



Appendix 2 Resettlement Policy Framework

Moto Gold Project

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1. INTRODUCTION

The Moto Gold Project (“the Project”) is located in the gold fields of the north-eastern Democratic Republic of Congo (DRC), north east of Kisangani and 160km west of the Ugandan border town of Arua. The Project is located in Kibali Sector of the Watsa Territory, Haute-Uélé District, Oreintale Province.

Following the departure of the Belgians in the 1960s, the State owned mining company, Offices des Mines d’Or de Kilo-Moto (OKIMO), undertook limited mining activity in the area and between 1996 and 1998 Barrick and Anglogold completed limited exploration.

More recently Moto Goldmines Limited (MGL or Moto), a TSX and UK listed gold exploration and development company acquired its interests in the Moto Gold Project in April 2003 and commenced exploration activities in February 2004.

Borgakim Mining (a subsidiary of MGL) has been granted sub-lease and other contractual rights over the area of the Project with OKIMO, who is the registered holder of the mineral rights to the Project. OKIMO holds its concession rights through ten separate Exploitation Permits in accordance with the DRC’s 2002 Mining Code. Borgakim is the operator of the Project and currently holds a 70% interest in the Project with OKIMO holding the remaining 30%.

For the purpose of bringing the Project to operational status, the following major developments will be required:

- Upgrading and diversion of several roads in the district including refurbishment and upgrading of the access road from Arua.
- The ore processing plant area including associated workshops, stores, laboratory, administration facilities, mining service facilities and amenities.
- The Tailings Storage Facility (TSF).
- The open-cut pits, underground mine, waste dumps and haul roads.
- Relocation of villages.
- Development of a 20MW hydro power station on the Nzoro River.
- Refurbishment of an airstrip.
- Establishment of a camp for management and senior staff personnel recruited from outside the local area.

In order to comply with the Mining Code and ancillary Mining Regulations, an approved Environmental Impact Study (EIS) and an Environmental Management Plan (EMP) is required. Essentially these state that under the Mining Code, all non-artisanal mining operations in the DRC must be subject to and EIS and then covered by an EMP approved by the DRC Ministry of Mines. The purpose is to give an overview of the environmental condition of the areas covered by the relevant mining title under which such operations are conducted and to describe any measures that have been or will be taken for the purpose of the protection of the environment.

MGL has identified the need to generate a Resettlement Action Plan (RAP) to detail the parameters under which resettlement will take place.

The RAP is required as it will be necessary to relocate approximately 11,000 people from the immediate project area (the Exclusion Zone) to allow drilling and project development to take place. Although not required by DRC law MGL desires to comply with international best practice in drawing up a RAP for the Project. For the purposes of its resettlement activities Moto has identified IFC Performance Standard 5 as the benchmark to which it will work.

This document therefore is drawn up as Resettlement Policy Framework (RPF) and is intended as a largely desktop study, albeit supported by substantial fieldwork undertaken in the third and fourth quarter of 2008 and will form the precursor to a detailed RAP. Effective resettlement planning is critical as International Best Practice (IBP) stipulates that any project that may involve the physical displacement and resettlement of people be it due to expropriation of land or other reasons pertaining to a project in question requires that a RPF be drawn up. The RPF ensures that involuntary

resettlement, which can be traumatic, debilitating and financially crippling, is fully addressed. The policy document includes measures to be taken to mitigate against any risks associated with resettlement.

As such the RPF¹ clarifies the principles for social impact mitigation as regards to compensation for loss of property, livelihood and relocation or resettlement. The operational objective of the framework is to provide guidelines to stakeholders (including investors and developers) participating in the mitigation of adverse social impacts of the project, in order to ensure that Project Affected Persons (PAPs) will not be impoverished by resettlement.

Best Practice implies that PAPs should be:

- Compensated for any attendant loss of livelihood.
- Compensated for loss of assets at replacement costs.
- Given opportunities to share project benefits.
- Be assisted in case of relocation or resettlement.

The paramount purpose is to restore the income earning capacity of the PAPs. The aim is to improve or at the very least sustain the living conditions of the PAPs prior to project operations or to resettlement. Also critical to the resettlement process is that the PAPs are involved, through appropriate consultation, in drawing up the resettlement plans that affect them.

This RPF aims to define the roles, responsibilities and actions that must be undertaken in order to develop a plan for resettlement, and the Project's comprehensive RAP. More specifically the objectives of the RPF are as follows:

- Define what resettlement and compensation entails.
- Define the principles for resettlement and compensation.
- Define the legal, policy and best practice framework within which the resettlement would be placed.
- Produce a set of guidelines for the process of resettlement and the terms of reference for the Project's RAP.

¹ This RPF is based on model RPFs presented by the World Bank (2004: Appendix 27) and on the requirements of IFC Performance Standard 5.

2. LEGAL FRAMEWORK

2.1. DRC Legal and Regulatory Framework

2.1.1. The Constitution of the DRC

The Constitution of the DRC was approved by referendum on 19 December 2005, and promulgated by a decree of the Head of State on 18 February 2006. As far as protection of private property is concerned, it includes the following general principles in its Article 34:

- Private property is sacred.
- The State guarantees the right to individual or collective property, acquired within the framework of law or of custom.
- Nobody can be deprived of his/her property unless in the public interest and subject to fair and prior compensation paid in conditions determined by law.

2.1.2. Land Regime in Mining Concessions as per the 2002 Mining Code and the 2003 Mining Regulations

The 2002 Mining Code and the 2003 Mining Regulations speak directly to the issue of requirements for compensation resulting from land acquisition for mining operations. These are set out under TITLE XI: Relations between the Holders of Mining Rights and/or Quarry Rights Themselves and with the Occupants of the Land. The most important articles are summarised below.

Article 279: Restrictions on the Occupation of the Land

Unless there is consent from the owner or legal occupant, no person may occupy land situated less than:

- 180m from occupied, unoccupied or temporarily unoccupied houses or buildings.
- 45m from land hoed and ploughed for farm cultivation.
- 90m from a farm breeding cattle, having a reservoir, a dam or private water reserve.

Article 280: Actual Liability for the Occupation of the Land

The holder or lessee must compensate for the damages caused by the works he carries out in connection with his mining activities, even if they are authorised.

All damages caused to the assets of third parties shall be settled at their actual replacement value, plus 50%, unless the assets are returned to the condition they were in prior to the occurrence of said damage.

Article 281: Compensation for the Occupants of the Land

Any occupation of land depriving the rightful holders of enjoyment of the surface rights, any modification rendering the land unfit for cultivation, shall cause the holder or lessee of the mining and/or quarry rights, at the request of the rightful owners of surface rights, and at their convenience, to pay fair compensation, corresponding either to the rent or the value of the land at the time of its occupation, plus 50%.

Land, as referred to in the above paragraph, means the ground on which the individuals have always carried out or are effectively carrying out any activity. Amicable settlement of the dispute may be made by any legitimate method other than resorting to the courts, especially by compromise, settlement, arbitration or before an Officer of the Judiciary Police or an Officer of the Public Ministry.

In the absence of an amicable settlement between the parties within three months from the date on which the dispute arises, the compensation shall be determined by the competent court pursuant to the rules on judicial organisation and jurisdiction in force in the DRC.

However, the usual occupant of the land may, in agreement with the holder, continue to exercise his right to cultivate the land provided the work in the fields does not hinder the mining activities. The owner of the surface rights shall then no longer continue to construct buildings on such land.

In summary, the main provisions of the 2002 Mining Code and 2003 Regulations make it clear that consultation over potential loss of assets and land with affected parties is required. Compensation should be at their actual replacement value plus 50% or the assets returned to their original condition. The legislation does not require the provision of alternative agricultural land but the option to pay a rental is applied.

2.2. International Requirements

2.2.1. World Bank²

World Bank Operational Policy 4.12 (OP 4.12; World Bank, 2004) is seen as the standard set of resettlement guidelines internationally. The fundamental objective of resettlement planning, as encapsulated in OP 4.12, is to avoid resettlement whenever feasible, or, when resettlement is unavoidable, to minimise its extent and to explore all viable alternatives.

Where land acquisition and involuntary resettlement are unavoidable, resettlement and compensation activities are carried out in a manner that provides sufficient opportunity for the people affected to participate in the planning and implementation of the operation. Furthermore, if incomes are adversely affected, adequate investment is required to give the persons displaced by the project the opportunity to at least restore their income.

IFC Performance Standard 5: Land Acquisition and Involuntary Resettlement (IFC, 2006) was developed by the IFC (as part of the World Bank group) from OP 4.12.

2.2.2. IFC

The Project will seek to undertake a resettlement and compensation process that adheres to international best practice. The IFC as a major lending agency provides for internationally accepted policies and guidelines for resettlement. While the Project may not necessarily seek funding from the IFC, its policies, guidelines and standards will be adopted.

IFC Performance Standard 5: Land Acquisition and Involuntary Resettlement (PS 5; IFC, 2006) relates to resettlement directly. This document states:

“Where involuntary resettlement is unavoidable, the client will carry out a census with appropriate socio-economic baseline data to identify the persons who will be displaced by the project, to determine who will be eligible for compensation and assistance, and to discourage inflow of people who are ineligible for these benefits. In the absence of host government procedures, the client will establish a cut-off date for eligibility. Information regarding the cut-off date will be well documented and disseminated throughout the project area.”

This is a critical policy document for this RPF and the Project’s RAP that will be developed subsequently, and states the following basic principles in terms of resettlement:

- To avoid or at least minimise involuntary resettlement wherever feasible by exploring alternative project designs.
- To mitigate adverse social and economic impacts from land acquisition or restrictions on affected persons’ use of land by:
 - Providing compensation for loss of assets at replacement cost.
 - Ensuring that resettlement activities are implemented with appropriate disclosure of information, consultation, and the informed participation of those affected.

² Detailed guidelines for preparing a RAP and an abbreviated RAP are available on the World Bank’s website (www.worldbank.org) and in the *World Bank’s Resettlement and Rehabilitation Guidebook*. The IFC (www.ifc.org) has a similar site and a similar handbook (*IFC: Handbook for Preparing a Resettlement Action Plan*).

- To improve or at least restore the livelihoods and standards of living of displaced persons.
- To improve living conditions among displaced persons through provision of adequate housing with security of tenure at resettlement sites.

This policy document requires that a RAP be prepared and accepted by the relevant authorities prior to implementing resettlement activities. The IFC also requires that the provision of compensation and the restoration of livelihoods of those affected are ensured prior to any actual resettlement.

In particular, the policy requires that possession of land for project activities may take place only after compensation has been paid, or alternatively, if adequate guarantees of compensation have been made to the PAPs satisfaction. If the latter is chosen compensation payments must not be delayed once resettlement has taken place. Resettlement sites, new homes and related infrastructure, public services and moving allowances must be provided to the affected persons in accordance with the provisions of the RAP.

The policy further requires particular attention to be given to the needs of vulnerable groups. These are generally defined as those below the poverty line, the landless, the elderly, women and children, indigenous groups, ethnic minorities, orphans, and other disadvantaged persons.

2.3. Approach of the Moto Gold Project

It is possible to amicably provide a resettlement package rather than compensating the lost assets in cash. This point is critical in bringing together legal requirements as well as conditions regarded as best practise. As described in subsequent sections, the resettlement package will include a number of benefits that are not represented in a cash compensation package. These additional, non-monetary benefits are intended to mitigate resettlement risks recognised under IFC PS 5 but not DRC law. Though not legally required, the incremental cost of these benefits will be borne by the Project so as to assure compliance with the Project’s stated commitment to follow the guidelines and recommendations of PS 5. These are spelt out in subsequent sections. If cash compensation is insisted upon by the PAPs, the Project will support this in compliance with the demands of best resettlement practise but will endeavour to ensure that it is used responsibly.

The Project will adopt best practise in regard to resettlement. This will however be in accordance with the legal requirements of the DRC.

Table 2.1 below provides a comparison of the DRC legal and IFC PS 5 requirements as regards resettlement.

Table 2.1 – Comparative DRC legal requirements (Mining Code 2002) with regard to resettlement and the requirements of IFC Performance Standard 5 (PS 5).

Topic	Mining Code 2002	IFC PS 5
Eligibility	“Right holders”	All occupants, regardless of the legal status under which they occupy land, and including both “physically-displaced” and “economically-displaced”
Cut-off date	No specific provision	If not provided by host Government legislation, should be established by Project and widely disseminated
Resettlement	Not mentioned	Should be the choice option wherever Project Affected Peoples livelihoods are based on land
Cash and in-kind compensation	Unclear but effectively allows for either	Strongly favours in-kind compensation, including provision of replacement housing and replacement land
Calculation of compensation	At “real replacement cost” + 50%, “except if the property is reinstated”	At “full replacement cost”
Consultation with PAPs and host communities	No specific provision	Mandatory

Topic	Mining Code 2002	IFC PS 5
Resettlement assistance	No specific provision	Mandatory

With the notable exception of calculation of compensation, IFC PS 5 is usually more favourable to PAPs than the DRC legislation. The Project commits to apply whichever of the two sets of guidelines is most favourable to PAPs.

3. RESETTLEMENT PRINCIPLES

The core principle of resettlement is that no one defined as a PAP, should be worse off after resettlement. In order to ensure, however, that the core principle is borne in mind, the following are sub-principles that the Project will adopt with respect to the resettlement process.

3.1. Principle 1: Resettlement Must Be Avoided or Minimised

Action: To comply with this principle the Project will demonstrate that the proposed resettlement is both necessary and viable, and that its scope and extent cannot be lessened. Project boundaries should be made known to all interested and affected parties and should not be changed without sufficient consultation and notice.

3.2. Principle 2: Genuine Consultation and Participation Must Take Place

Action: Given its focus on resettlement, the primary concern of the Resettlement Action Plan (RAP) will be to take seriously the rights and interests of the displaced and “to-be-resettled” people. Structures and procedures need to be put in place for this to occur, which will be through the formation of a local level consultative forum. The body will be known as the Resettlement Working Group (RWG) or other title given to it by its constituency. The RWG will be given official recognition within the Project’s institutional framework. An additional body known as the Community Resettlement Forum (CRF) will also be established to ensure that directly affected people have a direct opportunity to make their voices known.

3.3. Principle 3: A Pre-Resettlement Data Baseline Will Be Established

Action: To support the successful re-establishment of affected homesteads, the following activities will be undertaken prior to displacement or property acquisition:

- An inventory of landholdings and immovable/non-retrievable improvements (buildings and structures) to determine fair and reasonable levels of compensation or mitigation.
- A census detailing household composition and demography, and other relevant socio-economic characteristics (see Annex 2.1: Survey Questionnaire).

The asset inventories will be used to determine and negotiate entitlements³, while the census information is required to monitor homestead re-establishment. The information obtained from the inventories and census will be entered into a computerised database to facilitate resettlement planning, implementation and monitoring.

3.4. Principle 4: Assistance with Relocation to be Made Available

Action: The Project will guarantee the provision of any necessary compensation for people who will be disturbed to make way for the mine and Project infrastructure (mining pits, plant, tailing dams, haul roads, etc) or any other disturbances of residence and/or productive land associated with the Project in accord with the Law and not below the rates as set out.

The Project will provide transport for affected households’ assets from the mine site to the designated resettlement area. The Project is further responsible for the construction of agreed-on infrastructure in the resettlement area.

³ Entitlement is the standard resettlement nomenclature and refers to what people who are defined as PAPs can expect in terms of the compensation package. See IFC PS 5 (2006).

3.5. Principle 5: A Fair and Equitable Set of Compensation Options Must Be Negotiated

Action: Compensation will be according to set rates that are deemed fair and equitable to all parties. No one will be resettled without full and fair compensation having been made over.

3.6. Principle 6: Resettlement Must Take Place in Accordance With Legal Requirements and International Best Practice

Action: Resettlement and compensation of PAPs will be carried out in compliance with DRC legislation and IFC PS 5.

3.7. Principle 7: Vulnerable Social Groups Must Be Specifically Provided For

Action: Special account of vulnerable groups will be taken in the consultation and planning processes, as well as in establishing grievance procedures. In particular, physically disabled and weak persons, female-headed households, child-headed households, the aged and youth may be disadvantaged. This will entail that the Project specifically identifies vulnerable social groups in the pre-resettlement database and makes provision for them to be included in consultative forums. The Project will make these known to the RWG, which must ensure that they are given the necessary protection to ensure that they receive equitable access to replacement resources. Furthermore, the Project will make specific reference to vulnerable social groups being given particular attention in the monitoring process. Data derived from the baseline survey will assist in a real definition of vulnerable households.

3.8. Principle 8: Resettlement Must Be Seen as an “Upfront” Project Cost

Action: The Project will ensure that compensation costs, as well as those resettlement costs that fall within their scope of commitment, are built into the overall project budget and clearly defined as such. Experience across the world shows that unless resettlement is built in as an “upfront” project cost, it tends to be under-budgeted, that money gets whittled away from the resettlement budget to ‘more pressing’ project needs, and that it tends to be seen as peripheral to the overall project.

3.9. Principle 9: An Independent Monitoring, Evaluation and Grievance Procedure Must Be in Place

Action: An independent team will monitor and evaluate the implementation of the resettlement components of the Project. Monitoring and evaluation will specifically take place via measurement against the pre-resettlement database. In addition, grievance procedures will be organised in such a way that they are accessible to all affected parties, with particular concern for the situation of vulnerable groupings.

4. SOCIO-ECONOMIC PROFILE OF AFFECTED COMMUNITIES

4.1. Overview

The Project will potentially displace 11,523 people in 2,315 households. These are households and people currently residing within the Project's Exclusion Zone as illustrated in Table 4.1 and Figure 4.1. These populations stand to lose their physical, social and economic assets as a result of the Project operations. It is important to understand what these assets are in order to ensure that these populations are not made worse off by the resettlement process. Four cemeteries are located within the Exclusion Zone, the graves within these cemeteries will required exhumation and reburial in new cemetery sites which will be located outside of the Exclusion Zone. 1,642 graves are reported to be located within these cemeteries (Table 4.2), This socio-economic profile of the affected populace aims to provide a description of the baseline social and economic conditions within the populations to be resettled, for resettlement planning and future monitoring.

Table 4.1 – Estimated number of people and households from the villages and settlements within the Project's Exclusion Zone who will be displaced by the Project. The villages and settlements surveyed during the last quarter of 2008 are indicated.

NAME	Surveyed	Estimated Population	Number of Structures*	Number of Households
CAMP 45		126	49	25
CHAUFFEUR	✓	1,701	663	342
DOKO		257	100	52
GEKAMINE		67	26	13
GORUMBWA 1		10	4	2
KARAGBA	✓	1,293	504	260
KASIA	✓	Combined with Chauffeur	Combined with Chauffeur	Combined with Chauffeur
KISANGA	✓	931	363	187
KOKOLO	✓	346	135	70
KOMBOKOLO		31	12	6
MAKOKE		682	266	137
MANGBE	✓	977	381	196
MAREKEKE		95	37	19
MEMEKAZI		603	235	121
MISSION		675	263	136
NDALA 1	✓	1,637	842	329
NGANZI		146	57	29
QUARANTCIN		Combined with Camp 45	Combined with Camp 45	Combined with Camp 45
SALAMBONGO		1,867	728	375
SESENGE		80	31	16
TOTAL		11,523	4,696	2,315
Percentage of Total Households Surveyed as of December 2008				60

* These represent structures identified on aerial photographs of the area and are likely to be the primary and secondary structures and in some cases tertiary structures depending on the size and construction materials of the structure.

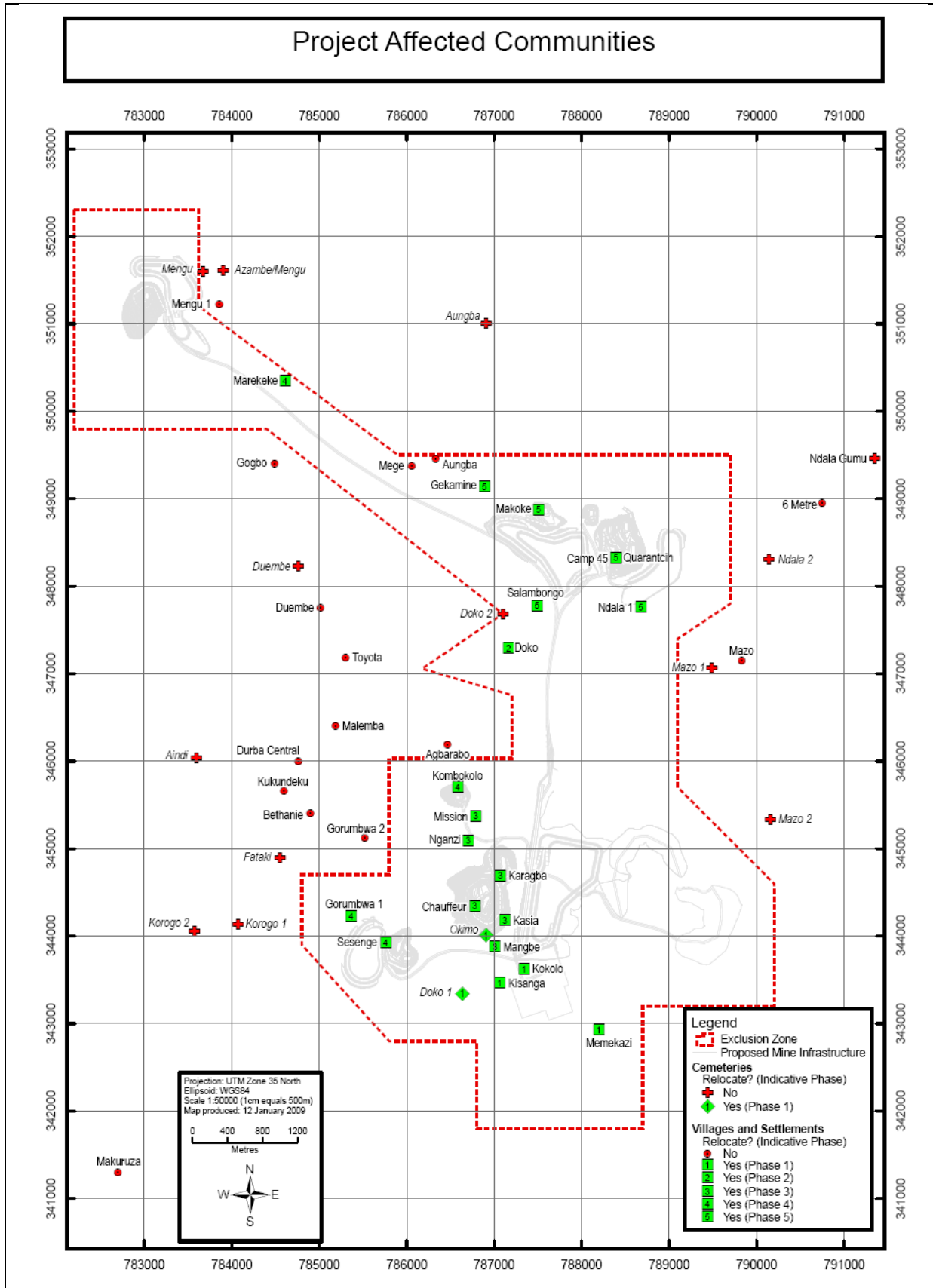


Figure 4.1 – Villages and settlements that will be displaced from within the Project’s Exclusion Zone.

Table 4.2 – Reported cemeteries and graves within the Project’s Exclusion Zone.

CEMETERY	Reported Number of Graves
Azmabe / Mengu	45
Doko 1	425
Mengu	59
OKIMO Cemetery	1,113
TOTAL	1,642

The purpose of a RPF is to create general set of principles for resettlement that may be applied to mine operations that may be extended over time, or associated facilities and/or infrastructure requiring resettlement that may be generated in the future as a result of mine operations. In accordance with the RPF, this socio-economic profile aims to provide general statements about the socio-economic status of populations within the Exclusion Zone using a sample of villages that will be resettled from within the Exclusion Zone. These statements may be cautiously applied to other nearby villages, providing there are no clear factors (such as the clear presence of an alternative livelihood) that may influence the socio-economic status of these villages.

The data contained in this section will be updated on completion and verification of the data entry for the households in KCD and Ndala. The data will be used to provide an indicative profile of the population residing within the Exclusion Zone. During 2009 all of the households located within the Exclusion Zone will be sampled and the data analysed to provide a comprehensive baseline of the Exclusion Zone population and will be presented in the Project’s RAP.

4.2. Limitations

The following socio-economic profile has been obtained from analysis of the Project’s Resettlement and Socio-Economic Database as of December 2008. As of December 2008, 60% of total Exclusion Zone households had been surveyed in 7 of the 20 villages/settlements, and data entry for 64% of the surveyed households was complete. The information provided has some limitations as a result of the incomplete data entry and data checks. Nevertheless, the preliminary findings are useful in assessing the socio-economic status of the potential economically and/or physically displaced populations within the Exclusion Zone.

This socio-economic profile is partly based on a sample of 329 households from Ndala which is thought to represent a typical “rural” village within the Exclusion Zone and a sample of 684 households from the KCD area thought to be typical of the semi-urban or mining camp areas within the Exclusion Zone. KCD is the area surrounding Lake Durba comprising of Karagba, Chauffeur, Kasia, Mangbe, Kokolo and Kisanga villages. Together, the analysed samples from KCD and Ndala make up a 36% sample of the potential physically displaced population.

4.3. Socio-Economic Profile of Affected Populace

4.3.1. Demographics

For planning purposes those residing within the Exclusion Zone have been grouped into one of 20 villages or settlements. The estimated population, number of structures and number of households in each of these areas is provided in Table 4.1.

The residential status of the populations of Ndala and KCD are illustrated in Figure 4.2. Approximately 93% of the population of both areas permanently reside within the Exclusion Zone. The remaining individuals live elsewhere within the region, are temporarily absent, are migrant workers within the DRC or in another country or are students studying in other parts of the DRC.

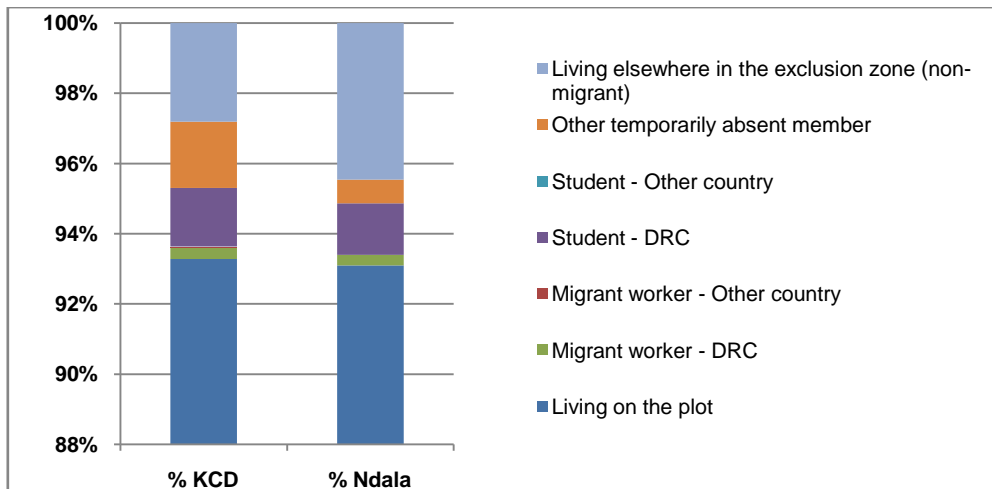


Figure 4.2 – The residential status of the household members of those households surveyed in KCD and Ndala.

Figure 4.3 represents a demographic pyramid of the sampled populace in Ndala and KCD. From this it is evident that only a small percentage of the population is over the age of 40. Analysis of the data collected to date indicates that males comprise 51% of the population of KCD while in Ndala 51% of the population are female.

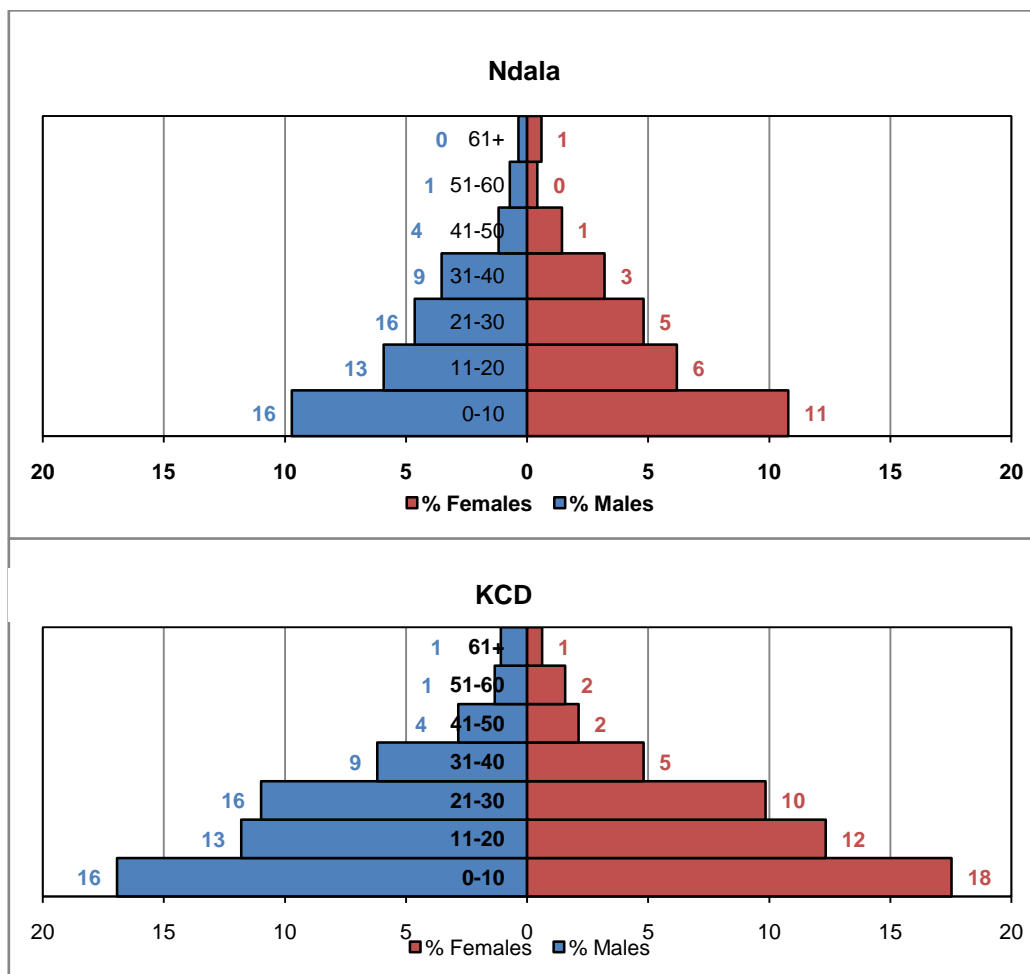


Figure 4.3 – Demographic pyramid of the population sampled in Ndala and KCD.

4.3.2. Education

Approximately 95% and 97% of the adult population (defined as someone aged older than 18) of KCD and Ndala respectively have at least a primary school education. A higher proportion of males have a senior school education than females. Demographic pyramids of the adult education states by gender for KCD and Ndala are represented in Figure 4.4. Of the children aged between 6 and 18 years old, 82% were enrolled in either a primary or secondary school in KCD while in Ndala, 90% were enrolled in either a primary or secondary school.

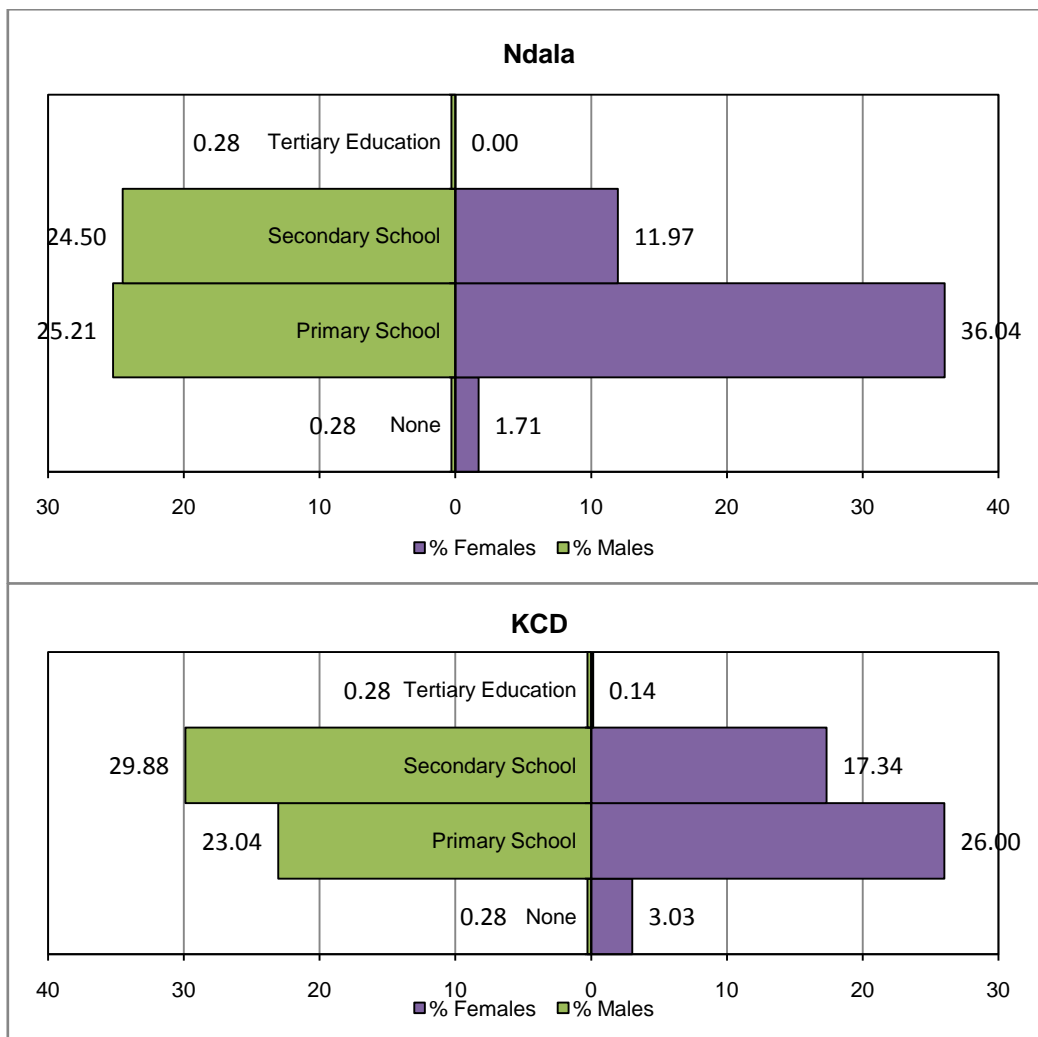


Figure 4.4 – Demographic pyramid of the adult education status by gender for KCD and Ndala.

4.3.3. Occupation and Employment

Of the adult population surveyed in KCD 31% of the adult population list artisanal mining as their occupation, either as contractors to OKIMO (29%) or independently (2%). This is an occupation pursued largely by males who comprise 97% of this group. 18% of the adult population has informal employment in the agricultural sector, 72% of this sample are women. An additional 20% have informal employment in sectors other than agriculture; this includes those operating businesses either related to the informal mining sector or in the provision of goods and supplies to those residing in the area. 84% of this sample are women. 11% of the adult population of KCD are not employed and seeking employment; women comprise 99% of this sample. Just over 1% of the population indicate that they are unemployed but actively seeking employment. 9% of the population are employed by OKIMO. The remainder of the adult population either have other forms of formal employment (including government, church and Borgakim), studying, retired (with or without pension), handicapped and unable to work or at home and/or not seeking employment.

Although Ndala is considered a rural village 29% of the adult population list artisanal mining as their occupation and are contracted to OKIMO. 23% of the population have informal employment in the agricultural sector and 14% have informal employment in other sectors. In Ndala more males are proportional have informal employment in the agricultural sector than in KCD, 45% of the sample compared to 16% for KCD.

4.3.4. Land Use and Agricultural Livelihoods

Agricultural activities within the Exclusion Zone include the cultivation of land for crops, growing and cultivation of fruit and timber trees and rearing livestock. The main agricultural crops cultivated in the Exclusion Zone are manioc and rice. Other products include maize, beans, sugar cane and peanuts. These crops are cultivated on land that is owned by the land use, rented land or communal property.

Trees are owned by 35% of the households residing in KCD and 60% by those in Ndala. Palm trees comprise 39% of the trees owned by households. Banana and pineapples are also prominent in the Exclusion Zone, comprising 18% and 16% respectively, of the trees owned by the households sampled. Mangoes, advocates, coffee, papaya, teak and acacia are amongst the more common trees owned and cultivated by those sampled.

Most households sampled own at least one livestock animal, 66% of the households in KCD and 97% of the households in Ndala own livestock. Chickens and goats are the most common livestock kept by the households sampled, with 42% of the households owning on average six chickens per household and 35% of the households owning on average four goats per household. 14% of households sampled keep turkeys while 5% keep pigs. Other domestic livestock kept by those households sampled include cattle, sheep, rabbits, guinea pigs and pigeon.

4.3.5. Income⁴

Profits from self-employment and artisanal mining are the biggest generators of income for the households sampled in both KCD and Ndala. Within KCD 65% of the income reported by the households sampled was derived from profits from self-employment and 21% from artisanal mining. Interestingly in Ndala which is regarded as a rural village (rather than a mining camp as for KCD) profits from artisanal mining is the largest source of income, comprising 58% of the income reported for the households sampled. Although artisanal mining is not reported as the largest income source overall, it is the largest reported occupation with 30% of the total adult population reporting artisanal mining as their occupation. When analysed separately, 56% of adult males report artisanal mining as their occupation. 24% of the income in Ndala is derived from profits from self-employment. Income from pensions and social grants is marginal, showing no support of the elderly or vulnerable from businesses and government. However, less than 5% of the population are over 50 years of age. Figure 4.5 provides a comparison of income sources reported by the households sampled in KCD and Ndala.

Experience has shown that income reported by households is often not a true reflection of their absolute and relative income streams. This is especially evident in communities where there is:

- Fear of loss of livelihood.
- Mistrust of local organisational and government structures.
- Expectations related to compensation for loss of livelihoods.

In the case of the Exclusion Zone where artisanal mining activities are prominent, one would expect profits from artisanal mining to make a more significant contribution to the incomes of households in the area. Reasons for the artisanal mining accounting for a less than expected percentage of household income could be:

- Gold production and sales of gold by ASM operate in both legal and illegal systems in the region. It is reported that not all gold produced or sold is reported to the relevant authorities

⁴ Incomes were calculated by totalling the categories of income from all of the households analysed and then dividing by the total income for all of the households.

and as such a large percentage of income from ASM may be derived from black-market activities and therefore not reported.

- Although a lot of time and effort appears to be spent on ASM activities within the Project area (see Figure 4.5 below), the quantity of gold recovered is reportedly very low. The low percentage of income reported from gross profits from artisanal mining may as a result of this.

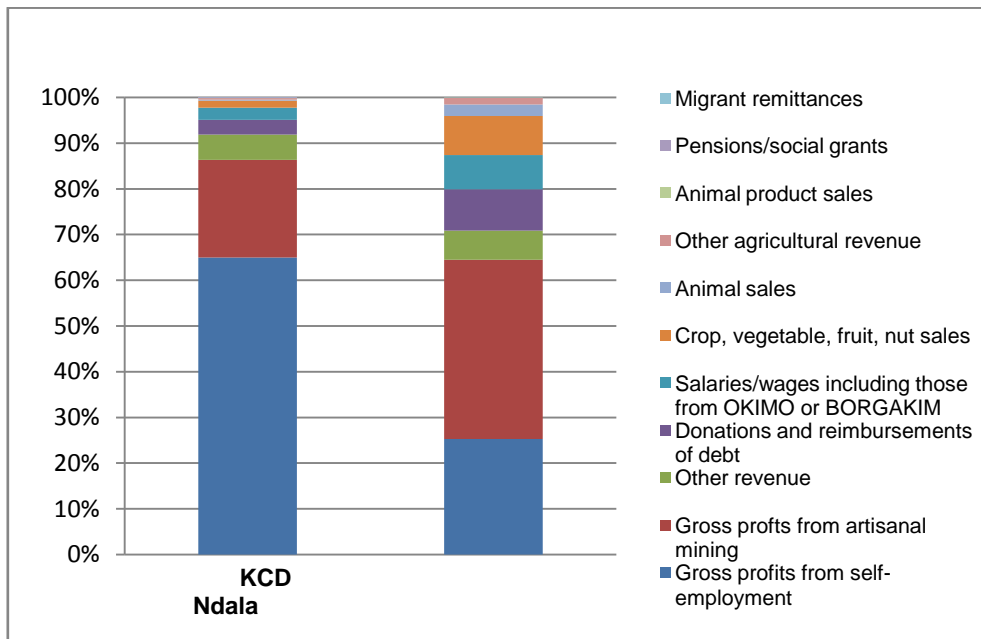


Figure 4.5 – Percentage of reported monthly income by source for KCD and Ndala.

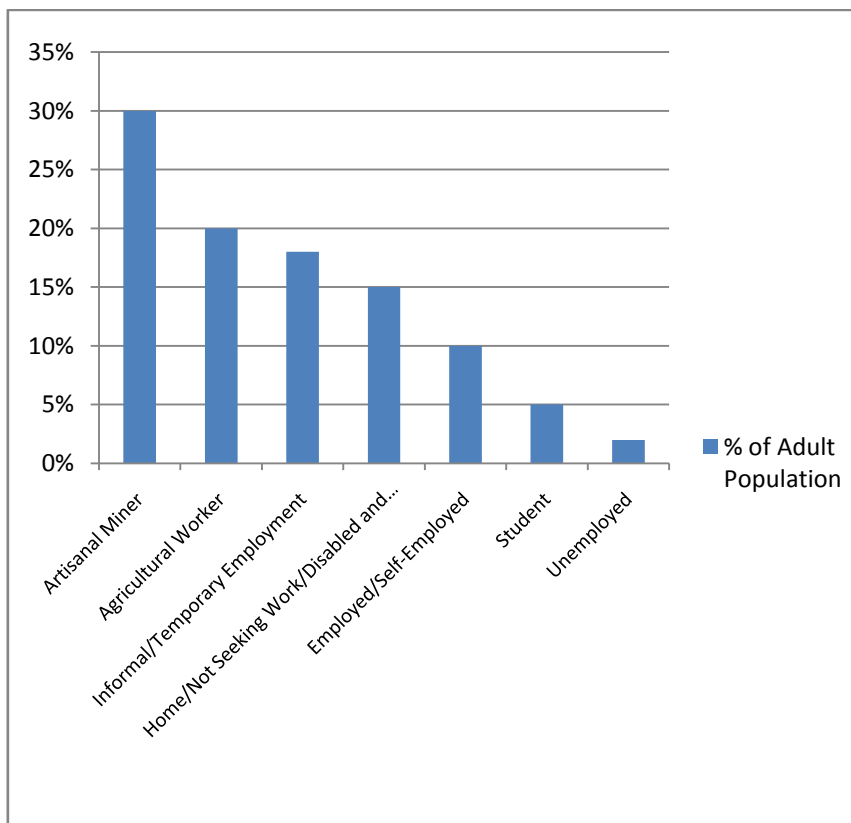


Figure 4.6 – The percentage of the adult population pursuing the most common occupations for KCD and Ndala.

5. ENTITLEMENT FRAMEWORK

5.1. Eligibility

The determination of eligibility for various types of compensation is not clear cut and needs to be determined and agreed upon early on in the resettlement planning. The Project can make recommendations but these need to be approved and agreed upon by the affected households. The RWG will be the forum used for this process.

5.1.1. Establishment of a Moratorium

Eligibility for various types of compensation is framed both in terms of the categories of PAPs (described below), as well as whether individual PAPs and affected properties were present in the Exclusion Zone before the resettlement cut-off date on land development and settlement was declared.

In functional terms, a resettlement cut-off date establishes a calendar limit on the Project's responsibility to compensate impacts, specifically by defining a date after which the public 'should know' not to make improvements or settle within the Exclusion Zone by virtue of public consultation and other communications efforts. The legal entity by which this is achieved is the through the establishment of a Moratorium sanctioned by the Government of the DRC. The cut-off date for the Project should be set as a matter of urgency. Discussions with the Governor will be required as he must formally establish a Moratorium for the Project which will legally set the cut-off date. This must then be communicated to the local PAPs via the RWG and community meetings.

5.1.2. Project Affected Persons (PAP) Categories

In terms of entitlement the project affected people can be broadly divided into two groupings and these further sub-divided into additional sub-categories. The first of the groupings are those residing within the Exclusion Zone who will need to be relocated and who either have or do not have associated access to agricultural land resources in the area. These households constitute the Exclusion Zone Residents. The second are the Exclusion Zone Non-Residents who will be economically displaced through the loss of agricultural resources in the Exclusion Zone or who derive an income from activities carried out in the Exclusion Zone.

The Exclusion Zone Residents can be categorised as follows:

- Those residing in the Exclusion Zone who fall under the OKIMO administration. The OKIMO administration defines various categories of people living under their administration and falling within the spheres of their tenure. These are:
 - Orpailleurs (Contracted Small Scale Miners working for OKIMO).
 - Those (and their families) who have retired and waiting for a pension.
 - Those (and their families) who should be retired but waiting for pension and as such continue to work.
 - Families of employees that have died.
 - Employees (and their families) who have been fired or resigned and are waiting for a payout.
 - Those (and their families) who are still fit to work and want new employment.
 - Employees children.
 - Indigenous groups from the area resident on OKIMO property.
- People resident in the Exclusion Zone but not within the OKIMO administration and falling under control of the local chefferie. These include:
 - Independent Orpailleurs (Contracted Small Scale Miners only nominally working for OKIMO).
 - Household owner not associated with OKIMO who reside in the Exclusion Zone.
 - Households not associated with OKIMO who reside in rented structures in the Exclusion Zone.

The Exclusion Zone Non-Resident are categorised as follows:

- Non-Resident Agricultural – those residing outside of the Exclusion Zone who own/have access to agricultural land in the Exclusion Zone.
- Non-Resident Business – those residing outside of the Exclusion Zone who own business structures in the Exclusion Zone.
- Non-Resident Artisanal / Small-Scale Miners (ASM) – those residing outside of the Exclusion Zone who derive their income from ASM activities within the Exclusion Zone.

5.2. Entitlements

A framework for compensation entitlement will need to be discussed and agreed at the RWG. In accord with the principles of the DRC legislation and IBP the following entitlements will be advocated by the Project in discussions with the RWG.

5.2.1. Replacement Housing

No homestead will be moved by the Project prior to replacement or without suitable housing being made available. From the information collected to-date on the ground and during the Household Asset Survey six categories of owners/households are to be found within the exclusion zone (Table 5.1). The recommended compensation to households for loss of buildings as a result of relocation is determined by category. Two methods of compensation are possible. The first is for the Project to pay the cost as determined by the valuation plus the required 50%. Although this is completely within the ambit of the Mining Code it often leads to cash “bonanzas” being squandered on items that are not linked to replacing residential entities. Once cash is squandered households may be left homeless and lay the blame at the door of the developer. It is therefore recommended that the Project will replace the **main dwelling structure** of the household (as defined in the Household Asset Survey⁵) in lieu of a cash payment. This compromise complies with best practise and is not overly onerous on the developer. As such the main dwelling structure replacement will be of an equivalent or better standard than that currently occupied by the resettlers⁶. Replacement houses will only be built at the Host Resettlement Site. Table 5.1 provides the recommendations for replacement housing for the identified categories of property owners/households.

Table 5.1 – Identified categories of property owners and households and recommended compensation entitlement for replacement housing.

	Owner/Household Category	Recommendation
1	OKIMO Block – brick/concrete/block structures owned by the company	Under Article 280 of the Mining Code 2002, OKIMO (as a JV partner) would be regarded as a holder of the mineral rights and therefore is not legally entitled to any compensation for ‘damage’ to their existing buildings. Therefore no compensation to be paid to the corporate entity of OKIMO.
2	OKIMO Non-Block – non block structures owned by the company	
3	OKIMO Block Renters – those renting block structures belonging to OKIMO or independent landlords	Compensation in the form of a replacement structure for their primary residential structure. The size will be 12m ² irrespective of the size of the structure being rented. In addition each household should be provided with a ventilated pit latrine. Additional structures owned by the renter to be compensated in cash.
4	OKIMO Non-Block Renters – those renting structures (non-block) belonging to OKIMO or independent landlords	
5	Independent Block Owners – those who own block structures and live in them	Compensation in the form of a replacement structure for their primary residential structure. The size

⁵ The survey will be that as started in 2008 for this phase and continued in 2009.

⁶ In the vast majority of cases the cost of building a house to the standard set out will exceed the value of the structure it is replacing by more than the legally required 50%.

	Owner/Household Category	Recommendation
6	Independent Non-Block Owners – those who own structures (non-block) and live in them	should be dependent on the size of their currently primary residential structure, with a minimum size of 20m ² . In addition each household should be provided with a ventilated pit latrine. Additional structures to be compensation in cash.

Specifically it is recommended that:

- All resettled households will be given one baked block house built whether of baked brick or concrete – whichever is more cost effective.
- For independent property owners the size of the house will be based on the size of the existing structure. The main replacement dwelling will be provided with at least an equivalent floor area and with, as far as the Project deems practical, the same number of rooms. Floor area will be replaced by a similar floor area⁷.
- For independent property owners where the total homestead floor area is less than 20m², the Project will construct a single blockhouse of 20m². This is known as the “Minimum Owner House”.
- Households currently renting property from OKIMO will be given a house of 12m² irrespective of the size of the house they are renting. This is known as the “Renters House”.

The Project will through a formal contractor (or with local builders supervised by an accredited individual), undertake to rebuild peoples’ main structures. The main advantage of this option is that the Project has control over the building process and can ensure, and thereby guarantee, the quality of the structure. All houses will be constructed from new materials and/or recycled materials of acceptable quality. The houses will all have:

- A concrete or shotcrete base.
- A baked clay brick or concrete block construction.
- Galvanised roof sheeting.
- A ventilated pit latrine away from the house.
- At least one outside door.
- Wooden shutters over windows.
- Mosquito mesh over windows and ventilation holes.

All houses will have a ventilated pit latrine away from the house. This will have a concrete base (or other suitable manufactured floor), gum poles and proper roof but the walls will be of baked brick (or other suitable material).

In terms of the replacement of other household structures (excluding main structure and toilet): The household is responsible for the replacement of all other structures. The Project will pay the value of the structure plus 50% to the legally entitled household who owns the structure. The homestead will be entitled to salvage all movable materials and this will not be deducted from the compensation calculation.

To ensure that the move from the original homestead to the new one is as smooth as possible:

- Resettlers are required to move to the new homestead within two weeks of notification of house availability by the Project following construction (including all finishings) of the replacement house.
- Transport will be made available by the Project to each homestead sufficient to move the family and belongings to their new residence. Resettlers will be able to remove temporary structures from the old homestead to their new homestead. This material may include roofing materials, structural wood, reeds, doors, security screens and window frames, livestock, food, seed, planting materials and personal effects.

⁷ Floor area’ is defined as the built area of floors under roof, measured in meters squared (m²), and used as primary dwellings in which people reside. Floor area does not include eaves, toilets, external showers, external washing areas, temporary structures, storage structures, animal pens, etc.

- The Project will not be liable to pay for, nor assist with the transport of any brick or mortar, firewood or vehicle.
- After moving to the new homestead, the resettlers will agree to forego all claims and rights in relation to the previous homestead. The household head will sign a document to this effect. All trees and materials left at the old homestead site then become the property of the Project following the payment of compensation and the relocation of the household.
- After taking occupation the resettlers will be visited by a Project representative to compile a list of building defects, if any. The Project will guarantee the structure of the primary concrete dwelling for 5 years. This guarantee covers the structural integrity of the house, base, walls, toilet building and roof. It does not include doors, windows, guttering and water tank or the maintenance of the toilet pit. The Project is not responsible for structural problems arising from the occupants building onto or modifying the structure.
- Salvage of materials from old residences (including dismantling) will only be permitted for two weeks after the resettlers taking possession of their new dwelling. Demolition will be scheduled for any time thereafter.

For partially built cement brick/block houses:

- The Project will compensate households for the loss of materials in partially built houses.
- The amount of compensation will be calculated on the value of the materials in the structure and plus the value of labour.
- The Project will not compensate households for abandoned structures.

Non-residential moveable structures, which include granaries, sheds and verandas of various kinds are usually almost entirely moveable, and as long as the owner will be able to salvage the materials, the loss will be very limited. The compensation at full replacement value plus 50% is therefore mainly intended to cover the labour needed to dismantle and re-establish the structure elsewhere.

For non-residential immovable structures, which include latrines, kitchens and other dwelling structures, compensation at full replacement value plus 50% will be provided. This is mainly intended to cover the labour needed to build the structure at the new site.

Non-residential structures that do not fall in one of the above categories will be valued and compensated on a case-by-case basis.

5.2.2. Compensation for Trees and Crops

Exotic, planted trees will be compensated. A difference will be made in compensation of fruit and/or nut bearing trees and timber trees. The possibility of allowing access to trees that do not need to be removed for construction works after the resettlement will be investigated. This will allow access to the area for harvesting of timber and fruit but the safety aspect of this needs to be considered.

Fruit and Nut Bearing Trees

There are potentially two ways to compensate for fruit and nut bearing trees. The first is to pay cash for the trees at the government or market rates (whichever is greater) plus the requisite 50%. This is legally within the ambit of the DRC Mining Code. However it is once off “cash injection” that often results in homesteads not re-investing in trees. In order to get around this, the second method is to compensate for lost productivity and replace trees with saplings. Under this method, for fruit/nut bearing trees the calculation of the replacement value is based on the following:

- $C = V \times D + CP + CL$. (50% will be added to the final calculation). Where:
 - V: Average market value of the produce of one tree for one year.
 - D: Average period of time required to re-establish the tree to an adult production level in years.
 - CP: Cost of planting (seedling, soil preparation, initial fertilisation).
 - CL: Cost of the labour required to maintain the crop during the period of time needed to re-establish it to its previous production level.

Market values of the produce for each of the most common fruit trees in the area will be investigated and recorded. Compensation rates will be produced for the following stages of tree development:

- Seedling.
- Young, not productive.
- Young productive.
- Mature.

Under this second method the Project compensates as follows:

- The number and type of fruit trees owned by each household will be identified in the Household Asset Survey.
- Compensation for fruit and nut trees is in two parts. One part will be replacement saplings and the other part cash.

With respect to replacement trees, the Project will provide:

- Viable saplings to households.
- Saplings of the same species as the trees that will be lost where possible.
- Transport for the saplings to the household's resettlement site.
- An additional 50% of saplings to compensate for trees that may not reach maturity⁸.

It is recommended that resettled households:

- Take delivery of the trees at the resettlement site and sign for them.
- Plant their own trees in a permissible place of their own choice.

In terms of cash compensation the Project will:

- Pay compensation for the loss of production of trees for the period required for replacement trees to start producing. Cash will be paid for all trees in a lump sum at the beginning of the process of compensation and no further payments will be made.
- Calculate cash compensation by multiplying the number of trees of each type that a household owns by the 'Total Payment per Tree'. Add 50% to the total value to comply with DRC law.
- Take possession of the trees within the Exclusion Zone after the compensation payment is made.

Both models will be presented to project affected people via the consultative forum. Preferably, only one model will be selected. Although it is possible to allow households to choose either method of compensation it should be pointed out that this often results in an administratively complex implementation process and has the potential to cause confusion amongst the project affected people.

Timber trees

For timber trees, no saplings are provided, nor compensation for loss of production. Timber trees only have a single value and that is at harvest. Unlike fruit or nut trees they do not have an annual production value. The amount will be based on the government and/or going market rate, whichever is the higher, plus the requisite 50%.

Crops lost on the field

For crops lost on the field (i.e. resettlement takes place before harvest) the Project will adopt the following position:

⁸ For some species, for example papaya the replacement saplings must be an appropriate mix of male and female plants.

- Compensation costs for crops are calculated at market value where after 50% of this market value will be added to the compensation as per the Mining Code of the DRC.
- In most instances, farmers will be given sufficient notice to be able to harvest their crops prior to the occupation of their fields by the Project.
- Seed and extension advice will be provided to those who acquire replacement lands.
- Farmers will be encouraged to continue to plant crops until explicitly told to cease.

5.2.3. Host Resettlement Site(s)

The process of identifying and selecting potential resettlement sites should be transparent and include consultation with affected households and notably the host community.

Ideally, multiple resettlement sites should be considered and made available for individual households to select their preference. However in the site selection process the following should be considered:

- Location.
- Access to natural resources.
- Maintaining community structure.
- Continued access to existing economic activities.
- Impacts on host communities.
- Land ownership and tenure rights.

The rebuilt structure and latrine will be placed within the boundaries of the residential plot as per the model proposed. The layout model will be based on planning guidelines provided by provincial authorities. The Ministry of Urbanisation will develop the township plan.

5.2.4 Agricultural Land

Loss of agricultural land will be compensated, where possible, with replacement land 'to the same productive capacity as that lost'. The availability of replacement land in sufficient size and potential is one of the criteria for resettlement site identification. Replacement land will be identified within the existing homesteads current *Chefferie* as far as is possible.

Soil investigations are yet to be carried out in relation to identifying potential replacement land. Once this has been done, the Project, will make sure that land allocation complies with the productivity replacement requirement, and will delineate the plots based on the RWGs decisions, to avoid disputes.

Where replacement land is not available, alternative income strategies will need to be investigated and offered to households in lieu of replacement land. These alternatives will be developed in conjunction with the RWG.

5.2.5. Graves and Sacred Sites

Graves, associated with homesteads may be relocated with the consent of the families who claim ownership. As a general principle, the exhumation and re-burial of individual graves within the Exclusion Zone will only commence following the resettlement of associated families. When this occurs the Project will:

- Continue to actively identify all existing graves within the Exclusion Zone.
- Make exhumation and re-burial arrangements with local entities (district government and traditional leaders, as well as religious leaders).
- In consultation with the local authorities (particularly the Chef de Poste) identify land for designated cemeteries.
- Notify the Ministry of Internal Affairs and obtain the necessary permission for re-interment.
- Negotiate the timing and arrangements for the relocation and re-burial of the deceased with the affected family and record the outcomes of this negotiation.
- Meet the costs for the following:
 - Exhumation, transport and re-burial (re-interment) of the deceased.

- A cloth-lined coffin (an approved supplier will provide the coffin).
- A ceremony to satisfy any customary cost provision (a flat rate).
- All works associated with the burial.
- A replacement tombstone where such exists on the site exhumed. Where no tombstone exists, Moto will pay for an inscribed wooden tablet of a shape in keeping with the religious beliefs of the deceased.

The family will organise a ceremonial process in accordance with its religious beliefs and/or custom and uses.

During construction the Project may accidentally disinter or disturb human remains. As a general principle, the Project will manage unidentified and accidentally disinterred bodies and bones in accordance with the approval of the Environmental and Social Management Plan (ESMP), and in accordance with the wishes of the community. Specifically the Project will proactively and in anticipation:

- Establish a small shrine or memorial to the ancestors of those who lived on the mine site.
- Design the shrine to accommodate the various religious beliefs and/or custom and uses.
- Place this shrine at the cemetery site.

Specifically in the event that human remains are accidentally disinterred or disturbed the Project will:

- Identify the exact site by GPS and record information on the GIS database.
- Immediately remove the remains to an agreed storage place.
- Notify the traditional authorities.
- Re-bury the remains:
 - Where the deceased's family chooses (the District cemetery or the resettlement area cemetery) following all procedures indicated above).
 - At a shrine in case of unidentified and accidentally disinterred bodies and bones.

The Project will inform the communities, and all other relevant authorities, when the resettlement and grave relocation process in is completed.

5.2.6. Businesses

Impacts to businesses will be mitigated with the following cash compensation payments⁹:

- Compensation of the cost of moving and re-establishing the mobile assets.
- Compensation of immobile assets (if applicable) at full replacement value (for example a concrete pad), based on a valuation calculated on a case-by-case basis. This will include the 50% excess required by law.
- Compensation of the loss of income during the period of forced inactivity of the business (for example between the dismantling of a tuck shop its re-establishment in a resettlement site), based on a case-by-case valuation of the net income generated by the activity. In the absence of records, this valuation will be established based on interviews with the operator and observations of the actual activity.

5.2.7. Communal Infrastructure

There are a number of communal assets in the immediately affected area. The affected community infrastructure will be identified in the Household Asset Survey. The host resettlement site will have to be re-established to replicate people's current access to services. Recommended compensation for community infrastructure is presented in Table 5.2.

⁹ The business identified during the survey are mostly ad hoc retail outlets.

Table 5.2 – Recommended compensation for community infrastructure.

Infrastructure	Recommended Compensation
Schools	Replace in-kind in host resettlement sites
Clinics / Health Centres	Contribution to enhancement of medical services in Watsa
Churches	Cash compensation
Water Supply	Replacement in-kind in host resettlement sites
Electricity Supply	Provide supply to key community facilities at host resettlement sites
Cemeteries	Replacement in-kind
Communal Markets	Replacement in-kind in host resettlement sites

Infrastructure will be constructed following discussions with local leaders regarding the most desirable location and according to relevant departmental planning guidelines.

Churches are not residential buildings and their relocation has no potential to deprive people of shelter. Churches also vary outwardly in standing. Churches will therefore be compensated with cash for replacement value plus 50%. No new church buildings will be constructed by the Project, as this has potential to cause dissent between the many different denominations.

5.2.8. Artisanal and Small Scale Miners

Artisanal and Small Scale Miners' (ASM) livelihoods will be affected by the Project and considerable attempts to compensate for this loss of livelihood needs to be made. Although they are bound, in terms of the DRC legislation, to make way for the Project as the legally entrenched industrial mining enterprise they have the potential to be a formidable obstacle to orderly resettlement and development. Further, they have high expectations as to what their compensation is likely to be. Alternative livelihood development needs to be provided timeously so as not to prejudice the ASM earning capacity.

Those who work for OKIMO via one or other of the contractual relationships should have preferential access to employment. This must be contingent on the developer having a right of veto to ensure that suitable employees are recruited.

For some of the others income restoration for each individual miner is complicated by their illegal and transitory status. It is recommended that the Project engages with the artisanal miners as a group to minimise potential conflict and to develop an approach which will reduce the impacts on their livelihoods in general. Several avenues can be explored:

- Training for alternative income generating activities.
- Development of local business ventures.
- Employment with the company.

6. CONSULTATION AND PARTICIPATION

6.1. Preliminary Resettlement Consultation

Considerable public consultation has taken place to date. For the purposes of this report consultation and participation can be defined as having two aspects. The first is the dissemination of information regarding the Project and its resettlement component. In this definition consultation is a one way movement of information from the Project, its sponsors and staff to the public. The second aspect is the two-way free flow exchange of information that gives stakeholders a chance to raise their concerns and have a voice in the actual planning of the resettlement. It is the second aspect which is the most important in resettlement planning and implementation.

Participation and consultation with the affected community and authorities is vital to the success of the resettlement and compensation programme. World Bank OP 4.12 specifically states, as a policy objective, that “*displaced persons should be meaningfully consulted and should have opportunities to participate in planning and implementing resettlement programs*” (para. 2[b]). Consultation and participation of the public allows the Project management to design resettlement such that it is able to benefit affected peoples. Effective consultation can also assist in reducing the costs of implementing the RAP (IFC 2005: 7) by avoiding implementation that is contrary to the needs of PAPs and which does not breed antagonism towards the Project by withholding information. Consultation is an ongoing aspect of the resettlement process that takes place through every stage of resettlement planning and implementation and thereafter – once the development project has started.

Broadly defined, stakeholders include any individual or group that feels that it is going to be affected by the Project, the affected community and any individuals or groups that may have any significant role to play in shaping or affecting the Project, be it in a positive or negative manner. In a narrower vein, PAPs are those individuals and groups who are directly affected by the Project through the loss of assets and or land, or for whom the project disrupts or affects their livelihoods.

Typically stakeholders include:

- Project Affected People (PAP).
- The developer (Moto Gold Project).
- Local authorities (municipality, government departments).
- Local businesses.
- Residents associations.
- Local and traditional leaders.
- Individuals who feel they are impacted (positively or negatively) by the creation of the Project or the resettlement process.

Table 6.1 – List of the primary community representatives consulted.

Name	Position
Diudonne Surur	Kibali – Diudonne Surur – Secteur Chief
Abramasi Nganzi	Mangbutu – Secteur Chief
Aug Oogumara – AM	Andobi – Chefferie Chief
Jean Adongu Abasaga	Kebo – Chefferie Chief
Medara Bagbalanga	Ateru – Chefferie Chief
Isabu Kakomone	Gombari – Secteur Chief
Negule Andigi	Kandikofa – Chefferie Negule Andigi
Edourd Tsoga Masio	Mariminza – Chefferie Chief

Name	Position
Aramango Manzino	Arumbi – Walese – Chefferie
Ondrema Tamaru B	Sub County Chief – (Chef de Groupment)
Tati Adrobha	Secretary
Akuma Ngele Godi	Locality Chief
Ondogo Abru Piaka	Locality Chief
Malisele Mobingba	Locality Chief
Mbiya Aguava	Locality Chief
Tako Kulubri	Locality Chief
Kaluma Zaba	Locality Chief
Mdrato Mibiri	Locality Chief
Tabema Tako	Locality Chief
Madrapile Awude	Locality Chief
Suruga Baya	Locality Chief
Senge Babhu	Locality Chief
Awile Senje Muke	Locality Chief
Nyongo Jeanfost	Locality Chief
Tadruki Kodo	Locality Chief
Makege Etien	Locality Chief
Tenge Gabriel	Locality Chief
Meli Selisite	Locality Chief
Ndambu Mbele	Locality Chief

6.2. The Resettlement Working Group

For the purposes of developing the final RAP, and as a matter of importance, a Resettlement Working Group (RWG) should be constituted as a primary means of consultation with the affected community. It is through the RWG that genuine participation can take place with the community having representatives who will take an active role in the planning and implementation of the RAP.

The Resettlement Working Group will initially act as the primary advisory body in all matters relating to resettlement. It should be constituted in such a manner as to be regarded as the primary representative voice of those affected by resettlement and should be recognised by all stakeholders as such. Under the overall authority of its chairperson (elected by the group itself), the RWG should have the following functions:

- To act as the primary channel of communication between the various interest groups/organisations involved in the resettlement process. In particular, it will serve to facilitate communication between the client and the affected populace.

- To act as a focus group forum in which the Project can consult on various resettlement aspects.
- To serve as the court of first appeal to solve any grievance that arises relating to the resettlement process. If it is unable to resolve any such problems, it is to channel them through the appropriate grievance procedures.
- To assume primary responsibility for assisting the proponent in overseeing the resettlement processes in all its phases. The RWG will work in close collaboration with the Resettlement Manager appointed by the Project.

The RWG should be constituted and run in such a way that the affected constituencies are adequately represented and fairly heard. This ensures that the affected community's concerns and suggestions are taken seriously by the Project. To this end, the RWG should be entitled to take grievance appeals to the appropriate channels. The independent monitoring team is responsible for monitoring the activities and minutes of the RWG.

The RWG is not a statutory body but the composition could be as follows:

- Representative of the affected communities that may include community leaders.
- A representative of the developer (Moto Gold Project).
- A representative of OKIMO.
- Representatives from relevant government departments
- Representative from the local authorities.
- Representative of local women.
- Representatives from church denominations in the area.

The principle members of the RWG are the representatives of the affected communities. As such the RWG cannot operate without effective elected representation of the affected communities.

It is important that the RWG is representative of vulnerable groups such as women, the aged, or other marginalised peoples as often the concerns of vulnerable groups are overridden within the community. It is important for the success of the resettlement programme, as well as the reputation of the Project that vulnerable groups are taken into account in the planning of resettlement as they are the most likely to suffer as a result of resettlement.

The RWG meets as often as is deemed necessary, following standard accepted practices, and makes relevant documentation available to the proponent. The RWG will also make such records, as well as minutes of meetings, available to the independent monitoring team. To date consultations have indicated that the following individual represent a broad spectrum of the directly affected people and would make a useful contribution to a consultative resettlement forum.

The size of the RWG should be limited as far as possible to the most relevant persons. This will assist in decreasing: opportunities for using the RWG meetings for political rallying, attempt to use the resettlement process for personal gain, and will help to improve ease of decision-making and negotiation.

7. INCOME RESTORATION AND SUSTAINABLE DEVELOPMENT INITIATIVES

Economic displacement and disruption of livelihoods is often an ‘invisible’ impact of resettlement. In essence, resettlement may lead to the disruption of income-earning capacity or livelihood strategies such as subsistence farming. Often the restoration of income streams and livelihoods lost during the resettlement is difficult to value and thus often overlooked.

The resettlement process will need to be undertaken as a sustainable development initiative, i.e. an initiative that improves the standard of living of the PAPs. This will act as a means of restoring and, if possible, improving economic opportunities and promoting long-term development. The aim of any initiative is to ensure that the affected people’s livelihoods and living standards are restored as closely as possible or they are better-off than they were prior to resettlement. At the level of the RPF the following is proposed. This will need to be developed and refined during the development of the Project’s RAP.

7.1. Income Restoration Plan

In order for the Project to fulfill its objective that persons displaced by the Project at least restore their income-earning capacity; income restoration is of critical importance. In particular, the income restoration plan must ensure that vulnerable groups are helped to succeed in the post-implementation phase. To this end Borgakim Mining already has a Business Training for Ladies Programme. This should be used as a pilot programme and lessons learned incorporated into further initiatives.

In order to fulfill this objective, a rural livelihoods specialist should be engaged. Although the role allotted to this specialist should be to explore all possible avenues of income restoration, the primary role should, as far as possible, be to restore the livelihoods of affected peoples by ensuring that those that rely on agriculture as their primary income source or livelihood mechanism are resettled on land that enables them to continue to pursue an agrarian lifestyle.

Based on the current economic profile of the area the Income Restoration Plan should have two components:

- Agricultural support and extension.
- Skills replacement training for households for which the continuation of an agrarian lifestyle is not possible and for households that do not rely on an agrarian lifestyle for their livelihood.

7.1.1. Agricultural Extension

Although the brief to the rural livelihoods specialist should be to explore all possible avenues in terms of income restoration, the primary intention of the Resettlement Programme should, as far as possible, be to restore affected peoples’ livelihoods by ensuring that they are resettled on land that enables them to pursue an agrarian economic lifestyle.

An issue of concern that has been identified in this regard is the degree to which livelihoods can be replaced in locations where soil conditions differ from those found within the area from which they are resettled. To address this, a number of mitigation strategies should be designed into an Agrarian Development Programme. The first of these is a comprehensive soils and agricultural study in the general area. The main objectives of this study should be to:

- Characterise and map the soil resources of the host resettlement areas.
- Estimate the productive capacity of the various soil types of the host resettlement areas for the major crops.
- Determine the correlation between soil textures and water holding capacity.
- Complete a socio-cultural and economic assessment of the sustainability of existing land use practices in the Project Area (build upon the information contained in the EIS).
- Identify the key factors that must be addressed given that the desired outcome is increased productivity and sustainability of agricultural practices.

- Document a comprehensive investigation into the availability of “improved” planting material, and/or improved varieties and cultivars of food plants commonly grown in the Project Area.
- Document a comprehensive investigation into new food plants that may be effectively introduced and make recommendations on:
 - How these new food plants can be cost-effectively made available to the community in the Project Area.
 - The process for educating people on their cultivation and preparation.

Once the study has been completed, programmes should be implemented to enable the affected community to maximise production on their replacement lands. This should be through intensive extension as well as demonstration programmes. In addition, partnerships should be established with other government and NGO development agencies in the area to maximise benefits. Such programmes should be undertaken by means of a participatory approach.

7.1.2. Skills Replacement

The primary objective of the skills replacement training should be to teach skills that would be of value to the local economy following the cessation of industrial mining, but not necessarily based around agriculture. The skills that will best suit the skills demand in the area need to be determined through discussions with the PAPs. Although some uncertainty currently exists with regard to the skills that should be taught, the following might be relevant:

- Tailoring and dressmaking.
- Block making and building.
- Carpentry.
- Plumbing.
- Welding and tinsmith services.
- Retailing.
- Secondary processing of agricultural products.
- Driving (cars and trucks).

7.2. Community Development

A key requirement of World Bank OP 4.12 is that “all involuntary resettlement should be conceived and executed as development programmes”. The emphasis of community development is, therefore, on economic and social development with income restoration and generation, not merely on compensation and replacement of affected household assets. Key objectives of community development are:

- To stimulate long-term community and economic and social development programmes among those to be resettled and the host communities that should lead to integrated development and the establishment of sustainable local communities.
- To seek ways of building mutually beneficial linkages between the Project’s support of community development and other development initiatives in the region so as to obtain maximum leverage for the affected people from all initiatives.
- Although possible development strategies may be suggested at this stage by external experts, the actual strategies adopted should result from a considered approach developed by the Project with local and regional stakeholders. Borgakim Mining already has a Community Outreach Programme. Approaches from the local authorities to assist in rehabilitation and construction of schools have been made.

7.2.1. Scope of Community Development

The Project’s community development should largely be RAP related, particularly in the initial phase of the Project, as these are the people and communities that are affected to a greater extent. RAP related community development should apply to four entities. These are listed below in descending order of priority:

- The affected households within the Project's Exclusion Zone as well as those affected by the additional infrastructure required for the mining operation.
- The host resettlement area.
- Households residing outside of the Exclusion Zone but who utilise land within the Exclusion Zone for agricultural activities.
- Households residing outside of the Exclusion Zone but who derive and income from activities that carry out within the Exclusion Zone, i.e. small businesses.
- Artisanal Miners.

Community development programmes would probably reflect the order of priority with the most directly affected population receiving higher proportional spending than the less or indirectly affected populace. Initially it should be necessary to have community development focus on a series of identified pilot projects, so as to ensure that the projects are of a manageable size and scope. With careful monitoring and evaluation the benefits of these projects can be quantified. Qualified evaluation should also allow for the projects to be refined and, if shown to be successful, to be duplicated in appropriate areas. Although the scope of a Community Development Plan should emphasise the need to concentrate on the five entities outlined above, it is anticipated that the benefits and opportunities associated with the programmes could eventually spread and spill over to surrounding communities and villages.

7.2.2. Community Development Opportunities

Possible community development opportunities include:

- Enhancing local employment.
- Primary production development programmes.
- Secondary processing and entrepreneurial development programmes.

Each of these opportunities is discussed in greater detail below.

7.2.3. Establishment of a Mechanism to Enhance Local Employment

It is estimated that between 100 and 200 individuals residing locally should be directly employed by the Project during construction. During the Operational Phase of the Project it is also estimated that between 200 and 300 individuals residing locally should be directly employed initially, but that this number may grow with time. Preferential employment mechanisms should assist in maximising employment opportunities for the people in the immediate area.

Expectations of the local population with respect to job opportunities are very high and given these expectations it is proposed that a local employment committee be established that would serve to maximise employment opportunities for the local populace and, thereby, reduce possible insider-outsider conflicts over employment.

It is proposed that the local employment committee consist of representatives from:

- The RWG, but possibly expanded to include other local and sub-regional stakeholders.
- Moto Gold Project (through its Human Resources and Community Development Departments).
- Major contractors.

The local employment committee through an advisory role would aim to ensure:

- That where suitable candidates are locally available they are afforded priority.
- Reservation of appropriate sub-contracting jobs, wherever possible, for local entrepreneurs and/or contractors.
- Encouraging contractors to optimise the numbers of jobs that they can make available.
- Structuring a local employment policy that spreads jobs as widely within the area as possible.

- Identifying areas where local capability/capacity can be built to the benefit of both the Project and the community economy.

The Moto Gold Project, as the employer, would retain a right of veto in terms of hiring people that they deem inappropriate. The Project would also retain the right, within the ambit of appropriate labour legislation, to fire or retrench employees as it becomes necessary. The establishment of the local employment committee would however go some way towards ensuring good faith in the matter of employment opportunities.

7.3. Primary Production Development Programmes

The land outside of the Project's Exclusion Zone has some agricultural potential, which creates opportunity for a number of development programmes that could benefit people affected by resettlement beyond simply restoring livelihoods and, thereby, minimise the risk of reduction in quality of life. Such opportunities could include:

- Fruit tree improvement programmes, which could be geared towards diversifying the range of fruit trees for subsistence as well as for market production.
- Livestock improvement programmes including intensification, such as feedlots, as well as improved resource use through communal resource management programmes and rangeland rehabilitation.
- Improved access to financing. Financing is commonly one of the major constraints to development in areas similar to the vicinity of this Project. Improved access to financing could enable farmers to utilise improved cultivars and superior production methods.
- Aquaculture and fisheries programmes to utilise water resources during the rainy season and to increase protein production.
- Poultry development programmes such as the Newcastle Disease (ND) Control Programme. ND is a concern in many parts of Africa in terms of restricting growth in chicken numbers. Of significance is the fact that ND is a gender issue in that chickens tend to be raised primarily by women whereas other livestock tend to be raised primarily by men. As such community livestock programmes often concentrate on cattle, goats, etc., and neglect the importance of chickens. As women are often the most vulnerable people in terms of resettlement impacts a programme that targets their assets is of some importance. Community-based ND control programmes improve the livelihoods of poor livestock keepers in Africa through the effective and sustainable control of this disease. The community-based experiences in controlling ND in rural areas of Africa show that poor farmers are willing to pay for a good quality service provided in an efficient and effective manner to minimise the risk of their investment.
- Beekeeping programmes including harvesting, processing and marketing components.

7.4. Secondary Processing and Entrepreneurial Development

Opportunities exist to process and market primary agricultural production from the lands in the vicinity of the Project Area and, thereby increase returns to producers. Such opportunities could be enhanced by means including:

- Assistance with the establishment of improved marketing structures for the sale of livestock as well as fruit and grain crops. This could include storage facilities as well as access to better transport.
- Improved availability of agricultural supplies.
- Secondary processing of local products, especially rice, maize and manioc.
- Facilitation of entrepreneurial development – a number of entrepreneurs are already active in the area but are constrained by technology and access to finance. The establishment of an entity providing advice and facilitating access to finance would be of great benefit and could include involvement in all the above referenced secondary processing opportunities.

8. INITIATION OF RESETTLEMENT AND COMPENSATION

The physical resettlement and compensation should be initiated in line with the RAP. In general the actual resettlement should only commence when the Project is confirmed but prior to any civil works. Overall responsibility for the implementation of the RAP will lie with the proponent but managed by a resettlement team, with close co-operation from local authorities. This will be defined in greater detail in the RAP that will be developed for the Project.

In accord with the resettlement principle of minimising resettlement wherever possible the Project will explore design options to reduce the number of households that will need to be resettled. The Exclusion Zone as depicted in Figure 4.1 and the estimated number of households within this Exclusion Zone that will need to be resettled (Table 4.1) require some alterations to the Project's design. The required changes are detailed design issues that do not require redesigns to the Project. The following changes are recommended to avoid resettlement of additional households from villages/settlements not reflected in Table 4.1:

- The haul road between Pakaka Pit and Mengu Hill Pit requires minor realignment so as not to impact on the settlements of Aungba and Megi. This change results in an estimated 125 households not having to be resettled.
- The Mengu Hill waste dump requires minor redesign to increase the buffer to the settlement of Mengu and ensures that an estimated 107 households do not need to be resettled.
- Blasting practise for Mengu Hill Pit and Kombokolo Pit requires special attention so as not to impact on the settlements of Mengu and Agbarabo respectively. This will ensure that an estimated 107 households at Mengu and 117 households at Agbarabo do not need to be resettled.

The incorporation of these recommendations results in reducing the number of households that will need to be resettled and therefore incorporate into the Project's resettlement planning by an estimated 349 households.

8.1. Resettlement Phases

The Project Plan allows for five indicative phases triggered by several key Project construction events as follows:

- Phase 1: The trigger event for this phase is Site Mobilisation for Project construction.
- Phase 2: The construction of the Gold Plant is the trigger event for this phase.
- Phase 3: Working of the KCD Pit triggers this phase.
- Phase 4: Working of Mengu Hill Pit, Sessenge Pit and Kombokolo Pit are the trigger events for this phase.
- Phase 5: The trigger event for the final phase of the Project is the working of Pakaka Pit and Pamao Pit.

The villages/settlements and cemeteries that have been identified as those directly affected by the Project and requiring resettlement will be moved in a phased manner based on the Project Plan phases outlined above. The phases triggering the resettlement of the identified villages/settlements and cemeteries are provided in Table 8.1 below.

Table 8.1 – Project phases and events triggering the resettlement of villages/settlements and cemeteries within the Project’s Exclusion Zone.

NAME	Village/Settlement	Cemetery	Project Phase	Trigger Event
CAMP 45	✓		5	Pakaka Pit
CHAUFFEUR	✓		3	KCD Pit
DOKO	✓		2	Gold Plant Construction
GEKAMINE	✓		5	Pamao Pit
GORUMBWA 1	✓		4	Sessenge Pit
KARAGBA	✓		3	KCD Pit
KASIA	✓		3	KCD Pit
KISANGA	✓		1	Site Mobilisation
KOKOLO	✓		1	Site Mobilisation
KOMBOKOLO	✓		4	Kombokolo Pit
MAKOKE	✓		5	Pamao Pit
MANGBE	✓		3	KCD Pit
MAREKEKE	✓		4	Mengu Hill Pit
MEMEKAZI	✓		1	Site Mobilisation
MISSION	✓		3	KCD Pit
NDALA 1	✓		5	Pakaka Pit
NGANZI	✓		3	KCD Pit
QUARANTCIN	✓		5	Pakaka Pit
SALAMBONGO	✓		5	Pakaka Pit
SESENGE	✓		4	Sessenge Pit
AZAMBE/MENGU		✓	4	Mengu Hill Pit
DOKO 1		✓	2	Gold Plant Construction
MENGU		✓	4	Mengu Hill Pit
OKIMO CEMETERY		✓	3	KCD Pit

8.2. Resettlement Timing

The timing of the Project’s Resettlement Programme will be dictated by the timing requirements of the Project phases and when the areas required for a particular phase needs to be cleared to allow construction activities to commence. Prior to the commencement of any construction work on any phases it will be necessary to resettle the villages/settlements and cemeteries associated with the phase as outlined in Table 8.1. The indicative timing for the key resettlement phases is provided in Table 8.2 below.

Table 8.2 – Indicative timing for key resettlement components.

ACTIVITY	Year -3 2009	Year -2 2010	Year-1 2011	Year 1 2012	Year 6 2017	Beyond 2018-
Site Mobilisation		■				
Major Infrastructure and Plant Construction		■	■			
UG Mine Development		■	■	■	■	■
OP Mining			■	■	■	■
Plant Production			■	■	■	■
Moratorium Established	■					
Pre-Resettlement Data Baseline (Entitlement Surveying)	■					
Stakeholder Engagement / Resettlement Consultation	■	■	■	■	■	
Resettlement Host Site Village Planning	■					
Community Infrastructure Re-establishment	■	■	■	■		
Cemetery Relocation	■	■				
Household Resettlement Phase 1	■					
Household Resettlement Phase 2		■				
Household Resettlement Phase 3		■	■			
Household Resettlement Phase 4				■		
Household Resettlement Phase 5					■	
Income Restoration	■	■	■	■	■	
Monitoring		■	■	■	■	■

Year 1 represents the commencement of the primary Project activities on site including the commissioning of the Gold Plant and the commencement of major workings at KCD Pit. Years -1, -2 and -3 represent the years preceding these activities. Details of the Monitoring Component of the Project’s Resettlement Programme are provided in the subsequent section of this RPF.

9. MONITORING

Monitoring is critical in gauging the short to long terms affects of the resettlement process. It also highlights keys successes and failures that need to be addressed. The monitoring programme will be explicitly defined in the RAP and include details in terms of responsibilities, timing of monitoring, methodology employed and independent review.

In order to assess whether the goals of the resettlement and compensation plan are being met, a monitoring plan will be required as part of the resettlement process. Such a plan would include monitoring criteria, milestones and the resources needed to carry out the monitoring. Monitoring primarily involves the systematic use of information to determine the extent to which plans are being implemented effectively.

The Project is responsible for providing the necessary funds required for the monitoring programme. Monitoring and supervision of resettlement are critical to its success. Monitoring, and responding to issues that are highlighted though monitoring, is the only way in which to adapt to arising issues on the ground and thereby improve the resettlement outcome. The World Bank has this to say about the role of monitoring in the resettlement process:

“Because of the myriad social and economic contingencies that arise during project implementation, resettlement is better conceived not as a rigid blueprint, but as a learning process in which tentative plans are adapted responsively to unfolding obstacles and opportunities” (World Bank 2004: 205).

The monitoring plan should be undertaken at two different levels as detailed below.

9.1. Internal Monitoring

Internal monitoring, sometimes called performance monitoring, is an internal management function that allows the Project management (or agency elected to implement the RAP) to measure physical progress against milestones set out in the RAP. Internal monitoring should be conducted by a suitably qualified person/s within the Project. In a similar manner the affected community should be responsible in part for their own monitoring through the RWG. Quarterly progress reports should be written by the internal evaluators to monitor progress made toward mitigating adverse social impacts. Internal monitoring will:

- Ensure that due process has been followed in the notification of stakeholders with adequate public meetings being held.
- Verify that there are no outstanding or unresolved land acquisition issues regarding the Project or any of its subprojects, that the census of all PAPs has been carried out, that the RAP and socio-economic survey has been prepared, and that property valuation and resettlement has been carried out in accordance with the provisions of the RPF and RAP.
- Maintain records of any grievances that require resolution.
- Oversee that all resettlement measures are implemented as approved by the Project management and the RWG.
- Verify that funds for implementing resettlement activities are provided in a timely manner, are sufficient for their purposes, and are spent in accordance with the provisions of the RPF.
- Document timely completion of project resettlement obligations (i.e. payment of the agreed-upon sums, construction of new structures, etc.) for all permanent and temporary losses, as well as unanticipated, additional construction damage, while updating the database with respect to any such changes.
- Ensure that monitoring and evaluation reports are submitted.

9.2. Independent Monitoring

External Independent Monitoring, which takes the form of effects and impact monitoring, should be conducted half annually for at least the two years following commencement of resettlement by an independent consultancy (preferably with resettlement experience), academic or research institution

or an NGO. Funds for external monitoring should be provided under the Project's budget and should be factored in from the very beginning. The external monitoring will evaluate socio-economic conditions of the PAPs against the baseline data established prior to the resettlement through baseline socio-economic surveys so as to correct any pending issues that place PAPs subject to impoverishment induced by project operations. In particular the external monitoring will:

- Ensure that replacement housing for those who have had to move is of an adequate replacement standard.
- Ensure that monies paid to households who have lost crops and other forms of livelihood production have received fair compensation.
- Ensure that where agricultural land has been acquired by the Project that the households affected have been afforded suitable replacement land.

In addition to quantitative indicators of the performance of the RAP, qualitative indicators should be assessed to ascertain the relative satisfaction of the affected peoples. This should be done through direct consultation by the evaluators with the affected community through focus group discussions with the RWG or similar forums representative of PAPs established by the Project management for this task.

The Monitoring Team must write its reports before the end of each visit and submit the report to the Project Manager and the RWG. The Monitoring Team should structure its reporting in conjunction with the variables as set out in Annex 2.2.

Both internal and external monitoring reports should be used to assess whether any changes should be made to the RAP in its implementation. This should be done in consultations between the Project management and the RWG. Monitoring reports are a valuable tool in identifying problems in the implementation of the resettlement project and should be used as such. The RWG and Project should meet after each monitoring exercise to consult over findings of the monitoring evaluation and whether steps should be taken to rectify issues that have been highlighted by the monitoring reports.

9.3. Completion Audit

Because of the scale of the displacement a Resettlement Completion Audit will be required. This is a third party audit performed to evaluate whether the RAP has been implemented according to the RPF and that it is in compliance with DRC legislation and International Best Practice. The audit will also evaluate whether any mitigatory measures prescribed in the RAP have had an ameliorator affect. The socio-economic status of the affected peoples should be measured against the baseline indicators established during the baseline socio-economic survey.

The Resettlement Completion Audit will verify whether:

- There has been genuine consultation and participation with affected communities.
- That grievance procedures have been followed.
- That PAPs have not been left worse-off (financially and socially) than prior to resettlement.

10. GRIEVANCE REDRESS

Even when the Project can ultimately claim successful resettlement, there may still be individuals and groups who feel that they have been treated inadequately or unfairly. Providing credible and accessible means for PAPs to pursue grievances allows the Project to address genuine issues in a timely manner and decreases the chances of overt resistance to the project from disgruntled PAPs.

Grievances relating to any aspect of the Project must be dealt with through negotiations aimed at reaching consensus between the Project and the affected parties. A procedure for the submission of grievances and how they will be dealt with will be put in place. This process is described below and illustrated in Figure 10.1.

Individuals or groups that wish to lodge a complaint or grievance, hereafter referred to as the affected party, will be allowed to lodge their complaint with the RWG, or a sub-committee formed for the specific task of addressing grievances. The RWG will have a set time (possibly 15 days) from receipt of the grievance to act upon it. If the grievance cannot be adequately addressed by the RWG, the grievance will be passed over to an independent evaluator or Monitoring Team. The evaluator or Monitoring Team will have a further set period to address the grievance. If a solution still cannot be found the grievance is passed directly to the Project management to be addressed. In the event that the affected party that lodged the complaint still feels that their grievances have not been addressed, as a last resort they have the right to approach a court of law.

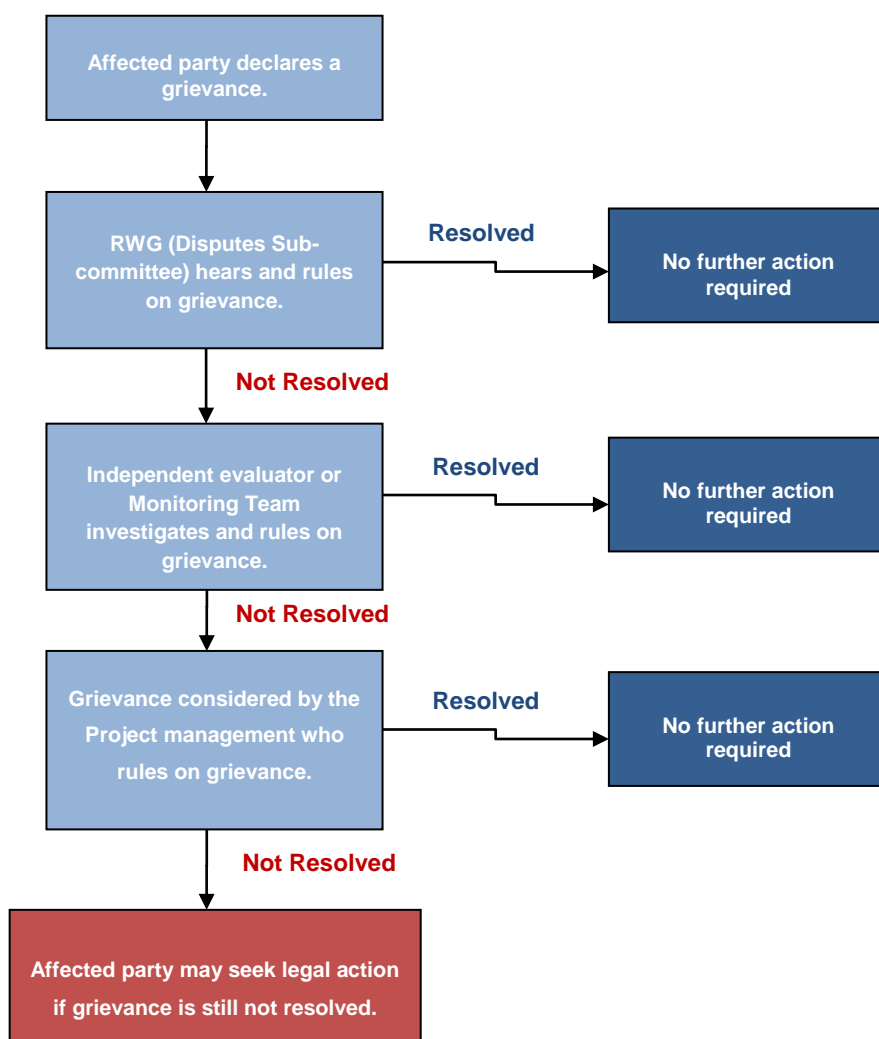


Figure 10.1 – The proposed grievance mechanism.

11. BUDGET

The costing of the Project's Resettlement Programme will be finalised pending the outcome of the of the entitlement survey and resettlement consultation process. Entitlement surveying for the Project commenced in 2008 with the initiation of the Project's Resettlement and Socio-Economic Survey and the establishment of the Project's Resettlement and Socio-Economic Database. Completion of this activity for the households located within the Project's Exclusion Zone is scheduled for completion in 2009. Consultation around the resettlement process and the compensation entitlement framework will be undertaken during the course of 2009. These processes will provide the necessary data for detailed costing of the Resettlement Programme and a Resettlement Budget to be prepared.

The Resettlement Budget will make provision for the planning of the resettlement host site village, community infrastructure, residential relocation costs, business relocation costs, crop and tree compensation costs and income restoration support.

A budget has been developed for the full resettlement program and has been incorporated into the capital cost estimate for the construction of the Moto Gold Project.

12. RESPONSIBILITIES FOR IMPLEMENTATION

12.1. Local Level Overview

As indicated the Project is based in the District of Haute-Uélé in the Orientale Province. The District is sub-divided into territories (territoires) headed by an Administrator (in this case Watsa Territory), which are in turn sub-divided into Sectors headed by Chef de Sector (in this case Kibali Sector). The Sectors are further subdivided into Groupements headed by a Chef de Groupement (often a traditional leader). The lowest administrative level is the Localité (which is a collection of villages), administered by a traditional chief appointed by the Chef de Groupement with approval of the Chef de Collectivité.

12.2. Implementation Arrangements

12.2.1. Moto Gold Project¹⁰

The Project will provide the financial resources necessary for the resettlement and compensation process and will provide significant additional managerial and technical expertise. The role of the Project may be broken down into two distinct phases – Pre-implementation and Implementation.

During Pre-Implementation, the Project will:

- Collect all data required to effect resettlement.
- Draw up Terms of Reference and contract all major planning services needed to effect resettlement.
- Project manage and financially support the development of the land-use plan for any host resettlement areas.
- Present, discuss and obtain approval for any developed land-use plans.
- Ensure that, as necessary, the RWG remains functional in the period following the finalisation of the RAP and leading up to Project Implementation.
- Attend RWG meetings, and provide administrative support and ad hoc managerial and technical support as required.

In the Implementation Phase, the Project will finance implementation of the RAP. This will be done via the establishment of a dedicated team. The team will have as its primary responsibilities the following:

- Drawing up offer documents for each individual households that are affected.
- Discussing terms and conditions of resettlement with each household.
- Managing compensation and resettlement payments
- Ensuring that the principles of the RAP are respected.
- Providing technical and managerial input to RAP implementation.
- Establishing a socio-economic monitoring programme of the affected households.
- Identifying households that are “failing” as a result of the resettlement impacts of the Project and, together with the RWG, defining and implementing appropriate corrective action.
- Attending RWG meetings and providing support and input as and when required.
- Addressing compensation and resettlement grievances.
- Establishing and managing a local employment committee to ensure the maximisation of employment opportunities for the local community and particularly for those households directly affected.
- Defining and implementing community development and monitoring programmes to ensure that affected households are not worse off in the post-implementation phase – the monitoring programme will be undertaken with the assistance of a team of fieldworkers recruited from the community and data collected for the RAP will form the baseline for the post-implementation monitoring.

¹⁰ In practise this means Moto Goldmines Limited in association with its partner OKIMO.

Ensuring compliance with the resettlement and social commitments contained in this document will be under the responsibility of Moto's Health, Safety, Environmental and Community/Social Manager (HSEC/HSES). The HSEC/HSES Manager is responsible for securing and maintaining the Project's social license to operate, which during the Project's Construction Phase will entail the following areas of oversight and responsibility:

- Recruit and manage the Project Community and Social team members for the following functional areas:
 - Resettlement planning.
 - Community relations.
 - Community development.
- Develop and administer budgets for all social action programmes, community development and community liaison activities.
- Oversee and provide quality assurance on the following:
 - Resettlement action planning and execution.
 - Community relations.
 - Socio-economic impact assessment.
- Implementation of social aspects of recruitment and procurement policies.
- Development and execution of additional needed policies for all operational areas of responsibility.
- Establishment of the future community development foundation for management of a social development fund if Moto elects to do so.

As such, the HSEC/HSES Manager will be supported by team leaders in the primary functional areas of resettlement planning, community relations and community development, each of whom will have the requisite staff and material support to achieve their mission. These team leaders will have the following individual responsibilities under the HSEC/HSES Manager.

The Resettlement Planning Task Leader will have operational, daily responsibility for RAP execution, including the following specific programme components:

- Survey and value assets taken during project construction.
- Conduct census and census updates of affected households.
- Plan and supervise compensation activities, including for lost crops, land buildings and livestock, and to restore lost livelihoods.
- Co-ordinate selection of alternative resettlement sites.
- Monitor and report on the construction of replacement village structures.
- Plan and co-ordinate the move into replacement housing for affected parties.
- Conduct ongoing consultation with affected parties via communication with resettlement consultation committees, with affected individuals, in community-wide consultation venues.

The Resettlement Planning Task Leader will be supported by a staff of up to three additional professionals who will be responsible for asset survey and valuation, resettlement consultation and for assuring equitable treatment of vulnerable and disadvantaged groups within the population.

The Community Liaison Officer (CLO) will serve as the primary point of contact between communities of the area and the Project, and will have the following primary areas of responsibility *inter alia*:

- Liaise with local government with regard to local community liaison and issues and in consultation with appropriate Project personnel.
- Oversee and assure compliance with implementation of Project policies on recruitment.
- Log and respond to grievances lodged by members of the community.
- Assist in identification of individuals to receive compensation through intended or accidental damages during field work as required by the 2002 DRC Mining Code (Article 281), and as described in internal procedures.
- Organise and facilitate compensation payment actions.
- Obtain prior written permission from community leaders / affected members for any intended damage to any infrastructure, crops or land as a result of exploration, feasibility study, optimisation study or EIS work, and compensation to be paid.

12.2.2. DRC Government

It is envisaged that the Government of the DRC will act as the primary support agent to resettlement with the Moto Gold Project implementing the resettlement. In doing this, the Project will work in close association with the Kibali Chef de Sector, who will represent the Government of the DRC. It is envisaged that the Chef de Sector will hold (or delegate) the following key responsibilities:

- To act as the primary Government representative.
- To issue formal writs informing households that they are required to vacate their premises.
- To ensure that the Government of DRC provides assistance to relocated households as and when required.
- To ensure that the moratorium on settlement within the mining Exclusion Zone is observed.
- To ensure compatibility of the resettlement process with overall development visions for the area.
- To send a representative to the RWG meetings to monitor proceedings and make input as and when required.
- To ensure that the Land Use Plan for the host resettlement area meets requisite criteria.

12.2.3. Resettlement Working Group (RWG)

The RWG is the primary channel of communication between the Project and the Government of the DRC. The RWG meets as necessary and, for the duration of the Resettlement Programme, will maintain a similar composition to that which is established on its implementation.

In addition to acting as a conduit of information, the RWG has the following key responsibilities:

- Actively participating in the development of the Entitlement Framework on critical aspects of resettlement.
- Ensuring that the terms of the RAP are followed.
- Monitoring the implementation of the RAP and suggesting modifications if and when necessary.
- Identifying issues/areas of concern that may have been overlooked/under-emphasised in the SIA or RAP and suggesting ameliorative and or mitigatory measures.
- Assisting in the finalisation of a Land Use Plan for the resettlement areas.
- Facilitation of land acquisition in areas under its control, i.e. both in the Exclusion Zone and in the host resettlement areas.
- Agreeing on the principles of a means test to determine which households qualify for extended support.
- Monitoring the Exclusion Zone so as to prevent illegal encroachment.

Annex 2.1 – Survey Questionnaire

