar Alin and The Mirror – dated November 8, 2013, and gave an explanation in the newspapers about where hardcopies are available.

“the Requesters were not aware of [it] until non-governmental organizations (NGOs) informed them at the end of November 2013.”

- Unclear whether or not this is true.
- As described above, the Myanmar Government made the publication of the draft of the RWP widely known. It is unknown whether the Requesters knew about this.

[JICA GL Assessment]

- Related GL Provision: Appendix 1, involuntary resettlement 4
“For projects that will result in large-scale involuntary resettlement, resettlement action plans must be prepared and made available to the public. In preparing a resettlement action plan, consultations must be held with the affected people and their communities based on sufficient information made available to them in advance. When consultations are held, explanations must be given in a form, manner, and language that are understandable to the

affected people. It is desirable that the resettlement action plan include elements laid out in the World Bank Safeguard Policy, OP 4.12, Annex A.”

- Assessment: It does not violate the JICA GL.
- Basis: Because the Myanmar Government has made the availability of the RWP widely known, there is no particular violation of the JICA GL.

**a. JICA’s responsibility to ensure “accountability” when implementing cooperation projects.
(P8)**

Point 18. (P8. Paragraph 1) The Project Proponents – the Yangon Regional Government (YRG) and Myanmar Japan Thilawa Development Co Ltd. (MJTD) – submitted and are in the process of implementing a Resettlement Work Plan (RWP) and an environmental impact assessment (EIA) respectively that fail to meet JICA’s standards. (The Requesters give a more detailed explanation of the ways in which the RWP and EIA fall short in the paragraphs below.) Throughout the project planning and implementation process, JICA has deflected community complaints about the deficiencies in these plans and assessments by insisting that it is the YRG’s responsibility to implement resettlement and livelihoods plans.

While it is indisputable that primary responsibility for implementation does fall with the project proponent, JICA’s response has completely missed the point: it is JICA’s responsibility to ensure that the YRG mitigates negative impacts on these communities in a way that complies with JICA’s Guidelines. And JICA’s failure to assume responsibility for accountability is directly linked to the suffering of the community members because, as noted in the paragraphs that follow, the damages experienced correlate precisely with the instances of non-compliance with JICA’s Guidelines.

[Relevant Facts]

“The Project Proponents – the Yangon Regional Government (YRG) and Myanmar Japan Thilawa Development Co. Ltd. (MJTD) – submitted and are in the process of implementing a Resettlement Work Plan (RWP) and an environmental impact assessment (EIA), respectively”

- True.
- The status of the RWP and the EIA are as follows:
 - The EIA was prepared by Japanese and Myanmar private companies and was approved by the Myanmar Government in December 2013.
 - The RWP was prepared by the Yangon Regional Government with the support of the Thilawa SEZ Management Committee. JICA dispatched experts to support the preparation of the RWP.

“(Both the RWP and the EIA) fail to meet JICA’s standards. (The Requesters give a more detailed explanation of the ways in which the RWP and EIA fall short in the paragraphs below.)”

- False.
- According to the JICA GL for Environmental and Social Considerations, it is desirable that the EIA should include the matters specified in Appendix 2 to the JICA Environmental Guidelines and Annex B to the World Bank Operational Policy 4.01, while the RWP should include the

matters specified in Annex A to the World Bank Operational Policy 4.12.

(Reference 1) Outline of Annex B to the World Bank Operational Policy 4.01 (items to be described in an EIA)

- Policy, legal, and administrative framework
- Project description
- Arrangement of baseline data
- Prediction and assessment of environmental impacts
- Analysis of alternatives
- Establishment of an environmental management plan (EMP)
- Stakeholder consultations

(Reference 2) Outline of Annex A to the World Bank Operational Policy 4.12 (items to be described in a RWP)

- Project description and identification of the potential impacts
- Findings of the socioeconomic studies
- Legal and institutional framework for resettlement activities
- Arrangement of the eligibility for compensation
- Valuation of lost assets and consideration of the compensation level
- Arrangement of compensation and support for eligible persons
- Development plan for the relocation sites
- Community participation
- Grievance procedures
- Implementation schedule
- Costs and budget
- Monitoring and evaluation

- The EIP report and the RWP were prepared in accordance with these items, and JICA judged that there is no special discrepancy between these and the Guidelines for Environmental and Social Considerations.

- Consultation meetings with the residents were held twice concerning the EIA. The participating residents made a suggestion about the monitoring of the amount of underground water and the level of the ground. Their opinion has been reflected in the report.

(Reference 3) Consultation meetings with the residents

- 1st meeting: April 8, 2013
The villages under Kyauktan Township informed the residents of the meeting, and two

residents participated.

- 2nd meeting: August 23, 2013

In addition to the information method for the first meeting, invitation letters were sent to the residents living in the project area, and one resident participated.

- With regard to the RWP, consultation meetings with the residents were held four times. Subsequently, consultations were held for each group (rice farmers, dry-field farmers, day workers, etc.). Residents made several requests to the Myanmar Government, and their opinions about compensation and support were reflected through the revision of the initial government plan. The contents of the compensation and support were written in the RWP.

(Reference 4) Examples of the reflection of requests by residents in the RWP

- Increase in the number of years for compensation for rice farmers and vegetable farmers (increase from 3 to 6 years and from 2 to 4 years, respectively, in terms of annual yield)
- Expansion of the area of each household's plot in the relocation site
- Installation of power distribution equipment and a meter in each household (under the initial government plan, the installation of distribution lines was up to the entrance of the relocation site)
- Pavement of the main access roads (changed from laterite pavement under the initial government plan to concrete pavement)

(Reference 5) Consultation meetings with residents concerning the RWP

- 1st meeting (Feb. 14, 2013): 62 residents (80 participants in total)
- 2nd meeting (Jun. 11, 2013): 95 residents (107 participants in total)
- 3rd meeting (Jul. 30, 2013): 151 residents (167 participants in total)
- 4th meeting (Sep. 21, 2013): 153 residents (161 participants in total)

(Note) The participating residents include those from Class-A districts and neighboring districts. The participants other than residents include officials of the Myanmar Government and journalists.

“While it is indisputable that the primary responsibility for implementation does fall with the Project Proponent, JICA’s response has completely missed the point: it is JICA’s responsibility to ensure that the YRG mitigates negative impacts on these communities in a way that complies with JICA’s Guidelines. And JICA’s failure to assume responsibility for accountability is directly linked to the suffering of the community members”

- False.

• JICA’s Guidelines provide that “While the project proponents etc., bear the ultimate responsibility for the environmental and social considerations of projects, JICA supports and examines appropriate environmental and social considerations undertaken by the project proponents, etc., to avoid or minimize the impacts of development projects on the environment and local communities, and to prevent the occurrence of unacceptable adverse impacts.” Under this Project, the responsibility for the relocation of residents lies with the Myanmar Government, which has reflected the communities’ opinions in the preparation of the RWP as described in the [Relevant Facts] above.

[JICA GL Assessment]

- Related GL Provision (1): 1.1 Policy
“Democratic decision-making is indispensable for environmental and social considerations. It is important to ensure stakeholder participation, information transparency, accountability, and efficiency, in addition to respect for human rights, in order to conduct an appropriate decision-making process.”
- Related GL Provision (2): Appendix 1, involuntary resettlement 4 (excerpt)
“.... It is desirable that the resettlement action plan include elements laid out in the World Bank Safeguard Policy, OP 4.12, Annex A.”
- Related GL Provision (3): Appendix 2. EIA Reports for Category A Projects, etc.
(Omitted)
- Assessment: It does not violate the JICA GL.

Basis: As described under the Relevant Facts set out above, the items to be described in the EIA and RWP are not especially different from the JICA GL for Environmental and Social Considerations. In the process of preparation, the participation of the stakeholders and the reflection of the opinions of the stakeholders were ensured.

b. JICA's responsibility to reply to stakeholders' questions (P8)

Point 19. (P8. Paragraph 3) The Requesters and the Thilawa Social Development Group (TSDG), which represents the communities in the Thilawa area, have repeatedly sent letters to JICA to notify the agency of their deteriorating living conditions due to the project, and have requested meetings with JICA to discuss how to resolve these issues. Questions regarding the project's compliance with JICA's Guidelines were also raised in the letters. Most recently, TSDG requested to meet JICA between April 23 and 25, 2014, but JICA again failed to adequately respond to the group. On April 23, before giving any response to villagers, JICA made the decision to provide investment for this project. This violation of JICA's Guidelines has a direct causal relation to the damages suffered by the villagers, as JICA would have had the opportunity to address the many shortcomings of the resettlement process had it responded to the villagers' requests to meet and consult.

[Relevant Facts]

“The Requesters and the Thilawa Social Development Group (TSDG), which represents the communities in the Thilawa area, have repeatedly sent letters to JICA to notify the agency of their deteriorating living conditions due to the project, and have requested meetings with JICA to discuss how to resolve these issues. Questions regarding the project's compliance with JICA's Guidelines were also raised in the letters.”

- True.
- Responding to a request by TSDG, on October 15, 2013, the Director General of Private Sector Partnership and Finance Department and the Chief Representative of the JICA Myanmar Office interviewed TSDG members in the suburbs of the Thilawa district.
- The residents' association pointed out the ideal way of participation by residents, compensation for land, the Myanmar Government's attitude toward consultations and requested JICA to support the residents in their negotiations with the government concerning compensation. JICA stated that, although it would be difficult to support them because JICA is not in a position to mediate between the government and the affected residents, JICA would continue to confirm facts, informing the Myanmar Government of the residents' opinions from time to time.
- Subsequently, JICA received letters from TSDG on October 29, 2013, January 27, February 5, April 7, and April 30, 2014.

“Most recently, TSDG requested to meet JICA between April 23 and 25, 2014, but JICA again failed to adequately respond to the group.”

- Partially false.
- Because JICA placed importance on a dialogue between the Myanmar Government and the

local stakeholders, it confirmed the Myanmar Government's intention to hear opinions from TDSG and, after February 3, 2014, frequently urged TSDG to have a full dialogue with the Myanmar Government first.

- It is true that TSDG requested a meeting with JICA during April 23 to 25, 2014.
- On May 28, 2014, the JICA Myanmar Office requested TSDG to conduct a three-party dialogue with the Myanmar Government and JICA.
- The next day, TSDG informed the JICA Myanmar Office that because it could not have a dialogue on May 30, it would like either of the following: (1) to have a dialogue with the representative of TSDG and JICA during the next week in Japan; or (2) to readjust the schedule after the representative of TSDG returns to Myanmar during the second week of June.
- In response to this, JICA suggested that TSDG do both (1) and (2). On June 6, a dialogue was held with Thilawa residents, including the representative of TSDG, at the JICA Headquarters.
- A dialogue among JICA, the Myanmar Government, and TDSG was held on July 8, 2014.

“On April 23, before giving any response to the villagers, JICA made the decision to provide investment for this project.”

- Partially false.
- JICA signed a joint venture agreement on April 23, 2014.
- On the other hand, as described above, on October 15, 2013, the Director General of Private Sector Partnership and Finance Department and the Chief Representative of the JICA Myanmar Office interviewed TSDG members in the suburbs of the Thilawa district to exchange opinions.
- Because JICA placed importance on a dialogue between the Myanmar Government and the local stakeholders, it confirmed the Myanmar Government's intention to hear opinions from TDSG and, after February 3, 2014, frequently urged TSDG to have a full dialogue with the Myanmar Government first.
- Moreover, JICA has frequently examined and checked the situation through JICA experts and the Myanmar Government and has used JICA experts to support the Myanmar Government's assistance in livelihood recovery. It is untrue that JICA has done nothing for the villagers.

“This violation of JICA's Guidelines has a direct causal relation to the damage suffered by the villagers, as JICA would have had the opportunity to address the many shortcomings of the resettlement process had it responded to the villagers' requests to meet and consult.”

- False.
- In response to the request by the Thilawa Social Development Group (TSDG), on October 15, 2013, the Director General of Private Sector Partnership and Finance Department and the Chief Representative of the JICA Myanmar Office interviewed TSDG members in the suburbs of the

Thilawa district to exchange opinions about the many findings reported based on the situation of consultations between the Myanmar Government and each group of residents or each resident.

- After this, if the external findings were not grasped, including findings TSDG reported by letter and the contents of news, the situation was assessed by confirmation through JICA experts to check for the existence of problems.
- Moreover, JICA has frequently examined and checked the situation through JICA experts and the Myanmar Government and has used JICA experts to support the Myanmar Government's efforts for livelihood recovery.

(Action)

- In principle, the Myanmar Government independently consults with local stakeholders. JICA continues to respond sincerely to requests by the residents' associations for interviews, placing importance on a smooth dialogue between both sides

[JICA GL Assessment]

- Related GL Provision: 1.4 Basic Principles Regarding Environmental and Social Considerations (Principle 4: JICA asks stakeholders for their participation.)
“JICA incorporates stakeholder opinions into the decision-making processes regarding environmental and social considerations by ensuring the meaningful participation of stakeholders in order to give consideration to environmental and social factors and to reach a consensus accordingly. JICA replies to the stakeholders' questions. Stakeholders who participate in meetings are responsible for what they say.”
- Assessment: It does not violate the JICA GL.
- Basis: JICA responded to the stakeholders' requests at the interview with TSDG on October 15, 2013, and the interview with Thilawa residents, including the representative of TSDG, on June 6, 2014. In addition, as described above, after February 3, 2014, JICA frequently urged TSDG to have a full dialogue with the Myanmar Government first.

c. JICA's responsibility to provide support for and examine the environmental and social considerations that the Project Proponents implement. (P9)

Point 20. (P8, Paragraph 4) The inadequacy of the RWP and EIA are patent on the face of the documents. For example, the EIA devotes a total of two pages to livelihoods and resettlement issues, with no analysis except for a cursory conclusion that the project will increase economic opportunities in the area and a note that the Government of Myanmar will handle all social impact issues. In addition to the many substantive deficiencies in the RWP noted below, the RWP is inadequate in that it fails to justify the levels and forms of compensation offered to villagers for various losses, does not even consider land-based compensation or restitution and does not analyze the necessary resources or options necessary to enable displaced villagers to build new, sustainable livelihoods.

[Relevant Facts]

“The inadequacy of the RWP and EIA are patent in the face of the documents. For example, the EIA devotes a total of two pages to livelihood and resettlement issues, with no analysis except for a cursory conclusion that the project will increase economic opportunities in the area and a note that the Government of Myanmar will handle all social impact issues.”

- Partially false.
- The EIA report was prepared by Japanese and Myanmar private companies.
- It was decided that resettlement should be handled by the Myanmar Government.
- The EIA contains a description of the social impacts.
- At the time of the preparation of the EIA report (on September 30, 2013), the RWP was still in the process of preparation and was not made public by the Myanmar Government. The private company that prepared the EIA could not know the situation of the residents living or carrying out livelihood activities in the project area or the level of impact. Because of this, the description of the social impacts in the EIA is limited.
- However, the description of social impacts in the EIA has been supplemented by the RWP, and JICA checked the social impacts at the time of the environmental review.

“In addition to the many substantive deficiencies in the RWP noted below, the RWP is inadequate in that it fails to justify the levels and forms of compensation offered to the villagers for various losses, does not even consider land-based compensation or restitution and does not analyze the resources or options necessary to enable the displaced villagers to build new, sustainable livelihoods.”

- False.
- With regard to the RWP, the level and form of compensation support and the calculation

method have been explained and analyzed in Chapter 5 Table 1 Entitle Matrix (P24 to 27) and the handling of land has been explained and analyzed in Chapter 2 “2.2. Resettlement Scope.” With regard to the livelihood recovery plan, Chapter 7 (P32 to 34) explains and analyzes concrete examples of the types of expected new jobs (about 20 types of jobs), examples of support for employment for the jobs, the policy of employment mediation, etc.

[JICA GL Assessment]

- Related GL Provision (1): 1.1 Policy
“Democratic decision-making is indispensable for environmental and social considerations. It is important to ensure stakeholder participation, information transparency, accountability, and efficiency, in addition to respect for human rights, in order to conduct an appropriate decision-making process.”
- Related GL Provision (2): Appendix 1, involuntary resettlement 4 (excerpt)
“... It is desirable that the resettlement action plan include elements laid out in the World Bank Safeguard Policy, OP 4.12, Annex A.”
- Related GL Provision (3): Appendix 2. EIA Reports for Category A Projects
(Omitted)
- Related GL Provision (4): 1.5 Responsibility of JICA, etc.
“While project proponents, etc., take the initiative in dealing with the environmental and social considerations of projects, JICA provides support for and examination of the environmental and social considerations that the project proponents, etc., implement in accordance with Sections 2 and 3 of the guidelines, depending on the nature of the cooperation projects.”
- Assessment: It does not violate the JICA GL.
- Basis: Although the analysis of social impacts in the EIA is certainly limited, as pointed out, JICA has checked it at the time of the environmental review in addition to the supplement in the RWP. In addition, the explanation and analysis in the RWP have also been carried out as described under [Relevant Facts].

d. JICA's responsibility to take into account local human rights situations when conducting stakeholder engagement. (P9~10)

Point 21. (P9. Paragraph 3) Many residents of the Phase 1 area of Thilawa – those that have already been relocated – report that they were induced to sign resettlement agreements in an atmosphere of heavy coercion. Families report that YRG and local government officials told them that if they did not sign the agreements their property would be destroyed and they would be denied any compensation. Furthermore, officials insinuated that if the villagers did not accept the confiscation they were being offered, they would have to take the government to court, the prospect of which most villagers find intimidating.

[Relevant Facts]

“Many residents of the Phase I area of Thilawa – those that have already been relocated – report that they were induced to sign resettlement agreements in an atmosphere of strong coercion. Families report that YRG and local government officials told them that if they did not sign the agreements their property would be destroyed and they would be denied any compensation.”

- Unclear whether or not this is true.
- Although JICA tried to confirm this in various ways, such as interviews with the government officials and JICA experts who monitored consultations with the residents, JICA could not confirm the statement that, if the residents did not sign the agreements, their property would be destroyed and no compensation would be paid.

“Furthermore, officials insinuated that if the villagers did not accept the confiscation procedures they were being offered, they would have to take the government to court, the prospect of which most villagers found intimidating.”

- Unclear whether or not this is true.
- The part “officials insinuated that if the villagers did not accept the confiscation procedures they were being offered, they would have to take the government to court” seems to refer to the explanation by Mr. Set Aung, Chair of the Thilawa SEZ Management Committee. His statement has been recorded as follows:

Set Aung said there are two options for local people:

- 1) dispute on the land ownership and insist to claim compensation for land, and
- 2) no dispute on the land ownership and accept assistance calculated in line with International Standards.

If the local people choose the first option, they have to show their ownership evidence. That will be complicated. They have to abide by the law and seek for the decision of the court. If they win, they will get compensation for land. If they lose, they will not get any compensation for land. If the local people choose second option, they will get assistance what they deserve to.

Which option they chose is up to their decision. He doesn't want to say local people how to do. But if they choose the first option, they have to confront with Yangon Regional Government. As it is beyond the control of him (U Set Aung), Yangon Regional Government will take care of in accordance with the law.

[JICA GL Assessment]

- Related GL Provision: Appendix 1, involuntary resettlement 3
“Appropriate participation by the affected people and their communities must be promoted in the planning, implementation, and monitoring of resettlement action plans and measures to prevent the loss of their means of livelihood. In addition, appropriate and accessible grievance mechanisms must be established for the affected people and their communities.”
- Assessment: There was no violation of the JICA GL.
- Basis: In response to what the TSDG pointed out, an attempt was made to gain confirmation from the Myanmar Government, residents, and others, but no confirmation was gained about what the TSDG pointed out. Many cases of the Government’s fulfillment of the residents’ requests (see below) were confirmed, including cases where the government made a concession concerning the initial compensation and support plan and had their requests reflected in the contents of compensation and support, and cases where the government carried out a DMS again, responding to the residents’ requests made at consultation meetings with the residents.

(Reference) Cases of the Myanmar Government’s fulfillment of the residents’ requests

- Increase in the number of years for the provision of compensation to rice farmers (from 3 to 6 years in terms of annual yield)
- Increase in the number of years for the provision of compensation to vegetable farmers (from 2 to 4 years in terms of annual yield)
- Expansion of the area of each household’s plot in the relocation site
- Installation of power distribution equipment and a meter in each household in the relocation site

- Concrete pavement for the main access roads
- Permission for the residents to build houses in the relocation site and the payment of the building cost at the request of a resident
- As a result of negotiations with a household still not relocated, the conclusion of an agreement to revise the DMS results at each consultation meeting and an increase in the number of cows for which support money is paid
- Payment of compensation for farming tools as requested by the residents through the government making a concession from its initial plan

Point 22. (P9. Paragraph 4) Two of the Requesters experienced coercion to sign resettlement agreements. Officials from the housing department called B several times to put pressure on him to put pressure on him to sign the resettlement agreement. On October 29, 2013, an official told him that according to the democratic process, he had already lost because the majority of people already signed. He was threatened that if he didn't sign, his case would be reported to the YRG. In the end, he signed the agreement, the second-to-last person out of 68 to sign. A was the last person of the 68 households to sign the settlement agreement. The SEZ management Committee tried to persuade him to sign by coming repeatedly to his house, where they waited for him until late in the evening. When he heard this and stayed away from his house, they called him many times asking him to return home and then went to his father's house. Eventually, A's father convinced him to sign the resettlement agreement.

[Relevant Facts]

Relevant Facts include personal information and cannot be disclosed.

Point 23. (P9. Paragraph 5) Another woman was threatened by housing department officials and the District Police Officer to sign her agreement. When the notice for villagers to vacate their land in 14 days was posted in January 2013, her family destroyed their house so that they would be ready to move and would not be arrested for still living on the land. When that relocation did not happen, her family built two huts in which to live and provide shelter for their goats. When surveys were conducted for her property, they did not include the house that was previously there, which decreased her proposed compensation amount to next to nothing. She did not want to sign the resettlement agreement and accept such low compensation. Officials from the housing department threatened her with prosecution if she did not sign. She was then summoned to the District Police Officer's office and told that if she didn't sign her government employee husband and his supervisor would both be sent to jail. The District Police Officer said he could not promise a replacement house and land, but did promise her that she would get compensation. Over the next couple of days, the District Police Officer called her repeatedly asking why she had not yet signed the agreement. When she decided to do as he asked, she was not allowed to read the agreement document. She received only 800,000 kyat (US\$825) of compensation for two huts on her property, but not for her original house before the SEZ development project began.

[Relevant Facts]

Relevant Facts include personal information and cannot be disclosed.

e. JICA's obligation to ensure that resettled persons receive support in a timely manner (P10 ~11)

Point 24. (P10. Last Paragraph to P11. Paragraph 1) Due perhaps to the haste with which the site was prepared, that infrastructure is substandard and problematic.

- Some houses experience flooding during the dry season, raising serious concerns about conditions at the site during the rainy season.
- Out of four water pumps built at the site to provide access to water, only two are functioning, both of which contain muddy water that is not suitable for drinking. An additional two open wells contain smelly water that has algae growing on the surface.
- Some residents are no longer able to send their children to school due to high transportation costs from the relocation site to their old school, and have until recently been denied enrollment at the school that is closest to the relocation site based on lack of capacity.
- Even though the children are now enrolled in the nearest school, parents are concerned that their children will be treated unfairly for placing additional burden on the teachers and classrooms.

[Relevant Facts]

<Drainage>

“Some houses experience flooding during the dry season, raising serious concerns about conditions at the site during the rainy season.”

- Partially false.
- The point about drainage facilities being insufficient is not actually the case. Whether there is worry about rainy season is unclear. The situation is set out below.
 - Drainage pipes along the roads are almost completed. Concrete covers cover the majority. (Some parts are open.)
 - Parts of the sidewalls of drainage pipes are removed enabling some households to drain water within the residential block into the drainage pipes.
 - According to JICA experts, drainage channels can remain functional even for open channels as long as problems do not arise that compromise drainage channel operability such as residents of the relocation site throwing large amounts of rubbish into the drainage channels.
 - Foundations of residential blocks are lower than the road. According to JICA experts, in areas on low-lying land and plains such as Yangon and Ayeyarwady, building levees higher than the surrounding land is a normal measure so that roads, which provide fundamental lifeline access, are not submerged.
 - Rainy season begins and from June, it rains almost every day at the locality. On June 13, it rained heavily and specialists from the Government of Myanmar and JICA carried out

checks both while it was raining and after it stopped raining. Results showed that the drainage system to drain rainwater was functioning properly, and furthermore that there was no evidence of serious damage due to flooding under the floors from rainwater because residents of some households implemented strategic measures such as piling up dirt mounds on their own plots. Conversely, in dwellings where people are no longer living, rainwater and rubbish had accumulated on the premises.

<Wells>

“Out of four water pumps built at the site to provide access to water, only two are functioning, both of which contain muddy water that is not suitable for drinking. An additional two open wells contain smelly water that has algae growing on the surface.”

- Partially false.
- The number of wells is not factually correct. At the time that the opposition notice was submitted, it was the case that the well water was not suitable for drinking but now the situation has changed. From June 14, 2014, the Government of Myanmar drilled deep well shafts (in four places) and as of July 1, 2014, there are eight wells available to use. (Usage for drinking water of one open well and two hand-pump wells has commenced.)

<Schools>

“Some residents are no longer able to send their children to school due to high transportation costs from the relocation site to their old school, and have until recently been denied enrollment at the school that is closest to the relocation site based on lack of capacity. Even though the children are now enrolled in the nearest school, parents are concerned that their children will be treated unfairly for placing additional burden on the teachers and classrooms.”

- Partially false.
- There was one child who was not able to go to school because of transportation costs. (That child is currently attending a suburban school in the relocation site).
- The claim that schools in suburbs of the relocation site were refusing to enroll children is not true.
- The claim that children at the relocation site are forced to bear unfair burdens has not been confirmed.
- Regarding the above, refer to [Relevant Facts], Point 9 and 10.
- It is not clear whether it is the actual case that “parents are concerned that children are being treated unfairly for placing burden on teachers and other students”.

[Action]

<Drainage>

- Going forward, in cases where foundations of housing blocks being lower than the road lead to flooding problems, it is important that the Government of Myanmar and the residents hold discussions, investigate possible response strategies and prepare measures. Where necessary, JICA will provide support to ensure that discussions proceed smoothly.

<Wells>

- The Government of Myanmar acknowledges the issues and is making repeated efforts towards improvement including drilling four new deep-water wells from June 14, 2014. JICA will continue to closely observe the situation while providing the necessary support to the Government of Myanmar.

[JICA GL Assessment]

- Related GL Provision: Appendix 1 Involuntary Residential Relocation 2.

The partner country and others must grant sufficient compensation and assistance during a satisfactory timeframe to people who are affected by involuntary residential relocation and loss of livelihood. Compensation should take place in advance and be based on replacement cost as much as possible. The partner country and others must endeavor to help relocated residents improve, or at the very least, restore their previous standard of living, earning opportunities and standards of production. This includes compensation for loss of property and financial loss (for loss of land and capital assets), support to establish a sustainable alternative livelihood, support for relocation expenses and support for rebuilding the community at the relocation site.
- Assessment: This is not a breach of JICA GL.
- Basis:
 - Regarding the living environment of the relocation site, many improvements can be observed prior to the relocation.
 - Issues include the water quality of wells but the Government of Myanmar is making efforts to find a solution.

Point 25. (P11. Paragraph 3) Villagers were resettled hastily, and prior to the establishment of appropriate infrastructure and programming. As a result of the substandard preparation of the site, displaced residents have not received timely support in the form of adequate housing, water, or educational opportunities. And as a result of the failure to prepare and establish a credible livelihoods restoration program in advance of resettlement, residents find themselves without jobs, without access to land that would allow them to earn a living, and forced to sell their belongings (including, in some cases, the resettlement houses themselves) in order to get by. Around 20 families have already left the relocation site to find work elsewhere, while the majority of those who have stayed are in debt.

[Relevant Facts]

“Villagers were resettled hastily, and prior to the establishment of appropriate infrastructure and programming.”

- Unclear whether or not this is partially true.
- It is a fact that relocation took place before a detailed livelihood restoration support program was prepared. For relevant background/circumstances, refer to [Relevant Facts], Point 2.
- It is not clear whether residents were forced to hastily relocate.

“Displaced residents have not received timely support in the form of adequate housing,”

- False.
- Regarding the circumstances for housing construction at the relocation site, refer [Relevant Facts], Point 11.

“Displaced residents have not received timely support in the form of educational opportunities”

- Partially false.
- At the beginning of relocation and when the objection notice was submitted, it was true that residents did not have access to drinking water through the wells at the relocation site. However, currently the Government of Myanmar has drilled new wells and the situation has improved, ensuring access to drinking water. For detailed circumstances, refer to [Relevant Facts], Point 24.

“Displaced residents have not received timely support in the form of adequate housing,”

- False.
- Regarding circumstances of children transferring to schools in the neighborhoods of the relocation site, refer to [Relevant Facts], Point 10.

“As a result of the failure to prepare and establish a credible livelihoods restoration program in advance of resettlement, residents find themselves without jobs, without access to land that would allow them to earn a living, and forced to sell their belongings (including, in some cases, the resettlement houses themselves) in order to get by.”

- Partially false.
- Regarding planning for livelihoods restoration assistance and jobs, see according to (Relevant Facts) Point 2.
- According to (Reference 1), the Government of Myanmar had already obtained the farming land and takes the stance that relocated residents have no legitimate right to that land so replacement farming land has not been provided.
- According to JICA experts, based on what government and JICA experts have heard so far, cases of selling household possessions have not been confirmed. On the other hand, according to a survey of livelihoods/living situations conducted in March 2014, 35 out of a total of 42 households dwelling in the relocation site responded that when they relocated, they purchased new furniture (kitchen cabinets, chests of drawers for clothing, etc.) and electrical goods (televisions, refrigerators, cooking appliances, stereos, karaoke machines, etc.)

“Around 20 families have already left the relocation site”

- Partially false.
- It is a fact that residents of about 20 households sold their houses. (As of June 15, 2014, 19 households had sold residences). The reason for sale is imprecise. Reasons for house sales confirmed by JICA experts as of June 15, 2014 are as follows; (The reasons include personal information and cannot be disclosed externally)

“The majority of those who have stayed are in debt.”

- Unclear whether or not this is true.
- It is unclear whether the majority of remaining residents is in debt but there are about 10 households thought likely to be in debt.
- This year, from March 10 to March 23 over a two-week period, after JICA experts did an appraisal of each household at the relocation site, 1 household responded that they are in debt. However based on living circumstances and conversations with neighboring residents, JICA experts reportedly surmise that about 10 households have probably taken out loans. The causal relationship between resident relocation and loan debt is unclear. Refer to [Relevant Facts], Point 7.

[JICA GL Assessment]

- Related GL Provision: Appendix 1 Involuntary Residential Relocation 2.

The partner country and others must grant sufficient compensation and assistance during a satisfactory timeframe to people who are affected by involuntary residential relocation and loss of livelihood. Compensation should take place in advance and be based on replacement cost as much as possible. The partner country and others must endeavor to help relocated residents improve, or at the very least, restore their previous standard of living, earning opportunities and standards of production. This includes compensation for loss of property and financial loss (for loss of land and capital assets), support to establish a sustainable alternative livelihood, support for relocation expenses and support for rebuilding the community at the relocation site.

- Assessment: This is not a breach of JICA GL.

- Basis:

- Based on consultations with residents, the details of compensation/assistance (including livelihood support during the transition period until restoration of new livelihoods for those residents who had lost livelihoods) were agreed and appropriate compensation/assistance has been given. (Refer to (Relevant Facts) Point 1 and 2).
- Ideally, a detailed Income Restoration Program is drawn up before relocation and the Government of Myanmar strove to achieve this but there were difficult circumstances. (Resident's concern was focused on compensation/cash assistance). After relocation, drafting of an Income Restoration Program proceeded quickly.
- Many improvements can be observed with regard to the living environment of the relocation site compared to pre-displacement.
- There are issues regarding the water quality in wells and noise in residential areas but the Government of Myanmar is making efforts to resolve this.

Point 26. (P11. Paragraph 4) The disbursement of the compensation in installments has also caused difficulties for the villagers. For example, the Requester A received his compensation in two installments. The first installment was not enough to finish building his house on the relocation site, so he could only buy some materials for the house at that time. After receiving the second installment of compensation, he bought some more materials. This process delayed the construction of his house as well as costing him more in terms of transportation of materials to the relocation area.

[Relevant Facts]

“The disbursement of the compensation in installments has also caused difficulties for the villagers. For example, the Requester A received his compensation in two installments.”

- Unclear whether or not this is partially true.
- It is a fact that payments were made in installment. Whether this caused difficulties for the residents is unclear. After confirming with JICA experts, the background for installment payments is as follows;
 - If the whole amount were paid as one payment before dwellings were constructed, there was a possibility that residents may take receipt of the money and leave the relocation site without building a house.
 - If the whole amount were paid as one payment before dwellings were constructed, the Government of Myanmar could not check the quality of houses being constructed. (For households that build their own houses, the Government of Myanmar ensures that ①Floor surface area is 192 square feet or more), ②Walls are bamboo mat walling or better (however some residents are reported to have wooden walls or brick mortar walls) ③That outside walls be painted (with earth oil, etc.) ④Toilets are a fly-proof structure (not pit style, separated septic tank))
 - In order to construct houses that definitely met the above specifications, payments for housing construction costs were made in three installments to those households that satisfied the conditions of each installment.
- When residential blocks at the relocation site were assigned by raffle held on October 22, 2013, the Thilawa SEZ Management Committee explained the specifications and payment method in cases where each household builds their own house and there was no objection from residents.

“The first installment was not enough to finish building his house on the relocation site, so he could only buy some materials for the house at that time. After receiving the second installment of compensation, he bought some more materials. This process delayed the construction of his house as well as costing him more in terms of transportation of materials to

the relocation area.”

- Unclear whether or not this is unclear.
-
- The first installment 52% (1.3 million kyat), the second installment 28% (700,000 kyat) and the third installment 20% (500,000 kyat) was paid by the Government of Myanmar.
- There were no particular objections regarding the payment schedule when the Government of Myanmar gave prior explanation on October 22, 2013.
- Provision for constructions expenses as installments was carefully considered according to the progression of the process. Reportedly, the Government of Myanmar swiftly made payments upon confirmation of progress up to the point when there was a request for provision to pay construction expenses for the next stage. Upon consultation with JICA experts, cases where payments were delayed or construction was delayed because of installments have not been confirmed.

[JICA GL Assessment]

- Related GL Provision: Appendix 1 Involuntary Residential Relocation 2.

The partner country and others must grant sufficient compensation and assistance during a satisfactory timeframe to people who are affected by involuntary residential relocation and loss of livelihood. Compensation should take place in advance and be based on replacement cost as much as possible. The partner country and others must endeavor to help relocated residents improve, or at the very least, restore their previous standard of living, earning opportunities and standards of production. This includes compensation for loss of property and financial loss (for loss of land and capital assets), support to establish a sustainable alternative livelihood, support for relocation expenses and support for rebuilding the community at the relocation site.
- Assessment: This is not a breach of JICA GL.
- Basis:
 - There were no particular objections regarding payment installments when the Government of Myanmar gave prior explanation to residents on October 22, 2013.
 - Payments were made in installments to maintain fixed standards pertaining to quality of housing for cases where residents constructed their own houses and were considered to be a measure adhering to the JICA GL regulation which states: “The partner country and others must endeavor to help relocated residents improve, or at the very least, restore their previous standard of living, earning opportunities and standards of production.”
 - The payment amount was also considered such that any obstacles during construction were avoided and that compensation and assistance was given in a timely manner.

Point 27. (P11. Paragraph 5) No timely support or compensation has been provided for the farmers in the 2,000 ha area who lost their livelihoods in the dry season due to the Myanmar Government's decision to stop providing irrigation water from the Zamani Reservoir. They have already missed two harvests.

[Relevant Facts]

“No timely support or compensation has been provided for the farmers in the 2,000 ha area who lost their livelihoods in the dry season due to the Myanmar Government's decision to stop providing irrigation water from the Zamani Reservoir. They have already missed two harvests.”

- True.
- The Government of Myanmar halted the supply of irrigation water in December 2012.
- The Government of Myanmar will conduct a survey of households affected by halting the irrigation water supply in the 2000 ha area and will examine how to deal with it within the compensation/assistance proposal relating to resident relocation of the same area.
- However, one household in Class A area affected by the stoppage in question, has received compensation/assistance funds worth 6 times more than one year's crop value during the time he was receiving irrigation water supply.

[Action]

- Currently the Government of Myanmar is conducting a Detailed Social and Economic Means Survey in the 2000 ha area. JICA experts are providing support so that the government survey can be implemented smoothly and so that examination of compensation/assistance for households affected by the irrigation water supply stoppage takes place as soon as possible.
- Regarding households affected by the irrigation water supply stoppage in the 2000ha area, JICA is closely monitoring whether the response will be the same as for Class A areas.

[JICA GL Assessment]

- Related GL Provision: Appendix 1 Involuntary Residential Relocation 2.

The partner country and others must grant sufficient compensation and assistance during a satisfactory timeframe to people who are affected by involuntary residential relocation and loss of livelihood. Compensation should take place in advance and be based on replacement cost as much as possible. The partner country and others must endeavor to help relocated residents improve, or at the very least, restore their previous standard of living, earning opportunities and standards of production. This includes compensation for loss of property and financial loss (for loss of land and capital assets), support to establish a sustainable alternative livelihood, support for relocation expenses and support

for rebuilding the community at the relocation site.

- Assessment: This is not a breach of JICA GL.
- Basis:
 - Resident relocation has not yet been implemented for the 2000 ha area.
 - The Government of Myanmar is addressing calculation for compensation/assistance associated with resident relocation, implementing the Detailed Social and Economic Means Survey (DMS) and doing the necessary work to provide timely compensation/assistance before resident relocation.

f. JICA's obligation to provide compensation to resettled persons at replacement cost.

Point 28. (P12. Paragraph 3 to 5) The amount of land provided along with each house – a plot nominally measuring 25 x 50 feet, but with an unacknowledged reduction of five feet along each boundary to provide for paths and roads between plots – is insufficient even to keep a kitchen garden for subsistence.

The compensation they have received does not cover the hardships associated with transition.

The RWP does not specify whether the homes built at the replacement site are equivalent in value or quality to the residents' pre-displacement homes.

The amount allotted was not even close to being sufficient to actually build a habitable home.

[Relevant Facts]

“The amount of land provided along with each house – a plot nominally measuring 25 x 50 feet, but with an unacknowledged reduction of five feet along each boundary to provide for paths and roads between plots – is insufficient even to keep a kitchen garden for subsistence.”

- Partially false.
- Upon confirmation from JICA experts, the Government of Myanmar has provided each relocation household with a 25 x 50 feet block and it is not true that the blocks have been reduced for road construction.
- Some households have kitchen gardens. It is difficult to judge whether the size is sufficient or not.
 - As of June 13, 2014, three households had started kitchen gardens, though only on a small scale. The households reported that before the wet season, they started growing melons, bananas, orchids and other plants for their own consumption and that they want to sell them.
 - Regarding the size of dwellings, surface area increased for 29 households compared to pre-displacement, remained the same (20 ft² (1.8 m²) change or less) for 12 households and decreased for 27 households based on the surface areas using compensation difference. Regarding those households that decreased in sized compared to pre-displacement, compensation difference was calculated at a unit rate of 8,900 ks/ft² of the amount of surface area difference compared to the pre-displacement residence. The table below details the change in pre-displacement and post-relocation floor surface areas.

No	Category	No of HH	Note
1	Due to relocation, not less than 100 ft ² larger	11	Larger households compared to pre-displacement: 29
2	Due to relocation, not less than 20 ft ² to less than 100 ft ² bigger	18	
3	Due to relocation, less than 20 ft ² larger	2	Negligible change compared to pre-displacement: 12
4	Due to relocation, less than 20 ft ² smaller	10	

5	Due to relocation, not less than 20 ft ² to less than 100ft ² smaller	15	Smaller households compared to pre-displacement: 27
6	Due to relocation, not less than 100 ft ² to less than 200 ft ² smaller	6	
7	Due to relocation, not less than 200 ft ² to less than 300 ft ² smaller	3	
8	Due to relocation, not less than 300 ft ² to less than 400ft ² smaller	2	
9	Due to relocation, not less than 400 ft ² smaller	1	
Total		68	68

Note) This is not the actual difference in surface area of existing houses but the surface area difference based on compensation calculation.

“The compensation they have received does not cover the hardships associated with transition.”

- False.
- Compensation/assistance for loss of livelihoods includes livelihoods support throughout the transition period until new livelihoods are established, as agreed between the Government of Myanmar and residents.

“The RWP does not specify whether the homes built at the replacement site are equivalent in value or quality to the residents’ pre-displacement homes.”

- Fact.
- It is a fact that there is no analysis in the RWP.
 - The structure of the majority of pre-displacement homes was nipa palm roofing, bamboo mat walls, bamboo mat floors, wooden pillars and bamboo framework.
 - Although it was not mentioned in the drafted RWP, according to trial calculations, JICA experts valued pre-displacement homes at 940,000 kyat at the most, which is far below 2,500,000 kyat.

(Reference 1) Estimated value of high-quality homes compared to a maximum and other homes (Household number: C-26)

	Category	Size	Amount	Unit Price (Kyat)	Total (Kyat)
1	Size of Dwelling	24' x 25'			
2	Materials				
(1)	Roof (Zinc)	24' x 25'	1	400	240,000
(2)	Walls (Wood)	25' x 9'	3	300	405,000
(3)	Floor (Wood)	24' x 15'	1	300	216,000
(4)	Pillars (Wood)	11'	13	300	42,900

(5)	Framework (Bamboo)	11'	50	60	33,000
	Total				936,900

Notes :

- For size, refer to DMS results.
- Substitute values used for roof size, as this is not specified.
- Details for pillars are estimated from photos. Framework values are also estimates.

(Reference 2) Retail prices of each material in the Thanlyin Township area.

Category	Unit price
Nipa palm roofing	630 kyat /10 pieces
Zinc roof	400 kyat/sq ft
Bamboo mat wall	60 kyat/sq ft
Plank wall	300 kyat /ft
Bamboo mat flooring	60 kyat/sq ft
Wooden flooring (boards)	300 kyat /ft
Wooden pillars	300 kyat/ft
Bamboo framework	60 kyat/ft

(Source) JICA expert

“The amount allotted was not even close to being sufficient to actually build a habitable home.”

- False.
- In cases where residents built their own homes, the Government of Myanmar (Ministry of Construction, Department of Housing) paid 2.5 million kyat to residents to cover house construction expenses.
- If the Department of Housing constructs the homes, based on market price, building costs an average of 7,000 to 10,000 kyat/square feet. At the relocation site, house construction costs alone were approximately 2.1 million kyat (approximately 11,000 kyat/square feet, 12x16 square feet house size) which is a higher amount than the average unit price, and factoring in the additional expense to construct a toilet, the department provisioned 2.5 million kyat.

[JICA GL Assessment]

- Related GL Provision: Appendix 1 Involuntary Residential Relocation 2.

The partner country and others must grant sufficient compensation and assistance during a satisfactory timeframe to people who are affected by involuntary residential relocation and loss of livelihood. Compensation should take place in advance and be based on

replacement cost as much as possible. The partner country and others must endeavor to help relocated residents improve, or at the very least, restore their previous standard of living, earning opportunities and standards of production. This includes compensation for loss of property and financial loss (for loss of land and capital assets), support to establish a sustainable alternative livelihood, support for relocation expenses and support for rebuilding the community at the relocation site.

- Assessment: This is not a breach of JICA GL.
- Basis:
 - With regard to loss compensation for loss of assets, the Government of Myanmar has provided residents with items of a value that is better than the value of pre-displacements assets or at the very least enables them to recover.
 - Compensation/assistance for loss of livelihoods includes livelihoods support throughout the transition period until new livelihoods are established, as agreed between the Government of Myanmar and residents.

Point 29. (P12. Last Paragraph to P13. Paragraph 1) The Entitlement Matrix provides for assistance for income from livestock, the matrix outlines “cash assistance for three (3) times of income from cow for milk.” Requester B received only 360,000 kyat (US\$371) for his 6 cows, calculated at 60,000 kyat (US\$62) per animal. In reality, he can earn 10,000 kyat (US\$10) per day for milk from 2 of his cows during 8 months of the year, totaling 2.4 million kyat (US\$2,474) per year. Therefore, the compensation provided for livestock is significantly below current market price.

[Relevant Facts]

Relevant Facts include personal information and cannot be disclosed.

Point 30. (P13. Paragraph 1) The matrix only includes compensation for cows, but not for other animals, such as pigs or chickens.

[Relevant Facts]

- Fact.
- JICA experts confirmed that the Government of Myanmar determined that it would be impossible to raise large domestic livestock such as cows and buffalo after transferring to the relocation site but that it would be possible to raise small livestock like pigs and chickens after transferring to the relocation site and that such livestock could be consumed or sold so they were not subject to compensation.

[JICA GL Assessment]

- Related GL Provision: Appendix 1 Involuntary Residential Relocation 2.

The partner country and others must grant sufficient compensation and assistance during a satisfactory timeframe to people who are affected by involuntary residential relocation and loss of livelihood. Compensation should take place in advance and be based on replacement cost as much as possible. The partner country and others must endeavor to help relocated residents improve, or at the very least, restore their previous standard of living, earning opportunities and standards of production. This includes compensation for loss of property and financial loss (for loss of land and capital assets), support to establish a sustainable alternative livelihood, support for relocation expenses and support for rebuilding the community at the relocation site.
- Assessment: This is not a breach of JICA GL.
- Basis: No particular problems are apparent with the Government of Myanmar's rationale that pigs and chickens should not be subject to compensation as stated above.

Point 31. (P13. Paragraph 1) Villagers do not received details of how their compensation amount was calculated.

[Relevant Facts]

- Fact.
- The Government of Myanmar did not provide written documentation detailing calculation methods of cash compensation but they did give verbal explanations and also distributed copies showing the breakdown of cash assistance amounts when the first installment was paid. Specifically as written below.
 - Compensation/cash assistance was calculated based on rates relative to market prices determined by the Ministry of Construction, Department of Housing, discussions with relocation residents, and market price surveys of Thilawa SEZ area.
 - JICA experts maintain that the compensation and cash assistance amounts allotted to each household were explained when discussions were held with groups and individually between September 24 and October 1, 2013.
 - In addition, the Government of Myanmar handed out copies showing the breakdown of cash assistance amounts when the first installment was paid.

[JICA GL Assessment]

- Related GL Provision: Appendix 1 Involuntary Residential Relocation 2.
 The partner country and others must grant sufficient compensation and assistance during a satisfactory timeframe to people who are affected by involuntary residential relocation and loss of livelihood. Compensation should take place in advance and be based on replacement cost as much as possible. The partner country and others must endeavor to help relocated residents improve, or at the very least, restore their previous standard of living, earning opportunities and standards of production. This includes compensation for loss of property and financial loss (for loss of land and capital assets), support to establish a sustainable alternative livelihood, support for relocation expenses and support for rebuilding the community at the relocation site.
- Assessment: This is not a breach of JICA GL.
- Basis: There is no apparent cause for GL breach concerning the Government of Myanmar's response documented above in (Relevant Facts).

Point 32. (P13. Paragraph 1) Villagers are similarly mystified for the basis of the RWP's determination of the number of years necessary to replace different sources of income –six years for rice paddy, four years for vegetable and tree crops, and three years for milk. While JICA and the government have argued that these numbers were agreed upon in consultation with the villagers, this is unlikely given the amount of coercion involved in the process and the failure to hold meaningful consultations and involved.

[Relevant Facts]

- False.
- As the table below shows, discussions were held between residents and the Government of Myanmar and the opinions of the residents are reflected in the formulated details of compensation/cash assistance such as increasing compensation for rice crops from 3 years worth to 6 years worth, and enlarging block sizes at the relocation site, etc.
- The negotiation process between the Government of Myanmar and residents concerned with compensation/cash assistance for rice farmers is detailed below.

(Reference) Details of Discussions with Residents, September 23, 2013 – October 2, 2013 (Reported by JICA experts)

Date	Main Points	Note
September 23 (Mon)	<ul style="list-style-type: none"> - Approximately 30 residents participated. - Thilawa Social Development Group requested to participate in negotiations and ultimately, the Government of Myanmar assented to their participation in negotiations. Consequently, they were asked to elect representatives for future negotiations (form negotiating parties). Four negotiating groups; A. Residents who do not possess farmland (non-farmers) B. Rice farmers C. Fruit & vegetable farmers D. Livestock farmers with each group electing one member from Class A and the remaining members from non-Class A residents. (Number of people was decided by surface area ratio) - Listening to resident requests. Four main request items: 1. Compensation for land (farming land); 2. Increase number of years for crop compensation; 3. Enlarge size of house blocks at relocation site; 4. Set compensation for out of work period to 2 weeks. They requested 10 million kyat/acre for land (farming land) compensation. 	
September 24 (Tue)	- 14 representatives, elected on the first day (Sep. 23) from each negotiation group, participated (Class A – 4	With regard to house blocks at the relocation

	<p>members, non-Class A – 10 members).</p> <ul style="list-style-type: none"> - Listening to requests from representatives. Focus was on three main request items: 1. Compensation for land (farming land); 2. Increase number of years for crop compensation; 3. Enlarge size of house blocks at relocation site. Representatives yielded, significantly reducing the requested amount for land (farming land) compensation from 10 million kyat/acre to 3 million kyat/acre. For item 4, the cash amount was too small and was withdrawn. - The parameters for cash assistance were explained again by the government side and they called for agreement with regard to those parameters (signing of consensus documents). 	<p>site, representatives of the residents suggested modifying the block sizes by grouping non-farmers, farmers except rice farmers, and rice farmers but it appeared that participants could not reach a settlement between themselves. Subsequently, they agreed to make house blocks of equivalent size. At this stage, residents were demanding a housing block of at least 40'X60'.</p>
September 25 (Wed)	<ul style="list-style-type: none"> - As a result of the call to sign the consensus documents on the second day (Sep. 24), 62 members (Class A affected households only) participated in signing. - 37 members (households) were requested to sign a letter with an attached table diagram noting assistance details/reference amounts by household (At this point, we think that rather than negotiating, it was closer to being an explanation of the assistance details/amounts and mutual confirmation of details regarding capital asset losses). 	<p>We attach a translation version of a letter/table diagram. The table diagram attached to the letter can be used to confirm the affected households and assistance (compensation) items/amounts. In future, if these amounts are revised, the letter can be replaced. From the residents, there are detailed demands and items to confirm.</p>
September 26 (Thu)	<ul style="list-style-type: none"> - A continuance of the previous day, individual negotiations with Class A affected households. (Same as above). 	
September 27 (Fri)	<ul style="list-style-type: none"> - In the morning, the residents' wishes were communicated to the Yangon Regional Government, and the YRG determined to extend the compensated number of years for crops to 6 years, and enlarge the size of house blocks at the relocation site to 30'x40'. - In the evening, had phone conference with Farmers G representative. Explained the point to extend the compensated number of years for crops to 6 years, and enlarge the size of house blocks at the relocation site to 30'x40', and obtained informal consent regarding section surface areas. However, he requested concrete paved roads, installation of meter boxes/power lines running to each household. On the other hand, 	<p>Explained the point that according to MOC internal standards, house blocks provided to refugees and the like, are at the most, 20'x30' and the house blocks in this case are comparably larger.</p>

	<p>regarding 6 years of assistance for crops, he is “requesting” that it be revised upwards.</p> <p>- As of the current time (Sep. 27), have obtained signatures from 41 households.</p>	
September 28 (Sat)	<p>- September 28 (Sat), from 11:00, negotiations. Explained the point that the government would comply with 6 years compensation for crops, 30’x40’ house blocks at the relocation site, concrete paved roads at the relocation site, installing meter boxes and running power lines to each household. Ultimately, house blocks were set at 25’ x 50’ and remaining items were agreed to (YRG also agreed and parameters were almost finalized).</p> <p>- Another 5 households signed.</p>	
September 29 (Sun)	<p>- Another 8 households signed.</p>	
September 30 (Mon)	<p>- Another 4 households signed.</p>	
October 1 (Tue)	<p>- Another 16 households signed. At this point, a total of 75 households have signed (approximately 93% of affected households).</p>	
October 2 (Wed)	<p>- The person in charge is scheduled to submit a set of the letters with completed signatures to the YRG.</p> <p>- YRG is scheduled to hold a meeting for affected households to explain the relocation site development planning and schedule.</p>	

[JICA GL Assessment]

- Related GL Provision : Appendix 1 Involuntary Residential Relocation 3.
Appropriate participation by affected persons and communities must be promoted in the planning, implementation and monitoring of strategies concerning involuntary resident relocation and loss of livelihoods. In addition, proper mechanisms must be maintained to process complaints from affected persons and communities.
- Assessment: This is not a breach of JICA GL.
- Basis: The Government of Myanmar’s response, documented above in (Relevant Facts), conforms to JICA GL and there are no apparent particular issues.

g. JICA’s responsibility to promote participation by affected people and their communities in the planning, implementation, and monitoring of resettlement action plans. Also, JICA’s responsibility to take displaced persons into account and ensure that consulted stakeholders are well informed in advance. (P14~16)

Point 33. (P14, Paragraph 1) Most families are unable to read and were therefore unable to fully understand the resettlement agreements that were presented to them. Very few were given copies of the agreements.

[Relevant Facts]

“Most families are unable to read”

- False.
- Literacy information could not be obtained for some households but information collated in the DMS is as below.
 - Number of householders that can read and write fluently: 13
 - Number of householders that can read and write a little: 50
 - Number of households that can only use the spoken word: 16

“Most families were therefore unable to fully understand the resettlement agreements that were presented to them.”

- Unclear whether or not this is true.
- According to JICA experts, it may be true that the content was difficult to understand for residents without sufficient reading ability but the Thilawa SEZ Management Committee repeatedly explained the assistance details using simple expressions. Even when the same questions were posed multiple times from residents, the Thilawa SEZ Management Committee responded and showed consideration so that residents were able to fully understand.

“Very few were given copies of the agreements.”

- Fact.
- The situation regarding the final consensus agreement is detailed below.
- Households given copies of the agreement by the Government of Myanmar: 16
- Households given copies of the agreement by the Government of Myanmar: 68 (Note)
- Reason for not giving copies: Agreements were given to households which only had farming land for business purposes but that they intend to do one across-the-board distribution of the agreement to households who owned homes and are transferring to the relocation area after all households have been relocated (all cash assistance monies have been paid).

Future Response: As reported by JICA experts after confirmation with the Government of Myanmar, as of July 1, 2014, the situation allows for distribution to each household and agreements are due to be distributed in the near future.

(Note) Three households out of the total households cultivating land under Class A but not living under Class A, were residing in the 2000ha area and wished to relocate at the time of the Class A development. Therefore two types of consensus agreement (for cultivators under Class

A and for relocation households) were prepared. One type of agreement (for cultivators under Class A) was exchanged but the other type (for relocation households) was not exchanged. These three households are counted above in both 1 (copies given to households) and 2 (copies not given to households) thus producing duplicates in the total number of households, which is 84.

- Moreover, copies of the signed agreement containing the break down of cash assistance were given to every household.

[JICA GL Assessment]

- Related GL Provision: Appendix 1 Involuntary Residential Relocation 3.
Appropriate participation by affected persons and communities must be promoted in the planning, implementation and monitoring of strategies concerning involuntary resident relocation and loss of livelihoods. In addition, proper mechanisms must be maintained to process complaints from affected persons and communities.
- Assessment: This is not a breach of JICA GL.
- Basis: There are many households which have not received a copy of the consensus agreement from the Government of Myanmar but there is no particular conflict with JICA GL, and as stated in (Relevant Facts) Point 32, concerning the proposal for the Resettlement Work Plan and Income Restoration Plan, implementation and monitoring, the Government of Myanmar's response adheres to JICA GL with no apparent issues.

Point 34. (P14. Paragraph 2) While the YRG did hold consultation meetings with regard to the RWP, they were not meaningful consultations that provided the villagers with an open opportunity to express their concerns.

Consultations were called on short notice, with little information about the agenda of the meeting.

[Relevant Facts]

“While the YRG did hold consultation meetings with regard to the RWP, they were not meaningful consultations that provided the villagers with an open opportunity to express their concerns.”

- False.
- At each resident consultation meeting, residents who participated freely expressed opinions including criticisms of the government response.

“Consultations were called on short notice, with little information about the agenda of the meeting.”

- Partially false.
- Information about the first resident consultation meeting is unclear. Details regarding announcements made prior to the second to fourth consultation meetings are written below. (It is difficult to judge if this is short notice or not).
 - Second Resident Consultation Meeting (held June 11, 2013): Letter sent June 9.
 - Third Resident Consultation Meeting (held July 30, 2013): Letter sent July 26.
 - Fourth Resident Consultation Meeting (held September 21, 2013): Letter sent September 19.
- There was no prior announcement of agenda. However, along with future schedules, items for discussion for the next consultation meetings were explained at the second and third consultation meetings.

[JICA GL Assessment]

- Related GL Provision: Appendix 1 Involuntary Residential Relocation 4.
 In the case of projects that give rise to large-scale involuntary resident relocation, a Resettlement Work Plan must be produced and shared publicly. Pursuant to production of the Resettlement Work Plan, once sufficient information has been publicly released in advance, consultations must be held with the persons and communities who will be affected by the plan. At the time of discussions, explanations must be given in a language and format that can be understood by the affected persons. It is preferable that the Resettlement Work Plan includes the contents provisioned in OP4.12 Annex A of the World Bank’s safeguard policies.

- Assessment: This is not a breach of JICA GL.
- Basis: No particular violation of JICA GL.

Point 35. (P14. Paragraph 2) Some villagers were not allowed to enter the meetings, which discouraged others from joining. Furthermore, the Project Proponent held side meetings in which they sought to win the support of some elites in the community. Community members have written several letters to the YRG, the Thilawa SEZ Management Committee, and JICA expressing their concerns about the resettlement and livelihoods plans, but changes have been minimal or non-existent.

[Relevant Facts]

- Unclear whether or not this is true.
- The contents indicated in the points stated above are not necessarily precise.
- Actions thought to relate to the point that: “Some residents were not allowed to join consultations” are detailed below.

Items stated in the Mekong Watch Urgent Letter of Request (Sep. 27, 2013)	JICA Experts’ Report
At the residents consultation meeting on September 21, if any participants had an opinion about the RAP draft version, they were asked to submit those opinions to the appointed government office by September 30 so, on September 23, approximately 40 residents (including affected persons in both the Thilawa SEZ 400ha planned site and the 2000ha site) visited the appointed government office in order to express their opinions. However, the person in charge refused an interview with “affected residents related to 2000ha” for reason that they were “not affected persons related to early stage development site (400ha). Subsequently, all resident proponents including affected persons related to 400ha vacated the premises but, again, a number of residents went to the offices and elicited a promise from the person in charge to hold an interview the next day on September 24. The get-together with the person in charge was concluded without obtaining sincere response/answers with respect to opinions voiced by the residents.	<p>On September 23, about 30 residents participate. When the point that residents from the 2000ha could only attend as observers was explained (they were not refused entry to the meeting), the 2000ha residents seemed to have taken it as a refusal to participate in negotiations. It is apparently true that at one point, at the urging of one of the participants, some residents walked out of the offices but afterwards, with a mediator from the B rice farmers negotiation group, the responsible government official solved the misunderstanding and upon returning to the meeting, government proponents assented to their participation in negotiations. Consequently, the negotiation groups were reformed. (Groups had different members to the groups formed at the resident consultation meeting held September 21. Each group had one representative from Class A but were also made up of non-Class A members. (Number of people was decided by surface area ratio).</p> <p>Moreover, at the September 24 negotiations, the responsible official heeded the residents’ wishes/requests and replied that he would communicate them to Yangon Regional</p>

	Government. (He reiterated that since it is a negotiation, there were some unacceptable requests/wishes that would be impossible to fulfill. For example, to situate the relocation site/replacement farmland within SEZ, to pay salaries during job training, etc.)
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[JICA GL Assessment]

- Related GL Provision: Appendix 1 Involuntary Residential Relocation 3.

Appropriate participation by affected persons and communities must be promoted in the planning, implementation and monitoring of strategies concerning involuntary resident relocation and loss of livelihoods. In addition, proper mechanisms must be maintained to process complaints from affected persons and communities.
- Assessment: This is not a breach of JICA GL.
- Basis: There are no particular violations of JICA GL.

Point 36. (P15.Paragraph 3) C attended several consultation meetings, the last of which took place on September 24, 2013. In this meeting with the housing department, he expressed concern about the very limited participation of villagers in the resettlement planning process and asked for the planning to be more inclusive. He also question the government's plan to restore the livelihoods of project affected people who were previously reliant on land, in light of the lack of compensation to be provided for confiscated land. The official from the housing department replied negatively to him, accusing him and others of squatting on the land.

When consultations relating to the 2,000 ha area began in his village on April 26, 2014, he was not invited.

[Relevant Facts]

Relevant Facts include personal information and cannot be disclosed.

Point 37. (P15. Paragraph 4) Most of the project affected people were not aware of the draft RWP that was disclosed at local government offices and on the internet at the beginning of November 2013. The draft document was also announced in the notice board section of a newspaper on November 8, 2013. The villagers only became aware of the draft RWP when a Japanese NGO learned about it and told a local NGO, which shared it with them.

[Relevant Facts]

- Unclear whether or not this is true.
- The Myanmar Government took the following measures to widely publicize the availability of the RWP
 - The RWP was publicly available at the Thilawa SEZ Management Committee office as well as the General Administration Departments (GADs) of the Thanlyin and Kyauk Tan Townships on November 4, 2013⁴
 - In addition the Myanmar Government published it online (http://www.mediafire.com/view/dmbchg5u2vg9535/110413_RWP_Final.pdf) as well as posting public announcements at the respective Township Offices, Village Offices and markets
 - On November 8, 2013, the Myanmar Government also announced the online publication in two newspapers: Myanmar Alin and The Mirror, including information as to where to view the hardcopy version

[JICA GL Assessment]

- Related GL Provision: Appendix 1 Involuntary Resettlement 4:

For projects that will result in large-scale involuntary resettlement, resettlement action plans must be prepared and made available to the public. In preparing a resettlement action plan, consultations must be held with the affected people and their communities based on sufficient information made available to them in advance. When consultations are held, explanations must be given in a form, manner, and language that are understandable to the affected people. It is desirable that the resettlement action plan include elements laid out in the World Bank Safeguard Policy, OP 4.12, Annex A.
- Assessment: There was no violation of the JICA GL
- Basis: The Myanmar Government took measures to widely publicize the RWP; No violation of JICA GL has been identified

⁴ Both the Myanmar and English language versions were available to the public for viewing at the Thilawa SEZ management committee office, while the Myanmar language version was available at the Township GADs

Point 38. (P15. Paragraph 5) Requesters A and B couldn't participate in the important decision-making process to develop the RWP. They were able to achieve some improvements to the compensation package, for example the size of the housing lot in the relocation site and the years of crop compensation. However, some villagers were still not content with the result of such closed-door negotiations where they could not participate, but were forced to sign relocation agreements under pressure from government authorities.

[Relevant Facts]

“Requesters A and B couldn't participate in the important decision-making process to develop the RWP.”

Relevant Facts include personal information and cannot be disclosed externally.

“They were able to achieve some improvements to the compensation package, for example the size of the housing lot in the relocation site and the years of crop compensation. However, some villagers were still not content with the result of such closed-door negotiations where they could not participate, but were forced to sign relocation agreements under pressure from government authorities. ”

- False
- The Myanmar Government consulted the residents when formulating the contents of the compensation and support, and accommodated the residents' views in formulating the contents of the compensation and support, including raising the rice crop compensation from 3 years' worth to 6 years' worth, as well as increasing the size of housing lots in the resettlement site
- In With regard to how the consultations concerning the contents of compensation and support progressed between the residents and the Government, refer to the “Relevant Facts” under Point 32

[JICA GL Assessment]

- Related GL Provision: Appendix 1 Involuntary Resettlement 3:

Appropriate participation by the affected people and their communities must be promoted in the planning, implementation, and monitoring of resettlement action plans and measures to prevent the loss of their means of livelihood. In addition, appropriate and accessible grievance mechanisms must be established for the affected people and their communities.
- Assessment: There was no violation of the JICA GL
- Basis: The Myanmar Government's actions were in line with the JICA GL, thus no particular issue has been identified

Point 39. (P15. Last Paragraph to P16. Paragraph 1) According to the Chapter 12 of RWP, the Income Restoration Program Implementation Sub Committee (IRPISC) is the main body for internal monitoring of progress of the IRR and the status of resettlement.

However, the villagers, including Requesters A and B, did not know of the existence of such committee.

In this way, there was not appropriate participation of villagers in monitoring the RWP and no functional or effective system to resolve the villagers' current problems properly an in a timely manner.

[Relevant Facts]

“According to the Chapter 12 of RWP, the Income Restoration Program Implementation Sub Committee (IRPISC) is the main body for internal monitoring of progress of the IRR and the status of resettlement.

However, the villagers, including Requesters A and B, did not know of the existence of such committee.”

- Unclear whether or not this is true.
- It is not known whether the Requesters A and/or B know(s) how the IRP is currently being implemented
- On the other hand, at the fourth residents consultation meeting held on September 21, 2013, , documents describing the project overview, the assets impacted, the contents of compensation and support, the framework for restoring incomes, the framework of support and compensation, the framework of the complaint handling mechanism, and so on, were handed out as well as the framework of the Income Restoration Program Implementation. The Myanmar Government provided the explanation.
- Also at the first (on December 11, 2013) Participatory Workshop on Income Restoration for the Residents and the second Participatory Workshop, the Myanmar Government again provided an explanation concerning how the program is to be implemented. The residents voted to select two resident representatives for the Income Restoration Program Implementation Subcommittee (IRPISC), who were selected at the first workshop.

“In this way, there was not appropriate participation of villagers in monitoring the RWP and no functional or effective system to resolve the villagers' current problems properly an in a timely manner.”

- False
- With regard to internal monitoring, Myanmar Government staff have taken action such as visits to the resettlement site, etc., to check the status, and reported to the Income Restoration

Program Implementation Subcommittee meetings. (So far the meetings were held on December 6 and 23, 2013 and January 24 and March 24, 2014.) In addition, the two resident representatives to the IRPISC also heard from the residents on the challenges at the resettlement site, etc., and reported to the IRPISC and the Myanmar Government.

- Through the framework of internal monitoring, the following cases resulted in action being taken to address the challenges, etc.:
 - Installation of a solid waste depot within the resettlement site,
 - Action to address water well (hand pump) malfunctions in the resettlement site (arranging for their repair)
 - Three or four residents who wished to attend the course to obtain a regular driving license had lost their NRC (National Registration Card = ID card) and were unable to apply for the course. To address this issue, the IRPISC created a letter of recommendation and issued it to the residents to speed up the NRC reissuance process
 - As a follow up action for the seven women who had completed a food processing training course, the company was lobbied to secure employment for the women at a field diner, café and food store that it operated
 - The primary income earners in one or two households of the 41 households that live in the resettlement site were not proactive in going to work despite the employment opportunities through SEZ, etc., for such reasons as it being “too far”, “tiring”, “salary too low”, “do not want to follow the workplace regulations” and so on, while still complaining of their concern about “not having enough money to live on”. In response to this, the IRPISC members shared the future stance of striving to improve the motivation of residents to work whenever possible and to continue monitoring their livelihood status.

[JICA GL Assessment]

- Related GL Provision: Appendix 1 Involuntary Resettlement 3:

Appropriate participation by the affected people and their communities must be promoted in the planning, implementation, and monitoring of resettlement action plans and measures to prevent the loss of their means of livelihood. In addition, appropriate and accessible grievance mechanisms must be established for the affected people and their communities.
- Assessment: There was no violation of the JICA GL
- Basis: The Myanmar Government’s actions were in line with the JICA GL, thus no particular issue has been identified

h. JICA's responsibility to provide compensation for lost land

Point 40. (P16.Paragraph 3 to P17. Paragraph 1) The Thilawa residents maintain some right to use and enjoy the benefits of the land.

Myanmar's 1894 Land Acquisition Act requires that any proposed expropriation be published beforehand in the National Gazette as well given in a public notice in a convenient location for those affected by the confiscation in order to allow for objections, a procedure that apparently did not take place at the time. These allegations – certainly plausible in light of the character of the Myanmar military regime in 1997 – puts in doubt the legitimacy of the original expropriation of land, and should have lead JICA to question the YRG's initial determination on land compensation.

In 1997, Myanmar was ruled by a military regime with a reputation for arbitrary land grabbing, and the Japanese government had cut off lending to the Myanmar Government. If the land was expropriated in 1997 through coercion, or if the Myanmar Government failed to provide legal due process, JICA should have concluded that the Thilawa farmers did not legitimately lose title to their land. And even if there was no coercion or denial of due process, JICA should have evaluated whether compensation was adequate at the time of expropriation. If it was found to be inadequate, then JICA should have ensured that the Thilawa residents are paid a supplement to make up for being short-changed at the time of expropriation.

[Relevant Facts]

“The Thilawa residents maintain some right to use and enjoy the benefits of the land.

Myanmar's 1894 Land Acquisition Act requires that any proposed expropriation be published beforehand in the National Gazette as well given in a public notice in a convenient location for those affected by the confiscation in order to allow for objections, a procedure that apparently did not take place at the time. These allegations – certainly plausible in light of the character of the Myanmar military regime in 1997 – puts in doubt the legitimacy of the original expropriation of land, and should have lead JICA to question the YRG's initial determination on land compensation.”

- False
- JICA evaluated the 1997 land expropriation and found the following:
 - In November 1996, the Thanlyin–Kyautan Development Company, a joint venture initiative by the Department of Human Settlement and Housing Development of MOC and SMD International Pte Ltd of Singapore, was established to develop the 1,230 ha Thanlyin–Kyautan Industrial Zone
 - In 1997, the Department of Human Settlement and Housing Development acquired the land intended to be developed as the Thanlyin–Kyautan Industrial Zone
 - Those who had been dwelling on the land were then offered a resettlement site and compensation for the costs of relocation. Those who farmed the project land were also

compensated for their farmland

- Farm The amount of compensation for farmland was at 20,000 kyat for an acre. Under the Land Nationalization Act, which came into force in 1954, nationalized farmlands under which land property rights were assigned to the state. Although not legally, the sale of land use rights was carried out customarily. The aforementioned compensation rate was determined taking into consideration the unofficial farmland use rights sales prices that were then operating in the area around the target land (8,000 kyat per acre). The level above these prices was set and agreed upon by the residents.
- The relocation of these residents was conducted according to the Land Acquisition Act of 1894.

(Reference) Article 9, Land Acquisition Act of 1894

Section-9

- (1) The Collector shall then cause public notice to be given at convenient places on or near the land to be taken, stating that the Government intends to take possession of the land, and that claims to compensation for all interests in such land may be made to him.
- (2) Such notice shall state the particulars of the land so needed, and shall require all persons interested in the land to appear personally or by agent before the Collector at a time and place therein mentioned (such time not being earlier than fifteen days after the date of publication of the notice), and to state the nature of their respective interests in the land and the amount and particulars of their claims to compensation for such interests, and their objections (if any) to the measurements made under section 8. The Collector may in any case require such statement to be made in writing and signed by the party or his agent.
- (3) The Collector shall also serve notice to the same effect on the occupier (if any) of such land and on all such persons known or believed to be interested therein, or to be entitled to act for persons so interested, as reside or have agents, authorized to receive service on their behalf, within the revenue-district in which the land is situate.
- (4) In case any person so interested resides elsewhere, and has no such agent, the notice shall be sent to him by post in a letter addressed to him at his last known residence, address or place of business and registered under the Burma Post Office Act.

“In 1997, Myanmar was ruled by a military regime with a reputation for arbitrary land grabbing, and the Japanese government had cut off lending to the Myanmar Government. If

the land was expropriated in 1997 through coercion, or if the Myanmar Government failed to provide legal due process, JICA should have concluded that the Thilawa farmers did not legitimately lose title to their land.”

- Partially false.
- It is true that Myanmar was under a military regime in 1997 and JICA had stopped providing loans.
- Neither the fact that the then regime was military in nature nor the fact that JICA had stopped providing loans provides a rationale to conclude that due legal process was not taken then.

“Even if there was no coercion or denial of due process, JICA should have evaluated whether compensation was adequate at the time of expropriation.”

- False
- As stated previously an evaluation was carried out with following results:
 - Those who had been dwelling on the land then were offered a resettlement site and compensation for the costs of relocation. Those who farmed the project land were also compensated for their farmland
 - The farmland compensation rate was at 20,000 kyat for an acre. Under the Land Nationalization Act, which came into force in 1954, nationalized farmland therefore assigned land property rights to the state. Although it was not legal, the sale of land use rights was conducted customarily. The aforementioned compensation rate was determined taking into consideration the unofficial farmland use rights sales prices that operated then in the area around the target land (8,000 kyat per acre). A level above these prices was set and agreed upon by the residents.
 - The relocation of these residents was conducted according to the Land Acquisition Act of 1894

“If it was found to be inadequate, then JICA should have ensured that the Thilawa residents are paid a supplement to make up for being short-changed at the time of expropriation.”

- False
- As stated previously, JICA has evaluated the approach taken to calculate the rate of compensation in the 1997 land expropriation, as well as confirmed that the Myanmar Government and the residents agreed to it. JICA’s evaluation concluded that the compensation then could not be deemed inadequate.

[JICA GL Assessment]

- Related GL Provision: Appendix 1 Involuntary Resettlement 2:

People who must be resettled involuntarily and people whose means of livelihood will be hindered or lost must be sufficiently compensated and supported by the project proponents, etc., in a timely manner. Prior compensation, at full replacement cost, must be provided as far as possible. The host countries must make efforts to enable people affected by projects to improve their standard of living, income opportunities, and production levels, or at least to restore these to pre-project levels. Measures to achieve this may include: providing land and monetary compensation for losses (to cover land and property losses), supporting the means to establish an alternative sustainable livelihood, and providing the expenses necessary for the relocation and re-establishment of communities at the resettlement sites.

- Assessment: There was no violation of the JICA GL
- Basis: JICA has evaluated the historical background of the Myanmar Government's land expropriation and confirmed that the project land is owned by the Myanmar Government. No particular issue was identified in the Myanmar Government's explanation

Point 41. (P17. Paragraph 2) Even if the 1997 expropriation was lawful and legitimate, land compensation should still have been required. Because the land was not used for the intended purpose after the 1997 expropriation and they were permitted to continue farming, the land should have reverted to the farmers from whom it was taken.

[Relevant Facts]

- False
- Article 31 of the Farmland Act of 2012 provides that the Central Farmland Management Body shall confiscate the concerned land if it has not been put to use within six months in the prescribed manner.

Reference 6: Article 31, Farmland Act of 2012:

31. The Central Farmland Management Body shall confiscate the farmland if the farmland is not start to use within six months in the prescribed manner from the date of permission order in accordance with the section 30 of this law, or not completed within the prescribed period.

- Also Article 4 of the Farmland Act of 2012 also provides that to obtain the right to use the land, the person concerned needs to apply at the relevant office of the township for permission.

Reference 7: Article 4, Farmland Act of 2012:

4. A person who has the permission of right to use farmland shall have to apply for getting the Land Use Certificate to the Township Land Records Department Office passing it through the relevant Ward or Village Tract Farmland Management Body.

- Article 31 of the Farmland Act of 2012 is considered to be applicable when (1): the farmland is under the jurisdiction of the Central Farmland Management Body; and (2) the land expropriated was the land the farmer would be deemed to have held the right to use pursuant to provisions of the Land Act of 2012
- Meanwhile the project land in the Thilawa Special Economic Zone (Class A) Area Development Project is not under the jurisdiction of the Central Farmland Management Body. It was transferred in 1998 from the Ministry of Home Affairs and the Yangon Regional Government to the Department of Human Settlement and Housing Development, MOC, and then from the Department of Human Settlement and Housing Development, MOC, to the Thilawa SEZ Management Committee. Incidentally, as stated above, no farmer would have obtained the right to use land pursuant to the provisions of the Farmland Act of 2012.
- As a JICA expert has confirmed, there are no residents who have obtained the right to use land

pursuant to the provisions of the Farmland Act of 2012 in a Class A Area. The Myanmar Government does not believe the provisions of the Farmland Act of 2012 are applicable to the farmers in Class A Areas

[JICA GL Assessment]

- Related GL Provision: Appendix 1 Involuntary Resettlement 2:

People who must be resettled involuntarily and people whose means of livelihood will be hindered or lost must be sufficiently compensated and supported by the project proponents, etc., in a timely manner. Prior compensation, at full replacement cost, must be provided as far as possible. Host countries must make efforts to enable people affected by the projects to improve their standard of living, income opportunities, and production levels, or at least to restore these to pre-project levels. Measures to achieve this may include: providing land and monetary compensation for losses (to cover land and property losses), supporting means for an alternative sustainable livelihood, and providing the expenses necessary for the relocation and re-establishment of communities at the resettlement sites.
- Assessment: There was no violation of the JICA GL
- Basis: No violation of the JICA GL has been identified

i. JICA's responsibility to improve or at least restore displaced persons standard of living, income opportunities and production levels, including through supporting means for alternative sustainable livelihoods.

Point 42. (P18. Paragraph 2) Continued income from farming is not envisaged as a possibility under the IRP, despite the stated preferences of many Thilawa residents and the assertion that the IPR will be finalized based on a participatory needs analysis of the displaced persons. Instead, livelihoods opportunities in the SEZ area are expected to include small-scale industry and livestock raising, construction work, retail, and factory work – all wage-based livelihoods that the Thilawa farmers are unaccustomed to and lack the skills to perform.

[Relevant Facts]

- Unclear whether or not this is true.
- There is a complex situation in Thilawa. With regard to whether or not many Thilawa residents wish to continue farming cannot be categorically said to be true or not true. The following describes the background to this observation:
- At first (on December 11, 2013), in a Participatory Workshop on Income Restoration for the Residents, a group discussion session was held to hear the residents' wishes concerning the type of occupation they hoped (were interested in) to be engaged after the relocation, for three groups: those previously engaged in farming, those previously engaged in occupations other than farming, and women.
- The JICA expert confirmed that at that time, no resident expressed their wish to continue farming. They also observed that it appeared that they understood the situation they were in, accepted the fact they could not continue farming after relocation, and were aware that they had to then consider what means they could assume next to earn an income.
- It was also that observed some of the elderly farmers voiced their hope to quit farming after relocation and to take this opportunity to have their children take over the role of the income earners. The view among the youths was that, rather than weather dependent farming, they wished to find a more stable source of income other than farming.
- However, the JICA experts reported a change in the situation following the session surrounding the resettlement site, as seen in their reports:
 - Through the three Participatory Workshops on Income Restoration for the residents, we had some success in getting former farmers to become motivated in challenging the situation to find a new occupation.
 - However, following the workshops, we saw an escalation in the activities of external citizens organizations, NGO actions and the intensity of media coverage, with the relocating residents repeatedly subjected to such opinions and questions as, "Don't you

want to carry on farming?” and “No replacement farmland for such little compensation?” Because of this, we started hearing opinions among the residents wishing for the possibility of continuing farming, which they had once given up. This escalation has now created an atmosphere that has stirred up the residents’ hopes and dependency on additional support.

- We believe what is important of the relocating residents in this atmosphere is to nurture a positive attitude concerning their future and the confidence to become independent as soon as possible. The longer the delay in nurturing their confidence, the more the greater the delay in the timing of income restoration. For this reason, we believe it is essential to fully inform them of the range of potential employment opportunities to be found near the resettlement site and within the SEZ, as well as to offer them skills training opportunities to raise their confidence in challenging new occupations.
- Please note that the aforementioned views are not to deny their hope to continue farming. For instance, through our previous opinion survey results, we have heard of families who pooled their compensation and/or support fund money to purchase new farmland, as well as people who leased farmland from others and became tenant farmers. We believe learning of such concrete cases of residents who utilized the paid compensation/support fund money to continue farming will be helpful for those residents who wish to continue farming

[Action]

- JICA will continue to support through JICA experts the Myanmar Government’s efforts to fully inform people of the variety of potential employment opportunities to be found near the resettlement site and within the SEZ, as well as to offer skills training to raise the residents’ confidence in challenging new occupations.
- If some residents strongly wish to continue farming, it is important for the Myanmar Government to give them advice that will help them realize their wish, including in cases where the families have pooled their compensation and/or support fund money to purchase new farmland, and other cases in which they have been paid compensation/support fund money to continue farming, as well as cases of those who leased farmland from others and became tenant farmers, and so forth. JICA will utilize its JICA experts to assist the Myanmar Government so that it can effectively support the residents.

[JICA GL Assessment]

- Related GL Provision: Appendix 1 Involuntary Resettlement 2:
People who must be resettled involuntarily and people whose means of livelihood will be

hindered or lost must be sufficiently compensated and supported by the project proponents, etc., in a timely manner. Prior compensation, at full replacement cost, must be provided as far as possible. The host countries must make efforts to enable people affected by projects to improve their standard of living, income opportunities, and production levels, or at least to restore these to pre-project levels. Measures to achieve this may include providing land and monetary compensation for losses (to cover land and property losses), supporting the means to develop an alternative sustainable livelihood, and providing the expenses necessary for the relocation and re-establishment of communities at the resettlement sites.

- Assessment: There was no violation of the JICA GL
- Basis: The Myanmar Government has implemented such measures as assistance with sustainable means to earn income and other measures in an effort to enable the relocated residents to improve or at least restore the levels of living, income opportunity and production to the previous levels. No particular issue with regard to the JICA GL has been identified.

Point 43. (P18. Paragraph 3) Financial institutions are expected to verify that adequate replacement land is unavailable before agreeing to resettlement plans that turn farmers into wage laborers against their will. There is no indication that such a showing was ever made to JICA.

[Relevant Facts]

- False
- In response to our inquiry to the Myanmar Government via the JICA experts, we received the following explanation from the Myanmar Government, “With regard to replacement land, there is no vacant land or fallow farmland that could be developed as new farmland around Thilawa SEZ. If farmland land was to be secured, the purchase of currently used farmland would be required, which would then lead to new land expropriation and the residents relocation. For this reason, it is difficult to provide replacement farmland”
- Furthermore, with regard to the selection of the resettlement site, as only land that was (1): situated near the Class A Area, and (2) that it is possible to develop for a resettlement site without causing new land expropriation and residents relocation was the current resettlement site (then owned by the Department of Human Settlement and Housing Development) and we have been informed that the current site was developed as the resettlement site after the Yangon Regional Government completed the procedures for land use changes for the site.
- Following The following describes the steps taken to provide an explanation of the resettlement site to the residents:
 - At the fourth Residents consultation meetings held on September 21, 2013, although the Myanmar Government did not explain the specifics of the candidate resettlement land, it explained about the offering of a resettlement site, the size of the lots to be allocated to each household, etc., during the explanation about the compensation and support package. At that time, the Thilawa SEZ Management Committee asked the residents to let them know if they had ideas about candidate land for resettlement, so that it could check whether it could be developed as resettlement land and what rights would be involved. However no particular comments and/or information were received from the residents.
 - Following the fourth Residents consultation meetings, group and individual consultation sessions were held between September 23 and October 1, 2013. On these occasions, the Thilawa SEZ Management Committee explained the location of the candidate land for resettlement (which is the current resettlement site) and offered to make arrangements if anyone wanted to check the location and the conditions at the candidate resettlement site. However no particular request was received from the residents about arrangements for inspection of the candidate resettlement site. Nor was any opposition to the candidate

resettlement site voiced by the residents. Thus the Myanmar Government went ahead with developing the resettlement site and later held a ballot on 23 October to allocate the lots at the resettlement site to the relocating residents.

[JICA GL Assessment]

- Related GL Provision: Appendix 1 Involuntary Resettlement 2:

People who must be resettled involuntarily and people whose means of livelihood will be hindered or lost must be sufficiently compensated and supported by the project proponents, etc., in a timely manner. Prior compensation, at full replacement cost, must be provided as far as possible. The host countries must make efforts to enable people affected by projects to improve their standard of living, income opportunities, and production levels, or at least to restore these to pre-project levels. Measures to achieve this may include providing land and monetary compensation for losses (to cover land and property losses), supporting the means for developing an alternative sustainable livelihood, and providing the expenses necessary for the relocation and re-establishment of communities at the resettlement sites.
- Assessment: There was no violation of the JICA GL
- Basis: The Myanmar Government has acquired the land, while the relocating residents do not have a legal right to the land. There is no requirement for the Myanmar Government to offer replacement farmland. Thus no particular issue with regard to the JICA GL has been identified.

Point 44. (P18. Paragraph 4) It is indisputable that most displaced families have lost their livelihoods, and that neither the YRG nor JICA made any attempt to prevent such a loss. Moreover, the project's provisions for developing an alternative, sustainable livelihood are grossly inadequate.

[Relevant Facts]

“It is indisputable that most displaced families have lost their livelihoods, and that neither the YRG nor JICA made any attempt to prevent such a loss.”

- False
- The assumption that most relocated residents lost their livelihoods is not true.
- A livelihood income status study during the two-week period from March 10 to 23 this year, interviewing every household in the resettlement site. (Forty-two out of 68 households responded. Note that the 42 households were all households that were living at the resettlement site at time of the study.) The outcomes of the study confirmed that out of the 42 households, the heads of 29 households had found employment, while 7 households had their head seeking a job and 6 households made a living on a pension and/or support from a family member.

“The project's provisions for developing an alternative, sustainable livelihood are grossly inadequate.”

- False
- A livelihood recovery support program has been formulated based on requests from the residents and implemented. The Myanmar Government is also putting efforts into employment services, etc.
- Concerning the livelihood recovery support program, refer to the “Relevant Facts” under Point 2

[JICA GL Assessment]

- Related GL Provision: Appendix 1 Involuntary Resettlement 2:
 People who must be resettled involuntarily and people whose means of livelihood will be hindered or lost must be sufficiently compensated and supported by the project proponents, etc., in a timely manner. Prior compensation, at full replacement cost, must be provided as far as possible. The host countries must make efforts to enable people affected by projects to improve their standard of living, income opportunities, and production levels, or at least to restore these to pre-project levels. Measures to achieve this may include providing land and monetary compensation for losses (to cover land and property losses), supporting the means for developing an alternative sustainable livelihood, and providing compensation for the expenses necessary for the relocation and

re-establishment of communities at the resettlement sites.

- Assessment: There was no violation of the JICA GL
- Basis: The Myanmar Government has implemented support for developing a sustainable alternative means of livelihood, etc., and has been striving to enable the resettled residents to improve or at least restore the levels of living, income opportunity and production to the previous levels. No particular issue regarding the JICA GL has been identified.

Point 45. (P18. Paragraph 4) The RWP includes only an Income Replacement Plan (IRP), which gives little information on how livelihoods will be maintained or restored. The IRP vaguely refers to new wage-based jobs that may come into existence with the development of the SEZ, but it does not demonstrate that any of the jobs contemplated actually exist, or that displaced persons will receive assistance to acquire the skills to succeed in those jobs. Moreover, there is no discussion of the options that will be available to displaced persons for pursuing alternate livelihoods.

[Relevant Facts]

- False
- P 34 of RWP provides information about some 20 types of occupations that may be created as employment opportunities within the SEZ, in the surrounding area of the SEZ and/or the resettlement site, as well as information about which party would run occupational training, the likely contents and the period of training, etc.
- [JICA GL Assessment]
- Related GL Provision: Appendix 1 Involuntary Resettlement 2:

People who must be resettled involuntarily and people whose means of livelihood will be hindered or lost must be sufficiently compensated and supported by the project proponents, etc., in a timely manner. Prior compensation, at full replacement cost, must be provided as much as possible. The host countries must make efforts to enable people affected by projects to improve their standard of living, income opportunities, and production levels, or at least to restore these to pre-project levels. Measures to achieve this may include: providing land and monetary compensation for losses (to cover land and property losses), supporting the means for establishing an alternative sustainable livelihood, and providing the expenses necessary for the relocation and re-establishment of communities at the resettlement sites.
- Assessment: There was no violation of the JICA GL
- Basis: No particular issue with regard to the JICA GL was identified

Point 46. (P18. Last Paragraph to P19. Paragraph 1) Thilawa farmers have been forced to leave their land, abandon their previous, sustainable livelihoods, and move to a crowded resettlement site to wait out an indefinite transition period with no source of income other than an undervalued compensation package. They have been asked to place their hopes in the promise of jobs that do not match their own expectations and preferences, despite the fact that they may be neither qualified nor suited for these jobs, and it is unclear whether any programs exist to help them acquire the necessary skills and start-up capital. In practice, since being displaced families are now eligible to take training courses that are expected to prepare them for new jobs in the SEZ, but it is unclear how long it will take for those opportunities to materialize.

[Relevant Facts]

“Thilawa farmers have been forced to leave their land, abandon their previous, sustainable livelihoods, and move to a crowded resettlement site to wait out an indefinite transition period with no source of income other than an undervalued compensation package. They have been asked to place their hopes in the promise of jobs that do not match their own expectations and preferences, despite the fact that they may be neither qualified nor suited for these jobs, and it is unclear whether any programs exist to help them acquire the necessary skills and start-up capital.”

- False.
- Refer to the “Relevant Facts” sections in Points 1, 2, etc., for the details of the Income Restoration Program and compensation and support, and other such information

“Since being displaced families are now eligible to take training courses that are expected to prepare them for new jobs in the SEZ, but it is unclear how long it will take for those opportunities to materialize.”

- True.
- It is a fact that it is unclear how long it will take for the resettled residents to find a new job within the SEZ after completing job training. However the Myanmar Government is engaged in negotiations with relevant institutions and taking other measures to realize such opportunities.
- With regard to securing new employment opportunities for the resettled residents, the following was confirmed according to the JICA experts:
 - On such occasions as the Myanmar Government’s Participatory Workshop for Residents for their livelihood recovery support hosted with JICA’s assistance and through house visits in the resettlement site, JICA experts interviewed the residents about what kind of means to earn livelihoods would interest them and then provided advice that was suitable for each resident’s educational and age-related status. Support for work skills training and

securing employment opportunities was provided based on the wishes of these residents.

- In relation to opportunities to gain employment after training, the Myanmar Government negotiated with the company to allow the women who have completed a food processing training course to open such enterprises as field diners and food stores near the SEZ.
- A vehicle maintenance course was completed in April 2014 (with one attending); and those who completed the course are hoping to find employment in the SEZ and are intending to wait until the SEZ operation is launched.
- The three residents that attended the electrical repair course received their certificate of completion on June 13, 2014. One has applied for a position at an electrical company and is waiting for the outcome. Another two intend to continue their respective current jobs while looking for a position in an occupation related to their training
- The six residents attending the driving license course will sit their license examination at end of June 2014. If they pass, they intend to look for work that utilizes their driving skills.
- In addition, six more courses are currently under way.
- With regard to support for finding employment opportunities in the SEZ, after the information about the firms entering the zone is made public, we will provide support widely and efficiently to gain employment opportunities and work skills training to enable the residents to obtain the type of work they wish to do.

[Action]

Same as the “Action” in Point 2

[JICA GL Assessment]

- Related GL Provision: Appendix 1 Involuntary Resettlement 2:

People who must be resettled involuntarily and people whose means of livelihood will be hindered or lost must be sufficiently compensated and supported by the project proponents, etc. in a timely manner. Prior compensation, at full replacement cost, must be provided as far as possible. The host countries must make efforts to enable people affected by projects to improve their standard of living, income opportunities, and production levels, or at least to restore these to pre-project levels. Measures to achieve this may include: providing land and monetary compensation for losses (to cover land and property losses), supporting the means for establishing an alternative sustainable livelihood, and providing the expenses necessary for the relocation and re-establishment of communities at the resettlement sites.
- Assessment: There was no violation of the JICA GL
- Basis: The Myanmar Government has implemented such measures as assistance with a sustainable means to earn income and other measures in an effort to enable the resettled

residents to improve or at least restore their levels of living, income opportunities and production to the previous levels. No particular issue regarding the JICA GL was identified.

Point 47. (P19. Paragraph 2) Representatives from the Thilawa SEZ Management Committee have represented to the villagers that they can find employment in construction sites in the SEZ, but in fact the compensation available from those jobs is unsustainable after factoring in the cost of transportation to the site. At present, only four of the displaced families have members working at the project site.

[Relevant Facts]

- False
- A JICA expert confirmed the following status concerning employment opportunities in the Thilawa Special Economic Zone (Class A Area):
 - The Myanmar Government arranged employment opportunities on February 28 and March 19, 2014, etc., by referring the residents to construction contractors in the Thilawa Special Economic Zone (Class A Area) and such like
 - As of May 10, 2014, 15 resettled residents worked as construction workers in the SEZ
 - Due to the impact of the torrential rain at the end of May, a part of the land development within the SEZ suffered a landslide. The construction work by the general workers has been halted to enable the repair work to go ahead, and it had still not resumed as of July 1, 2014. As a result, those residents that were working as construction workers are still waiting for the resumption of construction work along other general workers. According to interviews conducted on July 1, 2014, some residents are now working as day laborers at construction sites near Yangon, while waiting for the resumption of SEZ construction.
 - In addition to the above, it is planned to employ some five people as SEZ project office staff, cleaners and security guards.
- The salary range for a construction worker starts from 4,000 kyats a day, with the potential for a raise after starting work based on the work attitude and/or skills. One affected resident who works in the SEZ now earns 8,000 kyats a day in recognition of his experience.
- The means of transport from the resettlement site to the SEZ consists of private motorcycles and motorcycle taxis. A motorcycle taxi costs 2,000 kyats for a return journey

Note that the minimum pay of 4,000 kyats a day is comparable to that paid in other construction sites near Yangon. The minimum pay for one day of work at MITT is 3,500 kyats (2,500 kyats during the monsoon season).

[Action]

- Same as the “Action” in Point 2

[JICA GL Assessment]

- Related GL Provision: Appendix 1 Involuntary Resettlement 2:

People who must be resettled involuntarily and people whose means of livelihood will be hindered or lost must be sufficiently compensated and supported by the project proponents, etc., in a timely manner. Prior compensation, at full replacement cost, must be provided as far as possible. The host countries must make efforts to enable people affected by projects and to improve their standard of living, income opportunities, and production levels, or at least to restore these to pre-project levels. Measures to achieve this may include: providing land and monetary compensation for losses (to cover land and property losses), supporting the means for establishing an alternative sustainable livelihood, and providing the expenses necessary for the relocation and re-establishment of communities at the resettlement sites.

- Assessment: There was no violation of the JICA GL
- Basis: The Myanmar Government has implemented such measures as assistance with sustainable means to earn income and other measures in an effort to enable the resettled residents to improve or at least restore their levels of living, income opportunities and production to the previous levels. No particular issue with regard to the JICA GL was identified.

Point 48. (P19. Paragraph 3) The Myanmar Government has halted the delivery of water for irrigation from Zamani Reservoir to approximately 600 acres in Thanlyin Township, which is slated for subsequent phases of the project. On April 26 and 27, the government held the first consultation meeting with farmers in the 2,000 ha area in which they explained that the village administrator, housing department and police are starting to conduct surveys with each family about their livelihoods and to measure their land. They do not know under what terms their resettlement will take place, but by halting delivery of water, the Myanmar Government has already begun to undermine their economic position and sustainability of their livelihoods. Thus the Thilawa project in the 2,000 ha area is already non-compliant with JICA's Guidelines, and causing substantial injury to affected community members.

[Relevant Facts]

“The Myanmar Government has halted the delivery of water for irrigation from Zamani Reservoir to approximately 600 acres in Thanlyin Township, which is slated for subsequent phases of the project.”

- True
- It is a fact that the delivery of water for irrigation from Zamani Reservoir to the site for the subsequent phase of the project was halted in December 2012. At the same time the delivery of water for irrigation from the Thilawa Reservoir was also halted.
- The Myanmar Government will conduct a survey of the households within the 2,000 ha Area, who were impacted by this interruption of the delivery of water for irrigation, and will examine its handling in drafting the compensation and support program concerning resettlement in the area.

“On April 26 and 27, the government held the first consultation meeting with farmers in the 2,000 ha area in which they explained that the village administrator, housing department and police are starting to conduct surveys with each family about their livelihoods and to measure their land. They do not know under what terms their resettlement will take place, but by halting delivery of water, the Myanmar Government has already begun to undermine their economic position and sustainability of their livelihoods. Thus the Thilawa project in the 2,000 ha area is already non-compliant with JICA's Guidelines, and causing substantial injury to affected community members.”

- Partially false.
- The Myanmar Government held the first consultation meeting on April 26 and 27 concerning resettlement in the 2,000 ha area
- At this consultation meeting, the Myanmar Government: (1) provided information about the

consultation with the residents on the 400 ha resettlement of the residents and the IPR; (2) explained about the benefits of the Thilawa SEZ development (such as more employment opportunities and better infrastructure); (3) explained about the cutoff date (the baseline date for determining who has the right to receive compensation); and (4) requested cooperation with the detailed socioeconomic status survey. This was followed by a Q and A session.

- As the contents of the compensation and/or support in relation to the resettlement will be determined in the future resettlement planning process, “on what conditions the resettlement will be implemented” are not decided at this stage.

[Action]

- Currently the Myanmar Government is conducting a detailed socioeconomic status survey in the 2,000 ha area. JICA will utilize JICA experts to assist the Myanmar Government for the smooth implementation of the survey so that the compensation and/or support can be considered as early as possible for the households impacted by halting the delivery of water for irrigation.
- JICA will closely watch the situation, hoping the households impacted by halting the delivery of water for irrigation in the 2,000 ha area will receive similar responses to those for the Class-A Area.

[JICA GL Assessment]

- Related GL Provision: Appendix 1 Involuntary Resettlement 2:
People who must be resettled involuntarily and people whose means of livelihood will be hindered or lost must be sufficiently compensated and supported by the project proponents, etc., in a timely manner. Prior compensation, at full replacement cost, must be provided as far as possible. The host countries must make efforts to enable people affected by projects and to improve their standard of living, income opportunities, and production levels, or at least to restore these to pre-project levels. Measures to achieve this may include: providing land and monetary compensation for losses (to cover land and property losses), supporting the means for establishing an alternative sustainable livelihood, and providing the expenses necessary for the relocation and re-establishment of communities at the resettlement sites.
- Assessment: There was no violation of the JICA GL
- Basis:
 - Resettlement is yet to take place in the 2,000 ha area.
 - Currently the Myanmar Government is conducting a detailed socioeconomic status survey (DMS) for the calculation of compensation and/or a support plan in relation to the

resettlement of residents, and is engaged in the work with the intention of providing compensation and/or support at an appropriate time before resettlement.

END