

EIA Supplement

Draft Resettlement Policy Statement for San José-San Ramón Toll Road Project

1. INTRODUCTION

As per the study carried out by the personnel of the MOP (Ministry of Public Works and Transportation), together with the management of the Project “Concesión San José-San Ramón”, it has been possible to clarify the situation of the right of way originally acquired by the Government for the construction of the roads that made up the corridor, in particular these routes are General Highway Cañas and Road Bernardo Soto, this only in the areas in which it is needed to expropriate additional plots for the construction of the project.

As per the information set forth in the original maps, and in the administrative files used when acquiring the right of way, it was determined that there were some areas in which part of the right of way was illegally occupied by third parties. Because of this fact, it was determined that it was needed to carry out a complete study determining the areas occupied by these third parties and the socioeconomic characteristics of the same as well as the proceeding to be followed in order to acquire again the right of way.

Given the complexity of the study and the lack of technical and operative capacity of the MOPT to complete the same, Ms. Virginia Villar and Ms. Dora Wedel were hired to do the study.

With the results obtained (or to be obtained) by the aforementioned consultants, the process to be followed by the Government when resettling the affected people that it is currently occupying the right of way will be established (as per the requirement set forth in the Expropriations Law). The present document sets forth the actions to be taken in that regard.

2. GOALS

To produce a technical, legal and economic study determining the number of families and/or persons affected by the construction of the roads that comprise the concession San Jose-San Ramón, and to include such persons in the resettlement plan (thus minimizing the negative impact of the works in the style and way if living of such persons).

3. BASIC ACTIVITIES

In order to comply with the proposed goal the following basic activities have been set forth.

- To establish the trace and the areas affected by the project trying to minimize the number of affected people.
- To measure the number of affected people and their socioeconomic situation in order to provide information on the future resettlement and on the conditions for expropriation.
- To evaluate the legal status of such persons.
- To define the actions to be taken in cases in which the illegal occupants are not registered (no ID Card).
- To determine whether the affected people will be resettled or compensated.
- Offer a fair and just compensation.
- To determine the area in which the affected people will be resettled.

- To estimate the cost of the resettlement of the affected people as determined by the criteria used by the MOPT.
- To elaborate a definitive resettlement plan.
- To coordinate with the government the implementation of the resettlement plan.

4. PROCESS DEVELOPMENT

The study has been commissioned to a consultant firm with the purpose to create a file for each person currently illegally occupying the route of the project. With that purpose in mind, the Government and the project company tendered to the consulting firm the exact trace of the roads so that the study will only focus in the affected areas. Some of the families will not need to be resettled.

The foregoing, as to the cost of compensation and resettlement. In that regard, it is important to clarify that it is needed to complete the study in order to determine the real situation in all the affected areas. This study could be done once a consultant firm for the supervision of the project is hired.

Regarding the study already conducted analyzing the situation of the right of way in the portion of the road that goes from La Sabana to El Coyol de Alajuela, it was determined that there were 65 cases that qualified for their inclusion in the resettlement plan. Some of those cases were families with multiple members and some others were only one or two persons.

The method used by the consultancy firm hired to analyze the situation, as well as the legal and socioeconomic condition of the affected people, was direct interviews. In order to conduct the interviews a questionnaire was prepared containing the information requested by the IMAS and the MIVAH

The persons that were identified in the study as living in “precario”: 60 cases were located in the area of Rositer and 5 cases in the area of Rio Tores. In all cases, the value of the compensation was not enough for the affected people to obtain a place so the Government will need to resettle them in accordance with the Expropriation Law.

With the purpose of offering a just compensation to the affected families conversations were started with Ms. Marlen Rueda, Director of the Human Resettlement Department of the MIVAH. The idea was also to evaluate the possibility of including the cases identified into the resettlement programs develop by the MIVAH.

The study determined that some of the affected cases were foreigners that did not meet the legal status required by the MIVAH . It was recommended to coordinate the actions to be taken by the Immigration Department in order to valuate the deportation of such foreigners to their respective countries of origin. If this is the action to be taken the same will be coordinated by the authorities.

Another aspect that was pointed out by the MIVAH was that in accordance with the Law such institution, in a year’s time, will only be able to invest 20% of the National Fund for Hosing in resettlement programs in which compensation for the total (occupied land and housing bond), while the other 80% of the Fund could be invested in combined programs in which MIVAH could grant housing bond to persons with plot.

Notwithstanding the foregoing, the CGR advise that the 20% limit had been reached for that year and that thus it would only possible to develop combined programs. In that regard, it is considered to be an alternative the acquisition of the land by the Expropriation Funds and them, transfer the same to the MIVAH in exchange for housing bonds for the affected people. If this is to be implemented, an agreement between MIVAH, MOPT and CNC will need to be drafted.

In order to assess the legal viability of the foregoing proposal it is recommended to consult the same with the “Contraloría General de a Republic”

Given the complexity of the process and the importance of an adequate communication and coordination, it is recommended that the top executives of each public institution have a meeting.

5. PENDING ACTIVITIES

The following list the activities to be done.

| ACTIVITY | RESPONSIBLE |
|--|--|
| Study of families affected and their social and economic status. | Law firm |
| Preparation of administrative files | Land Depat. |
| Forwarding the administrative files to the MIVAH | Ministro de Obras Públicas y Transportes |
| Valuation of administrative files | MIVAH |
| Definition of affected familias | MIVAH |
| Valuation of resettlement cost | CNC/MIVAH |
| Legal viability of proponed alternatives | CGR |
| Resettlement plan | CNC/AV |
| Implementation of | CNC/MIVAH |

6. TIMEFRAME:

In accordance with the concession contract, the Government must tender to the awardees the right of way free and clear of occupants not later than April 2006. Therefore, the timeframe for the resettlement must be as detailed below.

It is important to note that the timeframe includes the months of May and June since the it includes the whole project. Notwithstanding the foregoing, it is expected that by the end of April, the areas included in the area Sabana - Rio Poás will be tendered (as the same has been declared as priority by both the awardee and the Government)

| ACTIVITY | DEADLINE | | | | | | | | | | | |
|---|----------|-----|-----|-----|------|-----|-----|-----|-----|-----|-----|--|
| | 2005 | | | | 2006 | | | | | | | |
| | Set | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | |
| Report n the social and economic persons affected | | | | | | | | | | | | |
| Preparation of administrative files | | | | | | | | | | | | |
| Assessment of leag viability of proposals | | | | | | | | | | | | |
| Evaluation of administrative files | | | | | | | | | | | | |
| Definition of affected families | | | | | | | | | | | | |
| Estimation of the resettlement cost | | | | | | | | | | | | |
| Preparation of resettlement plan | | | | | | | | | | | | |
| Implementation of resettlement plan | | | | | | | | | | | | |
| Tender of the right of way free and clear. | | | | | | | | | | | | |