



Government of Malawi
Ministry of Energy



Mpatamanga Hydro Power Limited

Mpatamanga Hydropower Storage Project

Main Works Resettlement Action Plan

Mpatamanga Hydro Power Limited (MHPL)

16, 17 and 18 on First Floor, Almira Complex at Plot Number BC1114

Mandala, Blantyre

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Acronyms

Acronym	Full text
ADC	Area Development Committee
ADEO	Agricultural Development Extension Officer
AfDB	African Development Bank
AIDS	Acquired immunodeficiency syndrome
BOOT	Build-Own-Operate-Transfer
CEDAW	Convention on the Elimination of All Forms of Discrimination Against Women
CHIA	Cultural Heritage Impact Assessment
CHMP	Cultural Heritage Management Plan
CLO	Community Liaison Officer
cm	Centimetre
CPUE	Catch per unit effort
CRC	Committee on the Rights of the Child
CSO	Civil Society Organisation
DAESS	District Agriculture Extension Service Systems
DBH	Diameter at Breast Height
DC	District Council
DoMM	Department of Museums and Monuments
E&S	Environmental and Social
E4C	Evidence for Change
EDF	Electricité de France
EGENCO	Electricity Generation Company of Malawi
EP	Equator Principles
EPC	Engineering, Procurement, and Construction
ESCOM	Electricity Supply Corporation of Malawi
ESIA	Environmental and Social Impact Assessment
ESMMP	Environmental and Social Management and Monitoring Plan
ESMU	Environmental and Social Management Unit
ESS	World Bank Environmental and Social Standard
FAO	Food and Agriculture Organisation
FFS	Farmer Field School
FGD	Focus Group Discussion
GBV	Gender Based Violence
GLAC	Guide on Land Acquisition and Compensation
GoM	Government of Malawi
GRAP	Grave Relocation Action Plan
GRM	Grievance Redress Mechanism
GV	Group Village
GVH	Group Village Head
GVGRC	Group Village Grievance Redress Committee
GWh	Gigawatt-hour
ha	Hectare
HH	Household
HHH	Head of Household
HIV	Human immunodeficiency virus
HSSE	Health, Security, Safety and Environment
IFAD	International Fund for Agricultural Development
IFC	International Finance Corporation
ISS	AfDB Integrated Safeguard System
KII	Key Informant Interview

Acronym	Full text
km	Kilometre
kV	Kilovolt
LR	Livelihood Restoration
m	Metre
MCC	Millennium Challenge Corporation
MEPA	Malawi Environment Protection Authority
MHPL	Mpatamanga Hydro Power Limited
MHSP	Mpatamanga Hydropower Storage Project
MoL	Ministry of Lands
MoU	Memorandum of Understanding
MOMA	Mozambique - Malawi Regional Interconnector Project
MTPW	Ministry of Transport and Public Works
MW	Megawatt
MWK	Malawi Kwacha
NGO	Non-Governmental Organisation
OS	AfDB Operational Standard
PAP	Project Affected Person
PGRB	Project Grievance Review Board
PGRC	Project Grievance Redress Committee
PIU	Project Implementation Unit
PPE	Personal Protective Equipment
PPP	Public-Private Partnership
RAP	Resettlement Action Plan
RPF	Resettlement Policy Framework
RWG	Resettlement Working Group
SADC	Southern African Development Community
SEA	Sexual Exploitation and Abuse
SEP	Stakeholder Engagement Plan
SLR	SLR Consulting
SSB	Soil Stabilised Blocks
TA	Traditional Authority
TL	Transmission Line
UNDP	United Nations Development Programme
USD	United States Dollar
VAC	Violence Against Children
VDC	Village Development Committee
WB	World Bank

Glossary

This Resettlement Action Plan uses several terms in a technical sense that may be different from their use in everyday language. Some key terms are defined below.

Term	Meaning
Adequate housing	Defined by the following criteria: security of tenure; availability of services, materials, and infrastructure; affordability; accessibility; habitability; location; and cultural adequacy.
Affected person	Person experiencing either physical or economic displacement (See also displaced person and project-affected person).
Compensation	Payment in cash or in-kind for loss of an immovable asset or loss of access to resources and livelihoods that is acquired or affected by the project.
Customary right holder	Refers to those who do not have formal legal rights to land or assets but have customary or traditional rights recognized or recognizable under the laws of the host country.
Cut-off date	The date after which anyone who moves into the Project area is no longer entitled to compensation and/or assistance. In practice, the cut-off date is usually the date of completion of the census of people and inventory of assets in the Project-affected area, unless there are local legal provisions for another arrangement. Persons found occupying the Project area after the cut-off date are not eligible to Project compensation or other resettlement benefits. Similarly, fixed assets (such as built structures or crops) established after the cut-off date will not be compensated.
Displaced person	Same as affected person.
Economic Displacement	Loss of assets (including land) or access to assets that leads to loss of income sources or means of livelihood as a result of project-related land acquisition or restriction of access to land and natural resources.
Physical Displacement	Loss of dwelling or shelter as a result of project-related land access, which requires the affected person(s) to move to another location.
Entitlement	Range of measures comprising compensation, income restoration, transfer assistance, income substitution, and relocation which are due to Project Affected People, depending on the nature of their losses, to restore their economic and social base.
Forage	To gather non timber forest products, such as berries, mushrooms, wild fruits, herbs, and medicinal plants.
Gender-based violence	Any form of violence, including physical and verbal abuse, related to social and cultural expectations of gender roles and relationships, often for the purpose of sustaining power.
Household	One person or a group of persons who share a dwelling unit, and for a group, share at least one meal a day.
Involuntary resettlement	Physical and/or economic displacement whereby affected persons or communities do not have the right to refuse land acquisition or restrictions on land use resulting in their relocation This occurs in cases of lawful expropriation or restrictions on land use based on eminent domain; and in cases of negotiated settlements in which the buyer can resort to expropriation or impose legal restrictions on land use if negotiations with the seller fail.
Land Acquisition	Land acquisition refers to all methods of obtaining land for Project purposes, which may include outright purchase, expropriation of property and acquisition of access rights, such as easements or rights of way. Land acquisition may also include: (a) acquisition of unoccupied or unutilised land whether or not the landholder relies upon such land for income or livelihood purposes; (b) repossession of public land that is used or occupied by individuals or households; and (c) project impacts

Term	Meaning
	that result in land being submerged or otherwise rendered unusable or inaccessible. 'Land' includes anything growing on or permanently affixed to land, such as crops, buildings and other improvements.
Land requirements	All land to be acquired for the project (see land acquisition above) and all restrictions on land use (see definition below) which are needed by the Project or imposed by the Project for safety reasons or other operational needs.
Livelihood	Livelihood is the full range of means that individuals, families, and communities utilize to make a living, such as wage-based income, agriculture, fishing, foraging, other natural resource-based livelihoods, petty trade, and bartering.
Livelihood restoration	The process of restoring (or improving) affected persons' livelihoods to pre-project levels (or better).
Livelihood restoration plan	A planning document that outlines the necessary activities and measures to be implemented to restore livelihoods.
Non-resident PAP	A "non-resident" PAP owns one or more land plots (or assets) affected by this RAP's land requirements but does not reside in a GVH that is impacted by this RAP's land requirements.
Opportunistic settlers	People who encroach in the area after the establishment of the cut-off and are therefore not eligible for compensation.
Orphan land	Unacquired parts of a land parcel which are left unusable or undevelopable (either temporarily or permanently) as a result of the project's land acquisition or expropriation. Also referred to as severed land.
Project-affected person	Same as affected person.
Replacement cost	The replacement cost is the market value of the asset (with no depreciation) plus transaction costs.
Resettlement action plan	A planning document that outlines the process, activities, and measures to be implemented for resettlement-affected persons.
Resettlement or livelihood restoration framework	A resettlement or livelihood restoration framework is a document that outlines the general principles for managing resettlement and livelihood restoration when the exact nature or magnitude of the land acquisition or restrictions on land use are unknown due to the stage of project development.
Restriction on land use	Limitations or prohibitions on the use of agricultural, residential, commercial, or other land that is directly introduced and put into effect as part of the project. These may include restrictions on access to common property or natural resources (such as water bodies), restrictions on land use within utility easements, or safety zones.
Security of tenure	A right of resettled individuals or communities that are resettled to a site that they can legally occupy and where they are protected from the risk of eviction.
Transaction costs	All costs that may be incurred because of the transaction or transfer of assets, such as taxes, stamp duties, legal and notarization fees, registration fees, travel costs.
Transition period	Period between the occurrence of the displacement and the time when affected livelihoods are restored.
Vulnerable groups	These groups include people who, by virtue of gender, ethnicity, age, physical or mental disability, economic disadvantage or social status, may be more adversely affected by displacement than others and who may be limited in their ability to take advantage of resettlement assistance and related development benefits.

Summary

A Scope of this RAP

This report is the Resettlement Action Plan (RAP) for the Main Works of the Mpatamanga Hydropower Storage Project (MHSP). This RAP is prepared after a Resettlement Policy Framework (RPF) was prepared and disclosed in 2024. The RPF defined the eligibility, entitlement and compensation principles, as well as the institutional arrangements for all phases of the land acquisition, compensation and resettlement process. The MHSP land acquisition, compensation, and resettlement processes are planned into different phases, aligned with the project's construction schedule. The RAPs are as follows:

- Early Works Phase 1 Resettlement Action Plan for priority areas of the Chaswanthaka and Mpindo resettlement sites. This RAP has been finalised and disclosed in July 2025 and implementation started in July 2025.
- Early Works Phase 2 RAP for the S137 access road refurbishment work in Blantyre District. This RAP was prepared in in 2025 and implementation is planned for 2026.
- Main Works RAP (**this report**): Area covering all Project main facilities, as well as construction facilities, and the regulating reservoir area. Any area located in the main reservoir that is to be used for construction facilities will also be acquired at that time (upstream coffer dam and diversion tunnel works). The Main Works RAP will also include the new sections of the S137 road in Neno District, the area for the Project's conservancy area and the Kambalame Resettlement site, as well as a new section of the S137 in Blantyre District. Implementation is planned for 2026.
- Transmission lines RAP (400 kV TL and 132 kV TL): Preparation is planned for 2026 and implementation for 2026-2027.
- Main Reservoir RAP: Preparation is planned for 2026 - 2027 and implementation for 2027-2028.

B Applicable Standards

The Project complies with Malawi's environmental and social laws, regulations and standards. The national framework applicable to land acquisition is described in Section 3. The Project also complies with the following international standards related to land acquisition and involuntary resettlement:3

- The IFC Performance Standards, notably the IFC Performance Standard 5 (PS5) on Land Acquisition and Involuntary Resettlement (IFC, 2012);
- The World Bank Environmental and Social Framework (World Bank, 2017), and its Environmental and Social Standard 5 (ESS5) on Land Acquisition, Restrictions on Land Use and Involuntary Resettlement.
- AfDB's Integrated Safeguard System (ISS), notably the Environmental and Social Operational Standard 5 on Land Acquisition, Restrictions on Access to Land and Land Use and Involuntary Resettlement; and
- The Equator Principles 4 (EP4) (July 2020).

The World Bank ESS5, IFC PS5 and the AfDB OS5 are similar in substance, and the Equator Principles refer to the IFC PS5 regarding land acquisition and involuntary resettlement.

C Land Requirements

The Project land needs covered by this main works RAP are summarised in The Table below.

Project components	Project land needs (ha)	Comment
Main works area	857.8 ha, including <ul style="list-style-type: none"> • 129 ha of public land (not acquired): the strips of lands along the Shire Riverbanks, as per the Water Resources Act, 2013. • 3 ha of public land (not acquired) of the existing section of the S137 road within the main works area and its road reserve in Blantyre district. • 91.1 ha of mountainous areas categorised as public land (not acquired). 	Permanent land requirement. Some of the lands needed for the construction period will not be needed for the operation (for instance construction camps, quarries, borrow pits, any lay-down or working areas required by the Contractors). Where feasible considering operational constraints, these lands could be transferred by MHPL to the GoM after the demobilisation of the contractor at the end of the construction. The possibility for the Government to then transfer some of these lands back to the local communities will be studied by the Project. The public land is already the property of the Government, so it does not need to be acquired.
New sections of S137 road in Blantyre District and Neno District	41.1	Permanent land requirement. The Ministry of Transports and Public Work will own these lands after construction.
Kambalame Resettlement site	94.9	Permanent land requirement: The Project will acquire the land to develop the resettlement site in Kambalame, but as they are an in-kind compensation option, the land plots allocated to affected households and communities on these resettlement sites will be transferred to them after the displacement.
Biodiversity conservancy area	1,910	Permanent land requirement: The proposed biodiversity conservancy area will be acquired and fenced before the start of construction and maintained throughout operation.
Safety Buffer areas	236.1 (not acquired)	Temporary restriction of access and use during construction: No residential structure will be allowed in the safety buffer for safety reasons. The land will not be acquired, as grazing and farming are still allowed.
Part of affected land plots that will also be affected by the main reservoirs – acquired as part of the main works RAP	34.9	Permanent land requirement. The land plots affected by the main works and the main reservoir are acquired entirely during the man works RAP.
Total	3,174.8	

D Census and Socioeconomic Profile of Affected Persons

D.1 Census

The census for this RAP was conducted between the 10th of April and the 13th of September 2025.

The number of households affected, as well as affected household members is indicated in Table A below, disaggregated by village.

Table A: Census of Affected Households and Persons

Number of households only economically displaced (and number of households' members (individuals))	Number of households physically and economically displaced (and number of households members (individuals))	Total number of affected households (and number of households members (individuals))
276 (1,314)	49 (220)	325 (1,534)

D.2 Socioeconomic Profile

Seven villages will be impacted by the main works RAP:

- In Blantyre district, TA Kunthembwe, Chaswanthaka group village: Chaswanthaka, Divala, Mbwinja and Mpindo; and
- In Neno district, TA Mlauli, Feremu group village: Feremu, Kambalame and Nkhwali.

These communities exhibit strong dependence on natural resources, and informal labour-based livelihoods like charcoal making. The customary lands of 364 customary landowners will be affected.

Household income sources are dominated by piecework, charcoal selling, and small-scale agriculture all of which rely heavily on access to land and natural resources. Many households (about 57%) depend on a single income source.

All the communities are using the Shire River for various purposes: fishing, watering their cattle, and fetching water for domestic purposes.

Out of the 325 affected households, 84 have been identified as vulnerable. Female-headed households are the majority of these vulnerable households, with 53 female-headed households recorded. The other vulnerable households are orphan-headed households and households with a household head unable to work without any other breadwinner in the household.

E Involuntary Resettlement Impacts

E.1 Loss of Land

Out of the land requirements of 3,174.8 ha, 223.1 ha is public land, which will not be acquired, as it is already the property of the Government of Malawi. The 236.1 ha of the safety buffer area are not acquired. In total, 2,715.5 ha of land is being acquired by the RAP, as indicated in Table B. The vast majority of this land sits in Neno District (2,226.7 ha), rather than Blantyre District (488.82 ha). Ten of these plots are being cultivated, for a total area cultivated of less than 1 ha. The Project will schedule the land acquisition process to avoid impacts on crops. PAPs cultivating crops will be allowed sufficient time to harvest their crops prior to land take, ensuring no loss of mature or near-mature crops.

Table B: Surface Area of Loss of Land, Disaggregated by District

District	Acquired area (ha)	Number of land plots	Number of landowners	Number of landowner households
Blantyre	488.8	254	183	158
Neno	2,226.7	192	182	160
Total	2,715.5	446	364 ^a	316 ^b

^aOne landowner owns one land plot in Blantyre district and one other in Neno District.

^bOne household has one member owning one land plot in Neno district and one other member in Blantyre District. One other household includes one member owning one land plot in Blantyre District and one other in Neno District. .

E.2 Loss of Trees

A total number of 241,939 trees will be affected, as shown in Table C. The vast majority indigenous trees.

Table C: Loss of Trees, Disaggregated by District

District	Fruit trees	Palm trees	Timber trees			Total
			Exotic trees	Indigenous trees	Timber total	
Blantyre	302	7	1141	44,467	45,608	45,917
Neno	97	52	89	195,784	195,873	196,022
Total	399	59	1,230	240,251	241,481	241,939

E.3 Loss of Structures

A total of 230 structures will be affected by the main works, as shown in Table D.

Table D: Types of Lost Structures, Disaggregated by District

Categories of structures affected	Blantyre district	Neno district	Both Districts
Bathroom	21	5	26
Bench	1		1
Borehole		2	2
Boys_quarter	1	1	2
Chicken_house	15		15
Commercial_building	3	2	5
Fence	3	3	6
Unfinished structure - Foundations	3		3
Unfinished structure - Gable_level	6		6
Unfinished structure - Walls		2	2
Unfinished structure - Window_level		2	2
House	58	17	75
Kitchen	3	6	9
Kraal	29	16	45
Latrine	9	4	13
Shade	5	4	9
Steps		3	3
Stove	2		2
Tank		1	1
Troughs		2	2
Yard	1		1
Total	160	70	230

E.4 Loss of Businesses

Six businesses are affected by the Main Works RAP, as indicated in Table E. These businesses are three grocery shops, two ranches, and a maize mill. Nine persons are employees from these affected businesses: six are working at a ranch in Neno District, two other employees are working for a PAP owning a large piece of land in the Neno conservancy area, and one employee is working for the maize mill owner.

Table E: Types of Affected Businesses

Business category	Blantyre District	Neno District	Total
Groceries	3	0	3
Maize mill	0	1	1
Ranch	0	2	2
Total	3	3	6

E.5 Community assets impacted

As indicated in Table F, three collective or public assets will be affected. One football ground in Mpindo is losing its entire ground. One reforestation plot in Nkhwali is owned by the Government and not used by the local communities, and as such, will not be compensated as it is already public land.

Table F: Types of Lost Community Entities, Disaggregated by District

Collective asset	Blantyre District	Neno District	Total
Community borehole in Nkhwali Village	0	1	1
Football ground in Mpindo	1	0	1
Government-owned reforestation plot	0	1	1
Total	1	2	3

E.6 Loss of Collective Access to Natural Resources

a Loss of access to the Shire River

Access to the Shire River during construction will be limited around the construction sites for safety reasons. During operation, some areas of the Shire River and its banks will no longer be accessible to the local communities as defined in Section 2.2.7:

- On the Blantyre side (left bank), it will be possible to access the regulating dam shore except in the following fenced areas:
 - The area between the main dam and 1.5 km downstream of the main powerhouse, including the main switchyard. This will affect Mpindo villagers, who will lose access to about half of the riverbanks in their village;
 - The area between the regulating dam and the northern boundary of Majete, and the regulating dam switchyard. This will affect Mbwinja villagers, who will lose their main access to the Shire Riverbank;
- On the Neno side (right bank), the proposed biodiversity conservancy area will be fenced from the main dam to the limit with Majete Park. No public access to the regulating reservoir shore will be possible. The fencing of the conservancy area is planned at the very beginning of construction. It means Nkhwali village will no longer have access to the Shire River from the start of the construction; and
- During operation, access to the main reservoir close to the main dam will not be allowed for safety reasons within 500 m from the main dam, its spillways, its water intake and diversion tunnel. This will reduce the area of riverbanks available to Chaswanthaka villagers.

Collective Livelihood Restoration Measures are defined to address these impacts. The Project will define and implement alternative solutions to restore access to water for the villages affected by restriction of access to the future reservoirs and maintain access to the main reservoir. They will be implemented in a participatory manner with the affected villages, to ensure they are socially acceptable and adapted to the needs and uses of the affected villages.

b Loss of Access to Terrestrial Natural Resources

The land acquisition for the Project will reduce the areas available for charcoal making and livestock grazing activities in Chaswanthaka, Mpindo, Mbwinja and Nkhwali villages and to lesser extent in Divala village as well. At the village level, it is likely that the reduction of areas available to produce charcoal or graze cattle will increase pressure on terrestrial natural resources outside of the Project lands requirements. In addition, the impacts on the use of terrestrial natural resources at the village level cannot be assessed solely from the RAP perspective. Pressure on natural resources could also increase because of Project-induced in-migration, and from the influx of workers, as described in the ESIA.

Therefore, the impacts of the reduction of access to terrestrial natural resources will likely be experienced collectively by the affected villages. Overall, there will be a need to develop alternative sources of livelihood for the affected households, but also the affected villages as a whole.

As these impacts will be collective, measures to address impacts from restriction of access to terrestrial natural resources will be collective in nature, rather than directed towards individuals or households¹. Households-level livelihood restoration activities will be offered to affected households in addition to the collective ones, including development of alternative sources of income.

E.7 Impacts on Cultural Heritage Elements

One Bwalo (Community Gathering Space) located in Nkhwali village will be affected. This Bwalo serves as a meeting place for community gatherings, dispute resolution, and cultural ceremonies. While replicable, its cultural significance is substantial, and relocation must involve community consultation and the ritual transfer of any spiritually significant trees.

Three lone graves, one in Chaswanthaka and two in Nkhwali village will be affected. They will be displaced according to the graveyards relocation plan to be prepared and implemented by the Department of Museums and Monuments (DoMM). The affected graves will be relocated to new cemeteries developed in Kambalame and Chaswanthaka villages during the main reservoir RAP, or to Nkhwali Village cemetery for graves originating from Nkhwali. The relocation process will comply with Malawi law, IFC Performance Standard 8, and community cultural protocols.

F Eligibility and Entitlements

F.1 Entitlements matrix

Table G next page presents the eligibility and entitlement matrix for the main works RAP. It is similar to the one defined in the 2024 Resettlement Policy Framework, except that it does not include easement of transmission lines, as this impact will not occur in this main works RAP.

¹ As envisaged in IFC PS5 § 28

Table I: Entitlement Matrix for the Main Works RAP

Type of impact	Eligible Party	Entitlements	
		Compensation in Cash <u>OR</u> Compensation in Kind	Livelihood Restoration
Loss of land	Landowners with legal land rights (both under customary law and/or with formal documentation)	<p>Compensation in cash at full replacement cost;</p> <p>OR</p> <p>The households <u>physically displaced</u> (i.e. losing their home) by the main reservoir and Main Works from Kambalame, Chaswanthaka and Mpindo villages will be offered in-kind replacement land on the resettlement sites. The households physically displaced in the other villages will be offered assisted self-relocation on a plot they will choose in the same village or GV.</p> <p>The Households <u>economically displaced</u> (i.e. losing land without losing their house) will be offered the possibility to choose in-kind replacement land to be identified in the same village or group village over cash compensation, <u>if</u> they are losing productive land, Residing in the affected villages or group villages (i.e. non-resident affected persons will not be offered replacement land) and <u>if</u> they are in one of the categories below:</p> <ul style="list-style-type: none"> • Affected vulnerable household (as outlined in 4.2.12 of this report); • Losing either the entirety or more than 30% of their land; <p>A land title will be issued at no cost for the PAP opting for in-kind compensation.</p> <p>AND</p> <ul style="list-style-type: none"> • When a land plot is only partially lost, the landowner will have the possibility to request the Project to acquire the entirety of the land plot if the remaining part is not economically viable (as defined in Section 6.3.1); • Disturbance allowance (20% of the total compensation amount). 	<p>Livelihood Restoration support is defined in Section 9 of this report (except non-resident PAP).</p> <p>Transitional support (except non-resident PAP): a staple food basket per household provided in-kind during 6 months as defined in Section 9 of this report.</p>
Loss of access to land	Tenant of rented land	<ul style="list-style-type: none"> • No compensation for land; • Advance notice to vacate the land (no less than 2 months); • Compensation for the unexpired portion of the lease for the land lost; • Crops, trees, and structures are compensated as per the entitlements below. 	<p>Livelihood Restoration support is defined in Section 9 of this report.</p> <p>Transitional support (except non-resident PAP): a staple food basket per household provided in-kind during 6 months.</p>
	Land users without recognisable rights	<ul style="list-style-type: none"> • No compensation for land; • Advance notice to vacate the land (no less than 2 months); • Crops, trees and structures compensated as per the entitlements below. 	<p>Livelihood Restoration support is defined in Section 9 of this report.</p> <p>Transitional support (except non-resident PAP): a staple food basket per household provided in-kind during 6 months.</p>
Loss of residential structure	The house owner residing in the house (Physical displacement)	<p>The affected households that are physically displaced will have the choice between cash compensation and in-kind compensation.</p> <p>Cash compensation: Compensation at full replacement cost, at least be sufficient to enable purchase or construction of housing of similar or better standing and quality than the house lost, and as a minimum, of housing that meets acceptable minimum community standards of quality and safety. Right to salvage materials before the land is vacated.</p> <p>OR</p> <p>In-kind compensation: For the households physically displaced by the main reservoir and Main Works from Kambalame, Chaswanthaka and Mpindo villages: in-kind replacement housing on one of the resettlement sites, built by the Project.</p>	<p>Livelihood Restoration support is defined in Section 9 of this report.</p> <p>Transitional support (except non-resident PAP): a staple food basket per household provided in-kind during 6 months.</p>

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Type of impact	Eligible Party	Entitlements	
		Compensation in Cash <u>OR</u> Compensation in Kind	Livelihood Restoration
		For the physically displaced households in the other villages by the other Project components, assisted self-relocation and Project-organised construction of replacement housing (the affected person identifies a replacement land plot in the same village or group village, the Project pays for this land using the land rate defined, and the Project then construct a house on the replacement plot for the affected household). AND <ul style="list-style-type: none"> • Moving allowance; • Disturbance allowance (20% of the total compensation amount); • For vulnerable households physically displaced: Assistance in their move, by provision of a vehicle to transport their belongings. 	
	Landlord of the affected house (not residing in the affected house – no physical displacement)	<ul style="list-style-type: none"> • Cash compensation at full replacement cost; • Disturbance allowance (20% of the total compensation amount). 	-
	Tenant of the affected house	<ul style="list-style-type: none"> • No compensation for the structure; • Compensation for paid unexpired portion of the lease for the residency, as applicable; • Advance notice to vacate the house (no less than 2 months); • Moving allowance. 	-
Loss of uninhabited private structures, such as commercial structures, churches, mosques, and/or ancillary structures not used as housing (foundations, uncompleted buildings)	Structure owner Churches or Mosques will be compensated to the organisation managing them.	<ul style="list-style-type: none"> • Compensation at full replacement cost; • Right to salvage materials before displacement occurs; • Disturbance allowance (20% of the total compensation amount). 	-
Loss of annual crops, perennial crops and trees	Landowner cultivating/owning crops and trees	Trees will be compensated at full replacement cost. The Project will schedule the land acquisition process to avoid or minimise as much as possible impacts on crops. PAPs cultivating annual crops will be allowed sufficient time to harvest their crops prior to land take, ensuring no loss of mature or near-mature crops. They will have no less than 2 months advance notice to vacate the land and right to harvest the crops before the date the land shall be vacated (as long as it does not interfere with Project construction timelines). Where annual crops are damaged or destroyed due to project activities during construction, including impacts from machinery movement or site clearance, these crops will be eligible for compensation. When and where it will not be possible to avoid impacts on crops, the following principles will apply: <ul style="list-style-type: none"> • Compensation at full replacement cost for crops; 	Livelihood Restoration support is defined in Section 9 of this report. Transitional support (except non-resident PAP): a staple food basket per household provided in-kind during 6 months.

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Type of impact	Eligible Party	Entitlements	
		Compensation in Cash <u>OR</u> Compensation in Kind	Livelihood Restoration
		<ul style="list-style-type: none"> • Compensation at full replacement cost for improvements on the land made by the landowner; • Disturbance allowance (20% of the total compensation amount). 	
	Tenants or sharecroppers cultivating/owning crops and trees	<p>Trees will be compensated at full replacement cost.</p> <p>The Project will schedule the land acquisition process to avoid or minimise as much as possible impacts on crops. PAPs cultivating annual crops will be allowed sufficient time to harvest their crops prior to land take, ensuring no loss of mature or near-mature crops. They will have no less than 2 months advance notice to vacate the land and right to harvest the crops before the date the land shall be vacated (as long as it does not interfere with Project construction timelines). Where annual crops are damaged or destroyed due to project activities during construction, including impacts from machinery movement or site clearance, these crops will be eligible for compensation. When and where it will not be possible to avoid impacts on crops, the following principles will apply:</p> <ul style="list-style-type: none"> • Compensation at full replacement cost, allocation of compensation according to the arrangement (formal contract or informal arrangement) between the landowner and the tenant or sharecropper; • Compensation at full replacement cost for improvements on the land made by the tenant/sharecroppers; • Disturbance allowance (20% of the total compensation amount). 	<p>Livelihood Restoration support is defined in Section 9 of this report.</p> <p>Transitional support (except non-resident PAP): a staple food basket per household provided in-kind during 6 months.</p>
Loss of business revenue	Formal businesses owners (Including commercial farms or ranches)	<ul style="list-style-type: none"> • In addition to the compensation for the loss of land, structures and/or crops/trees, as compensation for the loss of income for the time required to re-establish the business, a one-off allowance equivalent to 3 months of their average net revenue <i>to be based on the documented average net income for the past 2 years.</i> • Moving Allowance to displace the business 	-
	Informal businesses owners	<ul style="list-style-type: none"> • In addition to the compensation for the loss of land, structures and/or crops/trees, as compensation for the loss of income for the time required to re-establish the business, one-off allowance equivalent to 3 months of the average net revenue <i>estimated for the business category, based on a business survey.</i> • Moving Allowance to displace the business 	-
Loss of income due to loss of employment	Employees or regular workers of the businesses (including ranch workers)	<ul style="list-style-type: none"> • One-time allowance equivalent to 3 months minimum wage income in rural areas² to cover the time needed to find another employment. 	-
Loss of Community Assets	Communities losing assets or structures	<ul style="list-style-type: none"> • No Compensation in Cash. • Replacement in-kind or relocation of community assets and structures (such as schools, boreholes). 	-
	Communities losing access to natural resources – all components	-	<p>Collective Livelihood Restoration Measure for All Phased RAPs: [LR 8]</p> <p>Collective support to improve</p>

² As defined by the Ministry of Labour, the minimum rural wage is MWK 126,000 per month as of 1st June 2025 (Ministry of Labour 2025). This amount will be updated if and as required during the phased RAPs.

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Type of impact	Eligible Party	Entitlements	
		Compensation in Cash <u>OR</u> Compensation in Kind	Livelihood Restoration
Restriction or loss of access to natural resources			agricultural production, one measure possible per village, to be chosen amongst the three measures below: <ul style="list-style-type: none"> • Farmer Field Schools, trainings on improved fallow and demonstration plots; OR • Support for the development of small agro-processing units; OR • Support for the development of micro-businesses producing agricultural inputs.
	Villages affected by the restriction of access to the main reservoir and regulating reservoir and restriction of access to the Shire River, as part of this main works RAP: <ul style="list-style-type: none"> • In Blantyre District, in GV Chaswanthaka, Chaswanthaka, Mpindo, Divala and Mbwinja villages; • In Neno District, in GV Feremu, Feremu, Kambalame and Nkhwali villages 	-	In addition of the collective livelihood restoration measures above: <ul style="list-style-type: none"> [LR 9] Support to Sustainable and Green Charcoal Production; [LR 10] Restoration of Access to Water for Domestic and Drinking Purposes; [LR 11] Restoration of Livestock Access to Water; [LR 12] Support to Develop Small-Scale Irrigation; [LR 13] Support for Fisheries Activities for Affected Communities Around the Main Reservoir.
Loss of Grave	Grave rightsholder/custodian/communities	<ul style="list-style-type: none"> • No compensation in cash. • The Project will cover all costs for grave relocation at a new graveyard site selected with the affected communities. 	-
Loss of sacred site	Sacred site rightsholders/custodians/communities	<ul style="list-style-type: none"> • No compensation in cash; • The Project will cover all costs for necessary ceremonies and rituals. 	-
All impacts	Vulnerable households	<ul style="list-style-type: none"> • Compensation for the loss of land and/or assets (structures, trees, crops) as defined above. 	Additional Assistance and Livelihood Restoration support for Vulnerable Households: <ul style="list-style-type: none"> [LR 14] Assistance for Land-Clearing and/or Preparation of Agricultural Fields during displacement; [LR 15] Provision of Small Livestock (Goat or Sheep); [LR 16] Support to Develop Beekeeping.
<p><i>Note: Entitlements are presented by category of loss and category of affected person. One affected household may qualify for entitlement in more than one category.</i></p>			

F.2 Gender Measures

For this RAP and the implementation of this RAP, the following measures will be applied to minimise and mitigate Gender-related risks:

- Gender specific measures are defined for the consultation with affected households during the phased RAPs (see Section 11.411);
- The MHSP has recruited a Gender-Based Violence (GBV) service provider to manage potential cases of GBV, provide support to victims;
- The Grievance Redress Committees have been trained on GBV, and on potential gender-related risks for the compensation process (such as land grabbing by men or misuse of households’ compensation by men).

In addition, the following measures will be implemented during the interaction with affected households during the phased RAPs:

- To ensure women participate in the compensation process and are aware of the compensation provided to the households, the individual disclosure of the compensation packages will be done during one meeting with both spouses and all adults members of the households (including daughters and sons);
- The Project will ensure that both spouses are informed of the household’s entitlements, compensation amount and payment process during individual meetings; and
- Training on the sustainable management of received compensation will be provided to affected households. This training will include women-only sessions, as well as sessions where both spouses will participate together.

F.3 Cut-off date

A cut-off date for determining eligibility for compensation or other assistance is intended to help prevent encroachment by opportunistic settlers. It is most effective when well communicated, documented, and disseminated, including by providing a clear demarcation of areas designated for resettlement. Individuals settling in or starting to use the land in the project area after the cut-off date are not eligible for compensation or resettlement assistance. This cut-off date is the date of the end of the census of affected persons and the inventory of their affected land plots and assets.

The Main Works RAP covers a large area. To avoid delays between the end of the RAP surveys in a given village and the cut-off date, separate cut-off dates were set for both group villages Neno and Blantyre districts. Table H indicates the cut-off dates for the different villages.

Table H: Cut-off Dates for Villages per Group Village

District / TA	Group Village	Villages	Cut-off date
Blantyre / TA Kunthembwe	Chaswanthaka	Mbwinja, Divala	3 May 2025
		Chaswanthaka, Mpindo	12 September 2025
Neno / TA Mlauli	Feremu	Feremu, Kambalame, Nkhwali	31 May 2025

Before the census began in each group of villages, a public meeting was held in each cluster of villages to explain the RAP process, the census and cut-off date principles, and to disclose the Project Grievance Redress Mechanism (GRM). During these community sensitisations meetings, village chiefs were requested to help disseminate information about the census in their villages.

At the end of the RAP surveys in a group of villages, a close-out meeting was organised. During this close-out meeting, the cut-off date principle and date were again explained, and the next steps of the RAP process were explained to the local communities and the affected persons.

G Valuation Methodology

An accredited valuer participated in this RAP to define the compensation rates at full replacement cost. The definition of the full replacement cost is based on a market survey conducted to get up to date on the actual prices of goods. The market survey was conducted from 23rd June 2025 to 11th July 2025, in multiple locations across the Project area.

G.1 Compensation for the Main Works RAP

Full replacement cost (including transaction cost) will be the basis for cash compensation. A choice between cash compensation and in-kind compensation will be offered to households physically displaced as follows:

- For the households physically displaced by the main reservoir and main works from Kambalame, Mpindo and Chaswanthaka villages: **in-kind replacement land and housing** will be offered as in-kind compensation **on the resettlement sites** in the same villages.
- For the other physically displaced households outside of Chaswanthaka, Mpindo and Kambalame villages, **assisted self-relocation** will be offered as in-kind compensation. Replacement land will be identified in the same village or Group Village (GV), and replacement housing will be provided to these households on the replacement lands identified. The identification of replacement lands for assisted self-relocation will be done by the Project with traditional leaders and PAP.

For economically displaced households, a choice between cash and in-kind compensation will be offered only for cultivated and productive lands. Unused lands will be compensated in cash. The households economically displaced (i.e. losing land without losing their house) will be offered the possibility to choose in-kind replacement land to be identified in the same village or group village over cash compensation:

- If they are losing productive lands and
- If they are residing in the affected villages or group villages (i.e. non-resident affected persons will not be offered replacement lands) and
- If they are in one of the categories below:
 - Affected vulnerable household (as outlined in 4.2.11 of this report);
 - Losing either the entirety or more than 30% of their land.

G.2 Valuation methods

The RAP surveys identified only customary land, with no private land affected. The valuation of land was done using the income method. This method focuses on the productive value of land. It assumes that the value of farmland is directly linked to the income generated from the sale of crops produced on the target land. Two main land categories were identified:

- Riverbank land – directly adjacent to the Shire River, with fertile soils and irrigation potential. These areas have the highest agricultural productivity and therefore the highest value.
- Upland areas – drier, less fertile, and dependent on rain-fed cultivation. These areas are less productive and therefore valued lower.

The maximum productive value of land was assessed based on the main crop cultivated in the area, which is maize. Yields per hectare were estimated, and market prices were collected during the market survey. As each of these two categories may be cultivated or left virgin and undeveloped, the valuation has considered the risks associated with such parcels to determine the value of uncultivated lands in both categories. Considering that at the time of acquisition, the uncultivated land may need more inputs to bring it to the condition of the cultivated land, an estimate of 50% of the value of cultivated land has been assigned as the value of uncultivated land.

The cost method assesses the cost of building a new structure equivalent to the one affected, using data collected during the market survey on construction and finishes materials, labour costs, and transportation costs as appropriate. The data collection involved interviews with local suppliers, contractors and real estate agents. On-site visits to construction areas were done to observe market conditions. Material prices were gathered from local suppliers and hardware stores, focusing on commonly used construction materials such as cement, bricks, steel, timber, and finishing materials. Labour rates were obtained through discussions with local contractors operating within the area. Values per square meter or linear meter were determined for each category of structure registered during the asset inventory.

Timber trees, both indigenous and exotic, have been categorised into large, medium, and small shrubs based on trunk diameter. The value of fruit trees was assessed as the lost income during the period needed to re-establish the crop, that is, for the tree to achieve the same productive level.

The Project will schedule the land acquisition process to avoid or minimise as much as possible impacts on crops. PAPs cultivating annual crops will be allowed sufficient time to harvest their crops prior to land take, ensuring no loss of mature or near-mature crops. They will have no less than 2 months advance notice to vacate the land and right to harvest the crops before the date the land shall be vacated (as long as it does not interfere with Project construction timelines). Where annual crops are damaged or destroyed due to project activities during construction, including impacts from machinery movement or site clearance, these crops will be eligible for compensation, using market prices and crop yields per hectare need have been collected during the market survey, updated as necessary to reflect the inflation.

Allowances are provided as follows:

- Disturbance allowance, applied as 20% of the compensation package, to allow for costs and expenses that entities would experience during displacement, which cannot reliably be forecasted.
- Moving allowance to the households physically displaced and the businesses displaced, as a one-off payment of typical transportation costs.
- Allowance for loss of business revenue to businesses where the activities will be displaced, as a fixed amount equivalent to 3 months of average estimated net revenue for the business category estimated during the surveys.
- Allowance for loss of employment revenue, for employees of the businesses to be displaced, defined as a one-time allowance equivalent to 3 months of the minimum wage income in rural areas.

H Assistance to Resettlement

Assistance to resettlement will be provided as follows:

- Provision of in-kind replacement land and housing to the affected households choosing in-kind compensation over cash compensation,
 - On resettlement sites for physically displaced households of Kambalame, Chaswanthaka and Mpindo villages (see Section 8.1). Layouts of these resettlement sites and characteristics of replacement housing were developed in a participatory manner with the affected households. Women and men were consulted separately to ensure women views were considered. To ensure security of tenure, title deeds will be provided at no cost to the PAP.
 - A complementary “assisted self-relocation” approach will be applied for the other components, and/or where small groups of households or individual households are physically displaced, and for economically displaced households losing farmlands they are cultivating if they are a vulnerable household, and/or are losing more than 30% of their productive lands, and are residing in the affected villages and group villages (Section 8.2). Replacement lands will be identified in the village or group village, acquired by the Project, and provided to the affected household opting for assisted self-relocation. To ensure security of tenure, title deeds will be provided at no cost to the PAP.
- Scheduling the timing of the relocation to minimise impacts on farming activities and support the preparation of replacement lands for farming activities (Section 8.3), and
- Psychosocial support to the displaced household to help them adjust to the resettlement process (Section 6.3.5),
- In kind assistance will also be provided to vulnerable households physically displaced to move their belongings during their relocation

I Livelihood Restoration

The livelihood restoration measures are listed in Table I below and detailed in Section 9 of the report.

Table I: Summary of Livelihood Restoration Measures for the Main Works RAP

Category of Measures	Category of Affected Persons or Households Eligible for this RAP	Livelihood Restoration Measures
Support During the Compensation and Resettlement Process	All affected households	[LR 1] Support to Open a Bank Account
	All affected households	[LR 2] Training for Sustainable Management of Compensation
	All affected households residing in the affected villages. Non-resident affected households will not be eligible for this measure.	[LR 3] Transitional Support
Support to Existing Farming Activities	Household with cultivated plots affected (Non-resident affected households will not be eligible for this measure.)	[LR 4] In-kind Provision of Agricultural Inputs to Restore Crop Production
	All affected household, except non-residents	[LR 5] Provision of One Bicycle per Affected Household
Support to Develop Alternative Livelihood Activities	All affected household, except non-residents	[LR 6] Support to the Development of Off-Farm Economic Activities.
	All affected household, except non-residents	[LR 7] Preferential Hiring and Skills Training.
Collective Livelihood Restoration Measures	All affected villages.	[LR 8] Collective support to improve agricultural production, one measure possible per village, to be chosen amongst the three measures below: <ul style="list-style-type: none"> Farmer Field Schools, trainings on improved fallow and demonstration plots; OR Support for the development of small agro-processing units; OR Support for the development of micro-businesses producing agricultural inputs.
	Villages affected by restriction of access to the main reservoir and regulating reservoir: for this main works RAP: In Blantyre District, in GV Chaswanthaka: Chaswanthaka, Mpindo, Divala and Mbwinja villages; In Neno District, In GV Feremu, Feremu, Kambalame and Nkhwali villages.	<ul style="list-style-type: none"> [LR 9] Support to Sustainable and Green Charcoal Production; [LR 10] Restoration of Access to Water for Domestic and Drinking Purposes; [LR 11] Restoration of Livestock Access to Water; [LR 12] Support to Develop Small-Scale Irrigation; [LR 13] Support for Fisheries Activities for Affected Communities Around the main reservoir.
Livelihood Restoration Measures for Vulnerable Households	Affected Vulnerable Households.	[LR 14] Assistance for Land-Clearing and/or Preparation of Agricultural Fields after displacement.
		[LR 15] Provision of Small Livestock (Goat or Sheep).
		[LR 16] Support to Develop Beekeeping.

J Implementation Arrangements

On 24th August 2022, the Government of Malawi signed an agreement to progress the development of the Mpatamanga Project as a Public Private Partnership (PPP). This agreement

was signed with a private sector consortium comprised of *Electricité de France International* (EDFI, fully owned by EDF; a French multinational electric utility company owned by the French Government) and SN Malawi BV, whose shareholders are Total Energies (a French publicly listed company), BII (British Government owned) and Norfund (Norwegian Government owned).

The Government of Malawi has established a Steering Committee, a Task Force Committee and a Project Implementation Unit (PIU) to support the development of the Mpatamanga project.

The joint EDFI-SN Malawi BV Consortium has developed Mpatamanga Hydro Power Limited (MHPL) as the Project Company that will lead the development of the Project, working in close coordination with the GoM PIU and the IFC. In the future, it is expected the GoM (represented by EGENCO) and IFC will become MHPL shareholders.

The specific roles and responsibilities of MHPL and the GoM will be described in an Implementation Agreement to be signed before Financial Close, along with other project and financing agreements. The main principles of this Implementation Agreement related to the land acquisition, compensation and resettlement process are outlined below.

- The land acquisition and compensation process is managed jointly by MHPL and the GoM,
- All compensation (in cash or in-kind) under this RAP will be paid by the GoM, using funds from the World Bank, in line with World Bank policy, including ESS5,
- The GoM will develop the resettlement assets (land titling plan, levelling, access roads, lighting, water supply, replacement houses), as this development is necessary for the provision of in-kind compensation (i.e. replacement land and replacement housing) and the community assets and structures (such as schools, boreholes) to be rebuilt. The GoM, through the Ministry of Energy, delegated in July 2024 to MHPL acting as Owner's Engineer the management of the construction of the resettlement sites, the replacement housing and the public infrastructures affected by the Project. This includes: planning, designing, procurement of construction contractor(s), and supervision of the construction works.
- The livelihood restoration program will be funded and implemented by MHPL.

The land needed for the Project will be acquired by the Government.

Resettlement Working Groups (RWGs) will be established by the Project to consult collectively with affected households. They will be used as a forum to ensure that the principle of informed consultation and participation is incorporated into key aspects of the RAP processes.

The RWGs will be organised with a two-tier structure:

- The first Tier of the RWGs will be established at the Group Village level. It will include Group Village Heads (GVHs), Village Heads, and representatives for Project-Affected People (PAP) who will be elected by and amongst them; and
- The second Tier of the RWGs is established at the district level, and include District Council (DC) representatives, relevant Traditional Authorities (TAs), and other relevant stakeholders. The RWG have been established in Neno District in June 2025 and in Blantyre District in March 2025.

Section 10 of this report provides the distribution of institutional responsibilities for the RAP preparation and implementation.

K Information Disclosure and Consultations

Several rounds of consultations and engagement with the local communities and institutional stakeholders were undertaken by the Project between 2016 and 2021. Since September 2022, regular engagement with the local communities in the main reservoir and main works areas is performed by the GoM PIU and MHPL: monthly community meetings and quarterly stakeholder meetings are organised as per the Project Stakeholder Engagement Plan. In addition, MHPL Grievance Officer and Community Liaison Officers (CLOs) are visiting weekly the affected Group Villages to collect feedback submitted via MHSP Suggestion boxes.

Between 2023 and 2025, the following consultation activities were performed. These consultations included villages that are part of the Main Works RAP:

- Consultations during the selection of the Kambalame and Chaswanthaka resettlement sites in September 2022,
- Community sensitisation meeting in August and September 2023, before the start of the Resettlement Policy Framework and ESIA investigations,
- Disclosure of information on the Project activities and schedule during the socioeconomic surveys between September and December 2023, through individual interviews, Focus Group Discussions, meetings and key informants’ interviews,
- ESIA scoping meetings were also performed in November 2023, and information on the potential Project’s impacts was discussed with the affected communities, authorities and institutional stakeholders,
- Consultations during the selection of the Mpindo resettlement site between June and July 2024
- A round of public consultation meetings has been organised in July and September 2024, to present the results of the 2024 E&S studies (RPF and ESIA), present the updated Project status and schedule. The Project disclosed the impacts and mitigation measures defined in the draft 2024 ESIA, and the draft RPF, including the approach for the land acquisition, compensation, resettlement and livelihood restoration.
- Consultations during the preparation of the conceptual layout of the resettlement sites in September and December 2024
- Engagement and consultations during the preparation of the Early Works Phase 1 RAP in January and February 2025.

The following documents have been made publicly available on MHPL website:

- The RPF in English, and the Executive Summary of the RPF in English and in Chichewa,
- The Early Works Phase 1 RAP report.

L Grievance Redress Mechanism

The Mpatamanga Hydropower Storage Project Grievance Redress Mechanism (GRM) is defined in the Project Stakeholder Engagement Plan. RAP-related grievances will be managed through the Project GRM. This GRM is described in Section 12 of this report. The Project GRM has the objective of helping third parties to avoid resorting to the judicial system for as many grievances as possible. This mechanism includes three successive tiers of extra-judicial amicable grievance review and resolution: (i) the first is the Group Village Grievance Redress Committee, (ii) the second is the Project Grievance Redress Committee and (iii) the third is a Project Grievance Review Board. Complainants can resort to the judiciary channels at any time. The three-tier process does not deter them from doing so.

M Monitoring and Evaluation

The monitoring and evaluation activities are summarised in Table H below.

Table H: Summarised Monitoring and Evaluation Activities

Monitoring and evaluation activities	Reporting	Frequency / Schedule
Internal monitoring	Monitoring of RAPs implementation from MHPL Social Team to the Mpatamanga Hydropower Storage Project Management (MHPL and PIU).	Monthly during RAP implementation, until completion report (at least two years after payment of compensation, and no longer than 3 years after displacement of affected persons).
	Quarterly RAP implementation monitoring reports, to Mpatamanga Hydropower Storage Project Management (MHPL and PIU) and Lenders.	Quarterly during RAP implementation, until completion report (at least two years after payment of compensation, and no longer than 3 years after displacement of affected persons).
External monitoring	Quarterly reports from the witness NGO to Mpatamanga Project Hydropower	Quarterly, during RAP implementation, until the completion report (at least two years

Monitoring and evaluation activities	Reporting	Frequency / Schedule
	Storage Management (MHPL and PIU) and Lenders.	after payment of compensation, and no longer than 3 years after displacement of affected persons).
Internal Close-out report	One RAP close-out report from MHPL Social Team unit to Lenders.	at least one year after payment of compensation and no longer than 3 years after displacement of affected persons.
Independent Completion audit	One RAP completion audit report from an independent consultant to Mpatamanga Hydropower Storage Project Management (MHPL and PIU) and Lenders.	After submission of the internal close-out reports to the Lenders. (at least one year after payment of compensation and no longer than 3 years after displacement of affected persons)

N Funding and Budget

N.1 Funding

The Government of Malawi will fund the following activities of this main works RAP:

- Payment of all compensations in cash as explained in Section 7.1.
- Development of the resettlement sites (MHPL acting as Owner Engineer for the GOM).
- Implementation costs for the Government-funded Activities include disclosure of the compensation principles and schedules, payment of compensation, and the Government PIU participation in stakeholder engagement, grievances management and monitoring.

MHPL will fund the following activities for this RAP:

- Psychosocial support,
- All livelihood restoration measures defined in Section 9.
- Establishment and operation of the Resettlement Working Groups (first-tier and second-tier).
- Monitoring and Evaluation activities, as defined in Section 14.
- Implementation costs for the activities funded by MHPL, as well as MHPL participation in the disclosure of the compensation principles and schedules, payment of compensation participation to stakeholder engagement, and grievances management.

N.2 Budget

The total budget for the implementation of the main works RAP is estimated to MWK 14,197,824,000 (or USD 8,190,000). This budget includes contingencies. The development of the resettlement sites is not included in this estimate.

RAP Summary Table

#	Variables	Data																	
A. General																			
1	Region/Province/Department ...	Malawi Southern Region																	
2	Municipality/District...	Districts: Blantyre, Neno / TAs: Kunthembwe, Mlauli / Group Villages: Chaswanthaka, Feremu																	
3	Village/Suburb ...	Chaswanthaka, Divala, Mbwinja, Mpindo, Feremu, Kambalame, Nkhwali																	
4	Activities that trigger resettlement	<p>Land requirements for the main works for the Mpatamanga Hydropower Storage Project:</p> <ul style="list-style-type: none"> • Area covering all Project main facilities, as well as construction facilities, and the regulating reservoir area. Any area located in the main reservoir that is to be used for construction facilities will also be acquired at that time (upstream coffer dam and diversion tunnel works). • The new sections of the S137 road in Neno district, • The area for the Project's conservancy area and • The Kambalame Resettlement site. 																	
5	Project overall cost	Approximately USD 1.5 Billion																	
6	Overall resettlement cost	The total budget for the implementation of the main works RAP is estimated to USD 8,190,000. The development of the resettlement sites is not included in this estimate.																	
7	Applied cut-off date (s)	<table border="1"> <thead> <tr> <th>GVH</th> <th>Village</th> <th>Cut-off date</th> </tr> </thead> <tbody> <tr> <td>Chaswanthaka</td> <td>Mbwinja, Divala</td> <td>3 May 2025</td> </tr> <tr> <td>Feremu</td> <td>Feremu, Kambalame, Nkhwali</td> <td>31 May 2025</td> </tr> <tr> <td>Chaswanthaka</td> <td>Chaswanthaka, Mpindo</td> <td>12 September 2025</td> </tr> </tbody> </table>	GVH	Village	Cut-off date	Chaswanthaka	Mbwinja, Divala	3 May 2025	Feremu	Feremu, Kambalame, Nkhwali	31 May 2025	Chaswanthaka	Chaswanthaka, Mpindo	12 September 2025					
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Chaswanthaka	Chaswanthaka, Mpindo	12 September 2025																	
8	Dates of consultation with the people affected by the project (PAP)	<table border="1"> <thead> <tr> <th>Group village</th> <th>Villages</th> <th>Community Sensitisation</th> <th>Close-out</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Chaswanthaka</td> <td>Divala and Mbwinja</td> <td>10 April 2025</td> <td rowspan="2">30 April 2025</td> </tr> <tr> <td>Kambalame and Nkhwali</td> <td>01 May 2025</td> </tr> <tr> <td rowspan="2">Feremu</td> <td>Feremu</td> <td>22 May 2025</td> <td rowspan="2">29 May 2025</td> </tr> <tr> <td>Chaswanthaka</td> <td>Chaswanthaka and Mpindo</td> <td>09 August 2025</td> </tr> </tbody> </table>	Group village	Villages	Community Sensitisation	Close-out	Chaswanthaka	Divala and Mbwinja	10 April 2025	30 April 2025	Kambalame and Nkhwali	01 May 2025	Feremu	Feremu	22 May 2025	29 May 2025	Chaswanthaka	Chaswanthaka and Mpindo	09 August 2025
		Group village	Villages	Community Sensitisation	Close-out														
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Feremu	Feremu	22 May 2025	29 May 2025																
	Chaswanthaka	Chaswanthaka and Mpindo		09 August 2025															
9	Dates of the negotiations of the compensation rates / prices	February 2026																	
B. Specific information																			
10	Number of PAP	325 households (1,534 households' members)																	
11	Number of physically displaced	49 households (220 households' members)																	
12	Number of economically displaced	325 households (1,534 households' members) this includes the physically displaced PAPs in the row above, who are also economically displaced																	
13	Number of affected households	325																	
14	Number of female PAPs	756 individuals																	
15	Number of vulnerable households affected	84																	
16	Number of major PAP (above 18 years old)	797 individuals																	
17	Number of minor PAP (under 18 years old)	737 individuals																	
18	Number of total right-owners	364 individuals																	
19	Number of households losing their shelters	49																	
20	Total area of lost arable/productive lands (ha)	0.81 ha																	
21	Number of households losing their crops	0																	
22	Total areas of farmlands lost (ha)	0.81 ha																	
23	Estimation of agricultural revenue lost (USD)	0																	
24	Number of buildings to demolish totally	82 (6 commercial buildings, 75houses and 2 boys quarters)																	
25	Number of buildings to demolish at 50%	0																	
26	Number of buildings to demolish at 25%	0																	
27	Number of trees lost	241,939																	
28	Number of commercial kiosks to demolish	6 informal businesses																	
29	Number of ambulant/street sailors affected	0																	
30	Number of community-level service infrastructures disrupted or dismantled	0																	
31	Number of households whose livelihood restoration is at risk	325																	
32	Permanent land take	2,715.5 ha of customary land privately owned + 223.1 ha of public land																	
33	Temporary land take	0 ha																	

1 Introduction

This report is the Resettlement Action Plan (RAP) for the Main Works of the Mpatamanga Hydropower Storage Project.

This RAP is prepared after a Resettlement Policy Framework (RPF) was prepared and disclosed in 2024. The RPF defined the eligibility, entitlement and compensation principles, as well as the institutional arrangements for all phases of the land acquisition, compensation and resettlement process. This RAP is prepared following the principles and measures defined in the RPF.

1.1 Project Overview

The proposed Mpatamanga Hydropower Storage Project (MHSP, or the Project) is being developed by Mpatamanga Hydro Project Limited (MHPL) and the Government of Malawi (GoM) under a Public Private Partnership (PPP) framework. The Project is located in the Southern Region within the Blantyre and the Neno districts, on the Shire River, the largest river in Malawi, between the existing Tedzani and Kapichira hydropower schemes. A main dam (55 m high) on the Shire River will create a 20.2 km² reservoir at full supply level, with a total storage volume of 272 million m³. Water from the main reservoir will drop by approximately 66 m to a 301 MW powerhouse located 1 km downstream of the main dam. The water discharged from the main powerhouse into the Shire River (installed capacity of 550 m³/s) will then flow into a 1.35 km² and 11.15 million m³ regulating reservoir (at full supply level) created by a 45 m high regulating dam located 6 km downstream on the Shire River. Water from the regulating reservoir will be discharged into the Shire River through a 57.5 MW powerhouse located at the foot of the dam (installed capacity of 388 m³/s). From the upper part of the main reservoir to the regulating dam, the Project footprint will extend over 29 km of river length. Figure 1 shows the Project's situation and components.

The Project is expected to contribute to reducing energy shortages and enhancing energy security in Malawi. The 301 MW plant with its main reservoir storage is designed to provide much-needed energy during peak demand hours of the day and overall grid stability with its ability to ramp up or down production to meet actual demand. The targeted average annual energy production is 1,544 GWh (MHPL, 2023b).

The electricity generated by the Project will be delivered to the grid through two transmission lines: a 63 km long 400 kV transmission line from the main powerhouse to the existing Phombeya sub-station, and a 10.5 km long 132 kV transmission line that will connect the regulation dam powerhouse to the existing Tedzani-Kapichira transmission line (Loop-In-Loop-Out).

Part of the S137 road - which links Blantyre to Mwanza - will be flooded by the future Mpatamanga main reservoir. A new section of the S137 road will be built by the Project. The future Chileka Mwanza/M6 S137 road will be about 50 km long and out of these, 11.5 km will be newly constructed by the Project to bypass the main dam and the reservoir, and about 34.5 km will be upgraded on the Blantyre side.

For the operation phase, a permanent operators' village will be built close to the main powerhouse to accommodate the operators of the two dams. A new 6 km long service road will be built by the Project from the main powerhouse to the regulating dam. The workforce will be accommodated in one construction camp during the construction period.

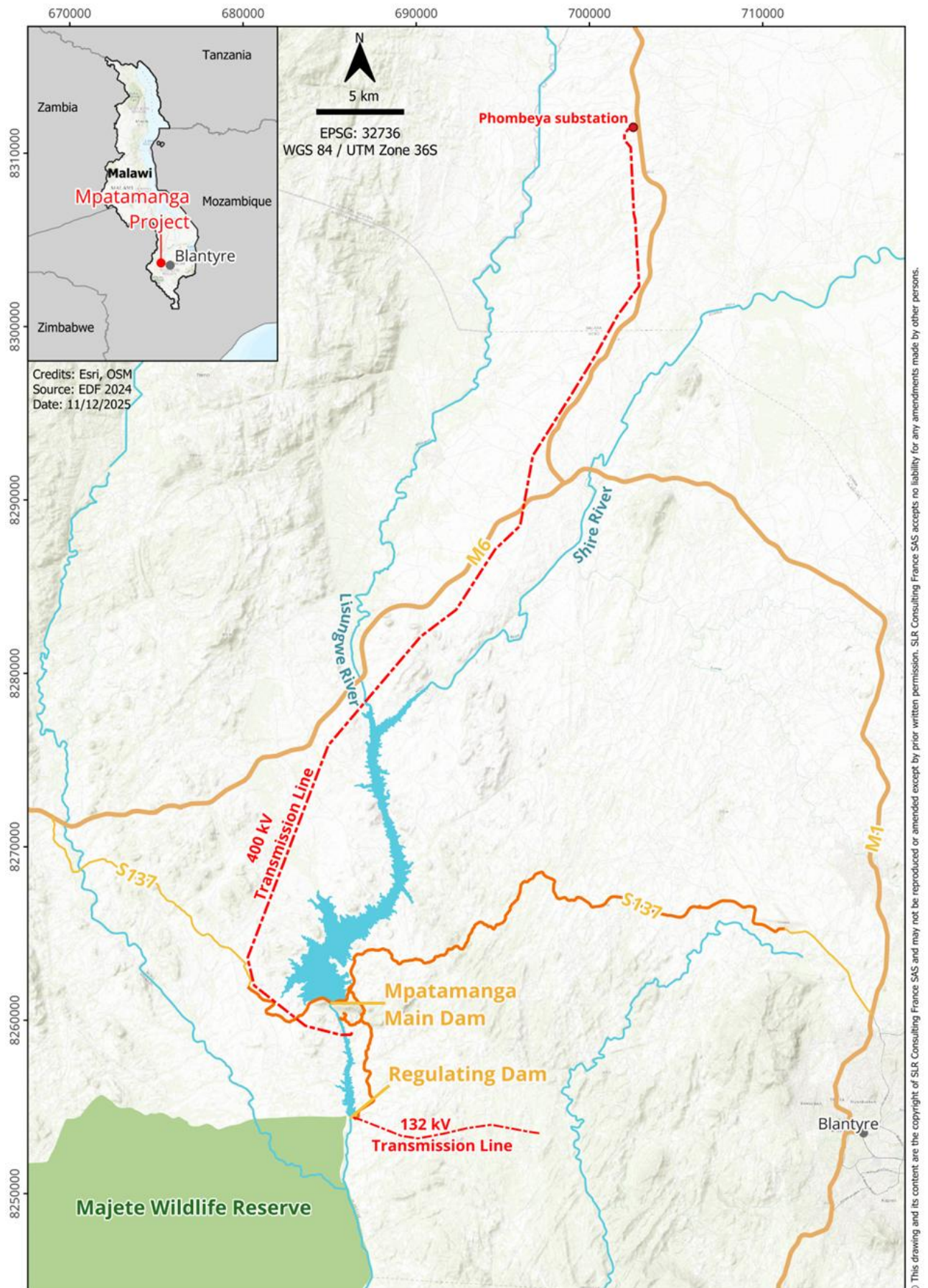
A four-year construction schedule has been estimated for the Project, starting in 2026. The powerhouses' commissioning should take place in 2030. Non-physical works, such as geotechnical investigations, are ongoing. The early works for the construction of the camps, laydown areas, and access roads are planned to be executed from 2026.

To offset the Project's impact on terrestrial biodiversity, a private conservancy area will be established on the right bank of the Shire River, in Neno District, between the main dam and the regulating dam.

The Project will be developed on a build-own-operate-transfer (BOOT) basis by MHPL and the GoM. Mpatamanga Hydro Power Limited (MHPL) is the Project Company. MHPL will be responsible for constructing and operating the Project for a period of 30 years, after which time it will be transferred to GoM for continued operation and maintenance. An Implementation Agreement, which stipulates the responsibilities of MHPL and GoM, will support the BOOT agreement. The BOOT approach allows GoM to be protected from construction costs and operating risk, while at the same time allowing it to benefit significantly from a 30% share in the Project through EGENCO. The remaining 70% of MHPL will be owned by EDF (27.5%), SN Malawi (also 27.5%), and the IFC (15%).

Finance will be provided by EDF, SN Malawi, the IFC, and the GoM, using grant funding from the World Bank, as well as debt from development finance institutions, to be coordinated by the IFC.

Figure 1: Project's Situation and Components



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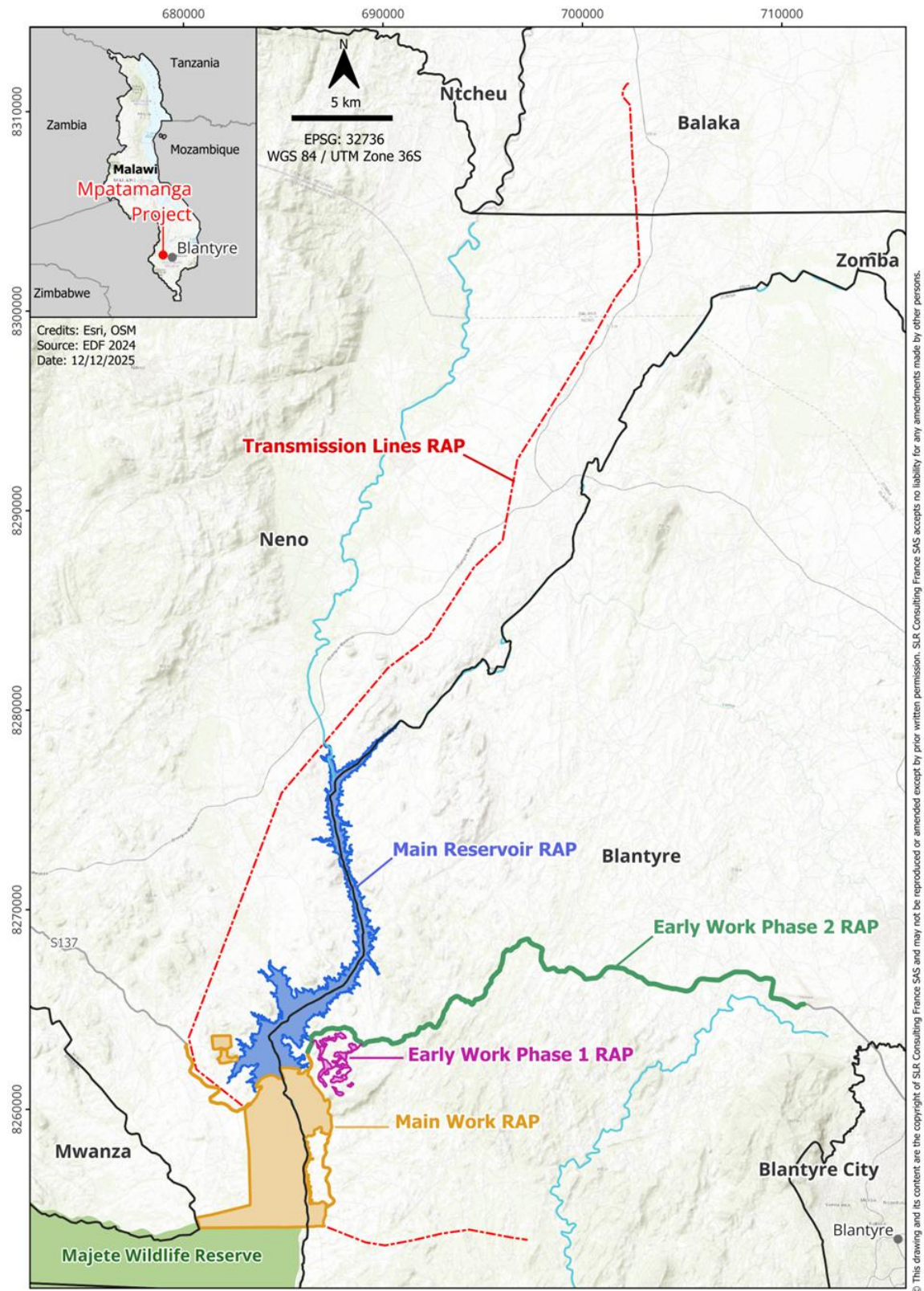
1.2 Phases of the Project's Land Acquisition

The MHSP land acquisition, compensation, and resettlement processes are planned into different phases, aligned with the project's construction schedule. The RAPs are as follows:

- Early Works Phase 1 Resettlement Action Plan for priority areas of the Chaswanthaka and Mpindo resettlement sites. This RAP has been finalised and disclosed in July 2025 and implementation started in July 2025;
- Early Works Phase 2 RAP for the S137 access road refurbishment work in Blantyre District. This RAP was prepared alongside the main works RAP in 2025 and its implementation is planned for 2026;
- Main Works RAP (**this report**): Area covering all Project main facilities, as well as construction facilities, and the regulating reservoir area. Any area located in the main reservoir that is to be used for construction facilities will also be acquired at that time (upstream coffer dam and diversion tunnel works). The Main Works RAP will also include the new sections of the S137 road in Neno District, the area for the Project's conservancy area and the Kambalame Resettlement site. The implementation is planned for 2026;
- Transmission lines RAP (400 kV TL and 132 kV TL): Preparation is planned for 2026 and implementation for 2026-2027; and
- Main Reservoir RAP: Preparation is planned for 2026 - 2027 and implementation for 2027-2028.

Figure 2 shows the Project land requirements for each of the phased RAPs.

Figure 2: Overview of Project's Land Requirements



1.3 Principles and Objectives Governing this Main Works RAP

The principles and objectives adopted in this RAP are the same as those defined in the Resettlement Policy Framework. They are governed by the requirements of Malawi's regulations and of lenders, including the World Bank, the IFC and the African Bank for Development. The objectives of these policies are similar and include the following principles:

- Avoid, and when it is not possible to avoid, minimise and mitigate impacts of involuntary resettlement on affected persons resulting from the implementation of the project;
- Provide complete and accurate information about the project, and afford PAPs meaningful opportunities for participation in design, implementation and monitoring, with particular attention paid to the requirements of vulnerable households and women;
- Ensure that people who are adversely affected are fully compensated and successfully resettled; the livelihoods of economically displaced people are re-established, and their living standard is improved wherever possible;
- Prevent the impoverishment of affected persons due to compulsory land acquisition or loss of livelihood due to project activities;
- Make certain that all affected persons are informed of the resettlement process and are aware of the grievance resolution system available through the project; and
- Provide, when needed, additional assistance for vulnerable groups.

These objectives will be achieved through the application of the following guiding principles:

- Avoid, and when it is not possible to avoid, minimise involuntary resettlement through a combination of:
 - Ensuring that design engineers incorporate the need to minimise involuntary resettlement into the design process and introducing flexibility into design standards for placement of project infrastructure, wherever possible; and
 - Hold frequent meetings between the design and resettlement teams, as well as discussions with affected persons.
- Implement an inclusive approach to entitlements that includes compensation and other assistance for those with no legal right of and occupancy, those with legal or recognised customary title to their land, and those with land use rights;
- Compensation for land and assets that will be lost will be at full replacement cost, and transaction costs for loss of land are covered under replacement cost;
- Provide cash compensation and/ or in-kind assistance that best suits the needs of affected persons commensurate with the extent of the impacts that they will experience;
- Provide a disturbance allowance to mitigate the impact on the livelihoods of affected persons who have to relocate their residence and/or business;
- Implement measures to restore the livelihoods affected by the project so that Project Affected Persons (PAPs) who lose income because of project activities can maintain their current standard of living;
- Implement any additional measures to address the relocation needs of vulnerable groups;
- Maintain a continual process of consultation, disclosure, and negotiations with affected persons throughout the entire resettlement process, including establishing an accessible and transparent grievance redress procedure; and
- Implement a clear and transparent process for the disbursement of any monetary compensation.

1.4 Structure of the Report

This RAP report is structured into the following main chapters:

- Chapter 1 is the present introduction and provides the Project description and the principles governing the Project land acquisition, compensation, and resettlement process;
- Chapter 2 presents the scope of the land acquisition and resettlement, details, and land requirements of the Main Works RAP;
- Chapter 3 analyses the Project Lenders' legal framework and land acquisition and resettlement requirements;
- Chapter 4 describes the socioeconomic profile of the PAPs affected by the Main Works RAP land requirements;
- Chapter 5 describes the impact assessment of the affected communities;
- Chapter 6 defines the eligibility and entitlement to compensation;
- Chapter 7 outlines the valuation methodology that was used to define compensation rates;
- Chapter 8 explains the assistance to resettlement the Project will provide to households physically displaced.
- Chapter 9 describes the livelihood restoration measures to be implemented by the Project for the PAPs impacted by Main Works RAP;
- Chapter 10 provides the institutional arrangements and the distribution of responsibilities amongst the Project's stakeholders engaged in the land acquisition, compensation, and resettlement process;
- Chapter 11 describes the information disclosure, consultation with, and participation of the affected persons;
- Chapter 12 explains the Project Grievance Redress Mechanism;
- Chapter 13 lays out the schedule for preparing and implementing this RAP;
- Chapter 14 defines the monitoring and evaluation program of this RAP;
- Chapter 15 outlines the funding arrangements and provides the estimated budget for preparing and implementing this RAP's land acquisition, compensation, resettlement and livelihood restoration processes.

2 Scope of Land Acquisition and Resettlement

2.1 Overview of the Main Works area

The areas encompassing the main works RAP fall within the Neno and Blantyre districts. The areas include the construction and operational zones for the main and regulating dams, the regulating reservoir, associated facilities, service roads, and the operator's village. During the basic design phase, the Project's team identified a general area for the EPC contractor to set up both permanent and temporary infrastructure. These facilities are within the Blantyre District.

A service road will link the main dam area to the regulating dam.

The 2024 ESIA has assessed construction disturbances (noise, dust, vibration, safety). It will be necessary to apply safety buffers around this service road and around the quarries to be used during construction.

Due to rapid fluctuations in water levels, ranging from 6 to 8 m within minutes, the regulating reservoir will be strictly off-limits for recreational activities such as boating and fishing. Several reservoir sections will be fenced to mitigate the risk of drowning, and public access will be prohibited.

On the Blantyre District side (Left Bank): Public access to the regulating dam shoreline will be permitted except in the following fenced zones:

- The stretch between the main dam and 1.5 km downstream of the powerhouse, including the main switchyard; and
- The area between the regulating dam and the northern boundary of Majete, including the regulating dam switchyard.

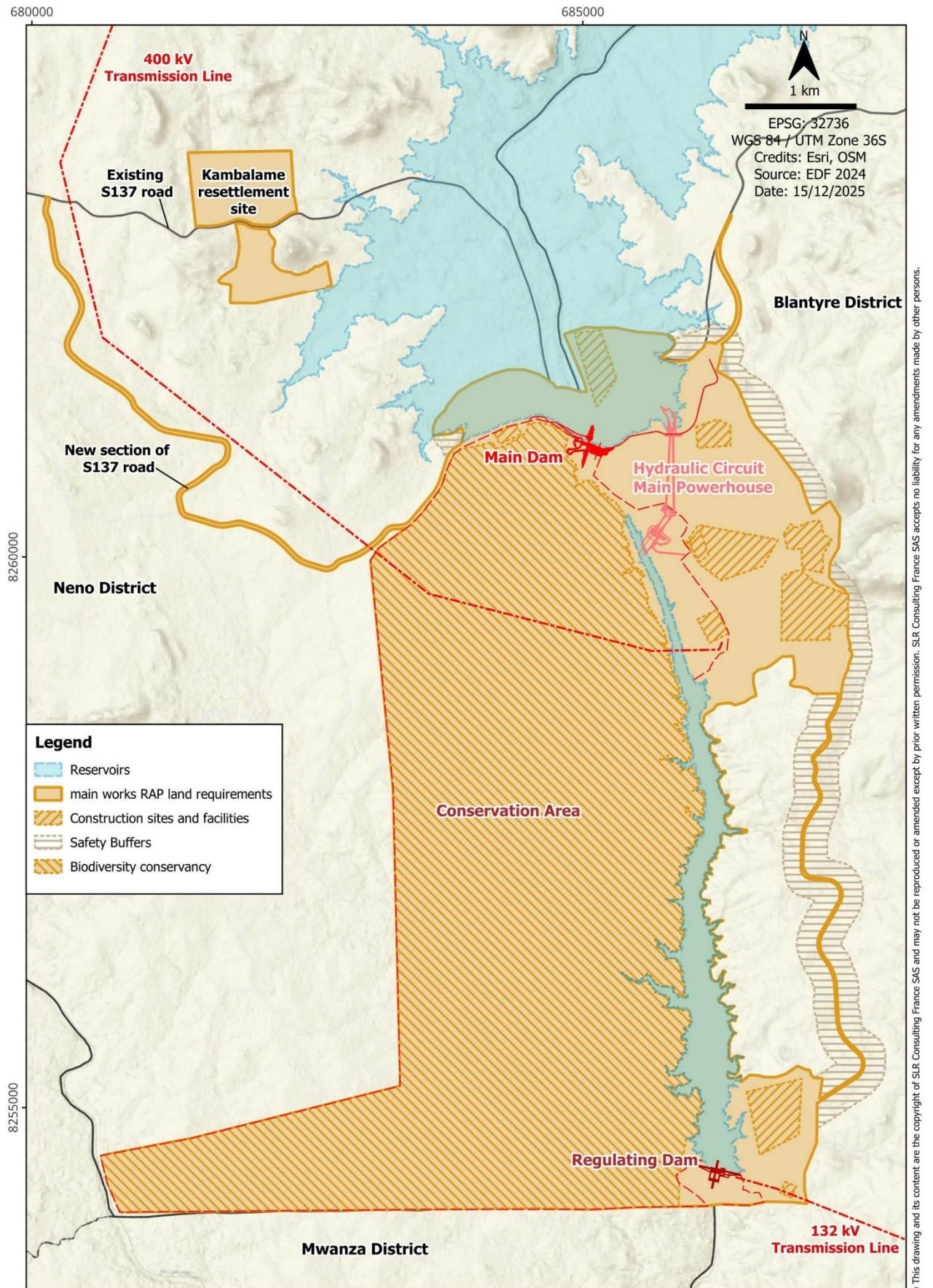
On the Neno side, access will be restricted due to the biodiversity conservancy, which is also part of the Main Works RAP.

Further to the Project's facilities and conservation area, the main works RAP includes the new section of the S137 road in the Neno District (right bank) and the new section of the S137 on Blantyre's side (left bank).

The main works RAP also includes the Kambalame Resettlement site.

The next paragraphs provide more details on the main works land requirements, and Figure 3 illustrates the land requirements covered by the Main Works RAP.

Figure 3: Overview of the Main Works RAP Land Requirements



2.2 Land Requirements for the Main Works RAP

The Project land needs covered by this main works RAP are summarised in Table 1 below and explained in the next paragraphs.

Table 1: Overview of the Land Requirements covered by the Main Works RAP

Project components	Project land needs (ha)	Comment
Main works area	857.8 ha, including <ul style="list-style-type: none"> • 129 ha of public land (not acquired): the strips of lands along the Shire Riverbanks, as per the Water Resources Act, 2013. • 3 ha of public land (not acquired) of the existing section of the S137 road within the main works area and its road reserve in Blantyre District. • 91.1 ha of mountainous areas categorised as public land (not acquired). 	Permanent land requirement. Some of the lands needed for the construction period will not be needed for the operation (for instance construction camps, quarries, borrow pits, any lay-down or working areas required by the Contractors). Where feasible considering operational constraints, these lands could be transferred by MHPL to the GoM after the demobilisation of the contractor at the end of the construction. The possibility for the Government to then transfer some of these lands back to the local communities will be studied by the Project. The public land is already the property of the Government, so it does not need to be acquired.
New sections of S137 road in Blantyre District and Neno District	41.1	Permanent land requirement. The Ministry of Transport and Public Work will own these lands after construction.
Kambalame Resettlement site	94.9	Permanent land requirement: The Project will acquire the land to develop the resettlement site in Kambalame, but as they are an in-kind compensation option, the land plots allocated to affected households and communities on these resettlement sites will be transferred to them after the displacement.
Biodiversity conservancy area	1910	Permanent land requirement: The proposed biodiversity conservancy area will be acquired and fenced before the start of construction and maintained throughout operation.
Safety Buffer areas	236.1 (not acquired)	Temporary restriction of access and use during construction: No residential structure will be allowed in the safety buffer for safety reasons. The land will not be acquired , as grazing and farming are still allowed.
Part of affected land plots that will also be affected by the main reservoirs – acquired as part of the main works RAP	34.9	Permanent land requirement. The land plots affected by the main works and the main reservoir are acquired entirely during the main works RAP.
Total	3174.8	

2.2.1 Main Works Area

The main works area encompasses all Project facilities and construction facilities, from the upstream coffer dam and associated access track, down to the regulating dam construction site. The main works area includes the following facilities:

- The permanent facilities required for the Project's operation:
 - The main dam;
 - The main powerhouse and its substation;
 - The regulating reservoir;
 - The regulating dam with its powerhouse;
 - The operator's village;
 - A service road from the main powerhouse to the regulating dam, which will be a Project road;
 - A transmission line used for operation, connecting the main dam powerhouse to the regulating dam, which will be underground along the service road;
 - Underground inter-sites connections (11 kV line through two independent connections linking the main powerhouse to the main dam; 11 kV line through two independent connections linking the main powerhouse to the main water intake; 33 kV line from the main powerhouse to the operator's village; 33 kV line from the main powerhouse to the regulating powerhouse; and 400 kV line from the regulating dam powerhouse to the regulating dam).
- The temporary facilities required for the construction period:
 - Cofferdams and river diversion works;
 - Construction camps and facilities (such as batching plants, laydown areas);
 - Quarries, borrow pits and spoil disposal areas; and
 - Access roads and tracks (outside of the S137).

At the basic design stage, the Project technical team has identified a general area to be allocated to the EPC contractor to establish the permanent and temporary facilities listed above. Some of the land needed temporarily for the construction period will not be needed for the operation (for instance, construction camps, quarries, any lay-down or working areas required by the Contractors). Where feasible, considering operational constraints, these lands could be transferred by MHPL to the GoM after the demobilisation of the contractor at the end of the construction. The possibility for the Government to then transfer some of these lands back to the local communities will be studied by the Project.

The material excavated for the dam's foundations, tunnel excavations and other permanent facilities will be deposited in designated spoil disposal areas. The quantity and location of spoil disposal areas have yet to be defined, as this will be the responsibility of the EPC Contractor during the detailed design phase.

The main works area also includes some public lands:

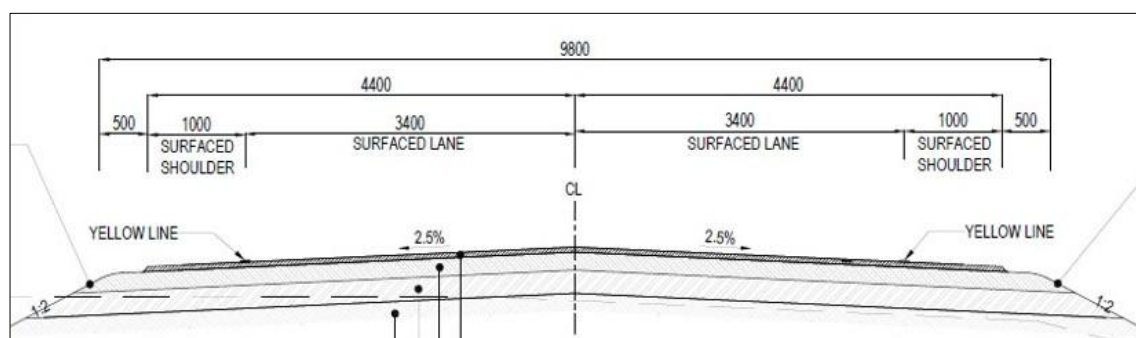
- The existing section of the S137 road that will be flooded by the main reservoir and is included in the main works area: this section of the road, and its existing road reserve, are already owned by the Ministry of Transport and Public Works (MTPW).
- The bed and banks of rivers and the adjacent land strips are public land, as per the Water Resources Act. This strip of public land is defined as a minimum of 15 m from the highest flow level ever or the 100-year flood level. These strips of land, being already public land, are not acquired by the Project.
- One mountainous area categorised as public land

2.2.2 New Sections of the S137

About 11.5 km of additional new section of the S137 road will be constructed by the Project to bypass the main reservoir. New sections of the S137 road will be constructed across both Neno and Blantyre districts. In Blantyre, the new alignment will begin at the point where the existing S137 is diverted toward the main dam crest. From there, it will extend across the dam crest and continue until it reconnects with the existing S137 in the Neno District.

The new sections will need to acquire a new 'road reserve' of 18 m from the centerline, on each side of the road, resulting in a total land requirement width of 36 m. The road itself will be about 10 m wide as shown in Figure 4. Upon completion, the new sections and their associated road reserve will become the property of the Ministry of Transport and Public Works (MTPW).

Figure 4: Cross-sectional configuration for the S137³



2.2.3 Kambalame Resettlement Site

The Kambalame resettlement site in Neno District, within the Traditional Authority (TA) of Mlauli, is located within the Group Village (GV) of Feremu. It was identified in September 2022 by the Regional Commissioner for Land, in collaboration with the Department of Museums and Monuments (DoMM) and the Land officers of the relevant DC. The traditional authorities (village chiefs) and the village development committee were also involved in the identification of the Kambalame resettlement site. The area to be developed for the resettlement site is acquired during this RAP (Main Works), to allow the development of the resettlement site before the main reservoir RAP (as Kambalame village will be affected by the main reservoir).

The Kambalame resettlement site will provide replacement land for households physically displaced in Kambalame village by the Project and those who have chosen in-kind compensation. The site also includes one area for a school.

2.2.4 Biodiversity Conservancy Area

The Neno conservancy will cover an area of 1,910 ha. The current preferred approach for the Project's biodiversity offset is to secure and fence land between the main and regulating dams in Neno District (right bank) to establish a conservancy area. This area aims to prevent human settlement, protect natural habitat from charcoal production, and serve as a biodiversity offset by improving habitat quality.

2.2.5 Safety Buffer Areas

The 2024 ESIA has assessed construction disturbances (noise, dust, vibration, safety). It will be necessary to apply safety buffers as follows:

³ Source: (EDF, 2024)

- A 200 m buffer around the service road (between the quarries and the construction site, down to the regulating dam); and
- A 500 m buffer around the quarries.

No residential structure will be allowed in these safety buffers. Therefore, the households residing in these areas will have to be displaced. The land itself will not be acquired, and it will still be possible to farm in these areas.

2.2.6 Private Plots Affected by the Main Works and the Main Reservoir

Several land plots affected by the main works land will be further impacted by the main reservoir. To avoid acquiring part of a plot now and leaving the remainder for acquisition during the main reservoir RAP, the Project has decided to acquire the entirety of these land plots under this main works RAP. Figure 5 shows these land plots.

2.2.7 Restriction of Access to the Shire River

The water level in the regulating reservoir could vary by around 6 to 8 m in a few minutes. Therefore, it will not be permitted to access the reservoir body (by boat or for fishing). To prevent risks of drowning, several areas of the regulating reservoir will be fenced, and public access to the regulating reservoir will not be permitted (see Figure 6):

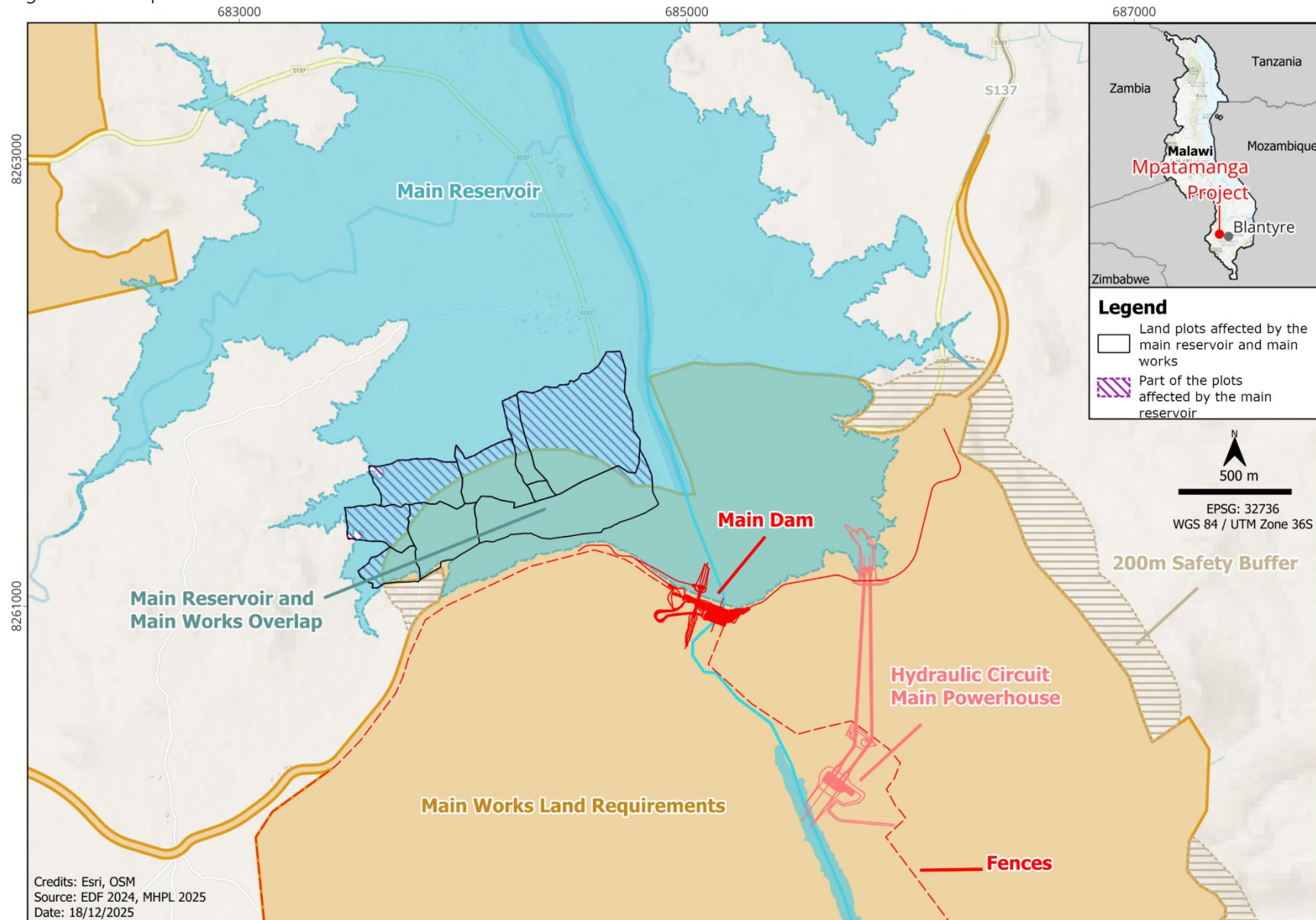
- On the Blantyre side (left bank), it will be possible to access the regulating dam shore except in the following fenced areas:
 - The area between the main dam and 1.5 km downstream of the main powerhouse, including the main switchyard;
 - The area between the regulating dam and the northern boundary of Majete, and the regulating dam switchyard;
- On the Neno Side (right bank), the proposed biodiversity conservancy area will be fenced from the main dam to the limit with Majete Park. No public access to the regulating reservoir shore will be possible.

During operation, access to the main reservoir close to the main dam will not be allowed for safety reasons within 500 m from the main dam, its spillways, its water intake and diversion tunnel.

These areas are illustrated in Figure 6.

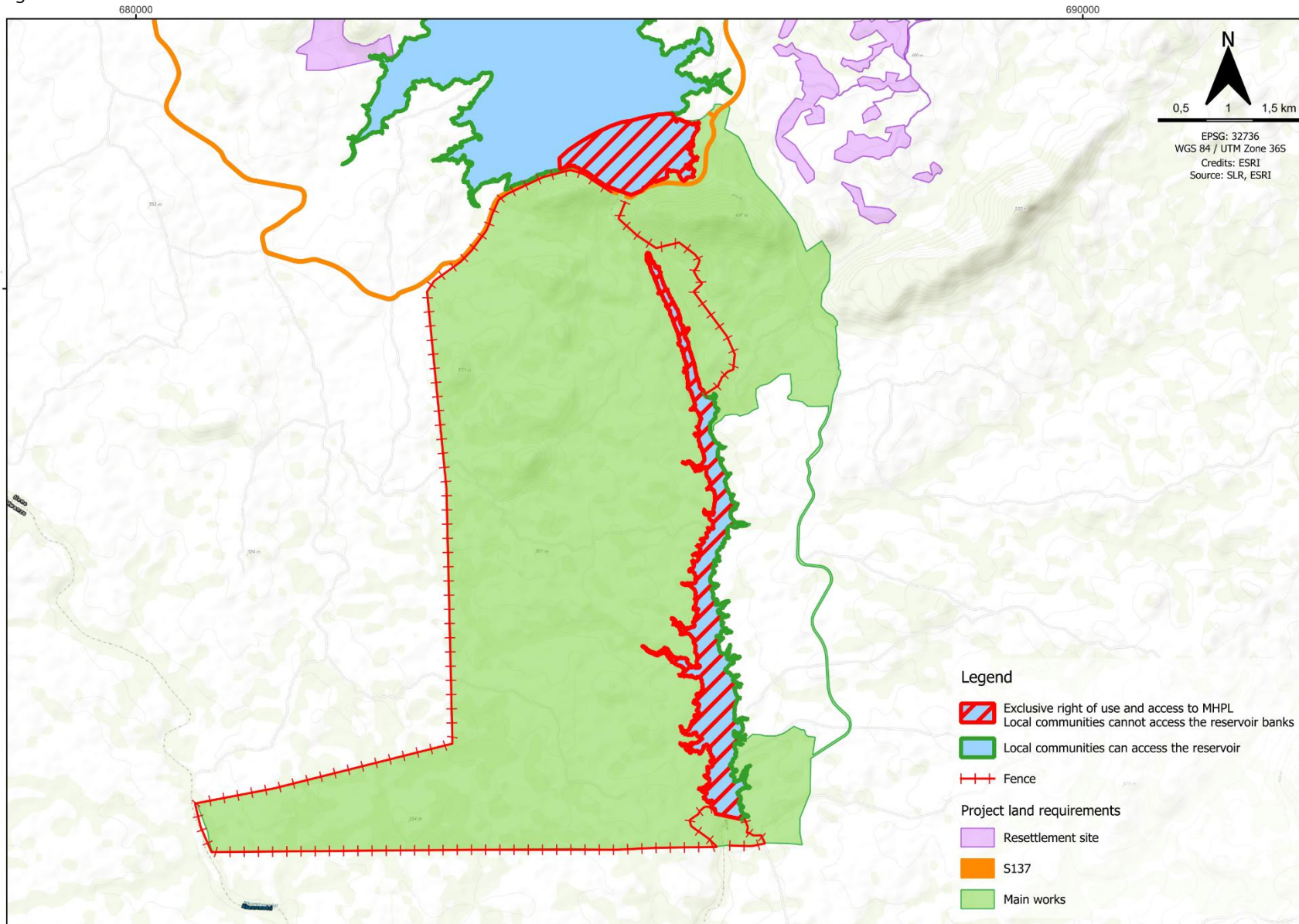
Some collective livelihood restoration measures have been defined to address these restrictions of access to the reservoirs (see Section 9.4).

Figure 5: Overlap area between the two RAPs



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Figure 6: Restriction of Access to the Reservoirs



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2.3 Alternatives Considered to Minimise Involuntary Resettlement

2.3.1 Optimisation of the New S137 Road Section in Neno District

The basic design of the new section of the S137 road in Neno District initially went through Feremu village. Several options have been considered to minimise potential impacts and the less impactful route has been selected, as indicated in Figure 7.

The 2024 RPF estimated that up to 9 households could be physically displaced by the construction of this new section (SLR Consulting, 2024a). The optimisation of the alignment of the new section of the S137 road in Neno District allowed to reduce this number to two households, who are affected by both the new section of the S137 road in Neno District and the main works with the Neno Conservancy area (See Section 5.1).

2.3.2 Kambalame Resettlement Site

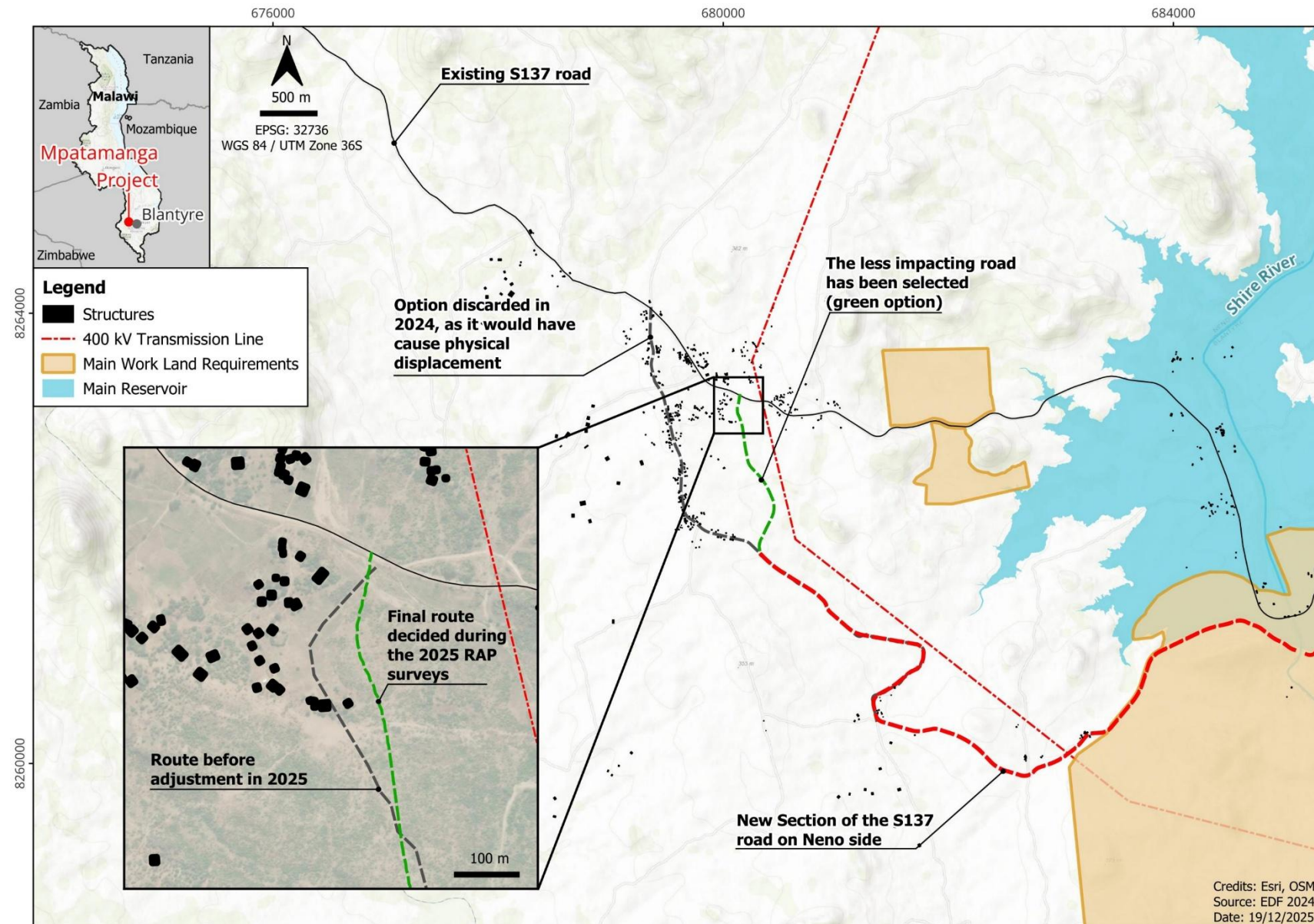
The Kambalame resettlement site, for households physically displaced from Kambalame, was pre-identified by the Regional Commissioner for Land, jointly with the Department of Museum and Monuments and the Land Officers of the relevant DC members, in September 2022. Members of the TA and Village Development Committees (VDCs) were also present during the joint site visit, which was conducted to identify the sites.

Two elevated landforms located in the southern portion of the Kambalame resettlement site have been identified as unsuitable for development. Due to their steep topography and poor soil quality, these areas are not viable for either residential construction or agricultural use. As such, it was decided to exclude these two areas from the total land area acquired for the resettlement site, as they do not contribute to the intended purpose of the development. It was also discovered during the start of the RAP surveys that one of these two areas had been designed as a community-managed reforestation area. Consequently, the boundary of the resettlement site has been adjusted to avoid encroaching on this area.

The size of the Kambalame resettlement site has been reduced from 144 hectares in 2022 to 94.9 hectares in this main works RAP.

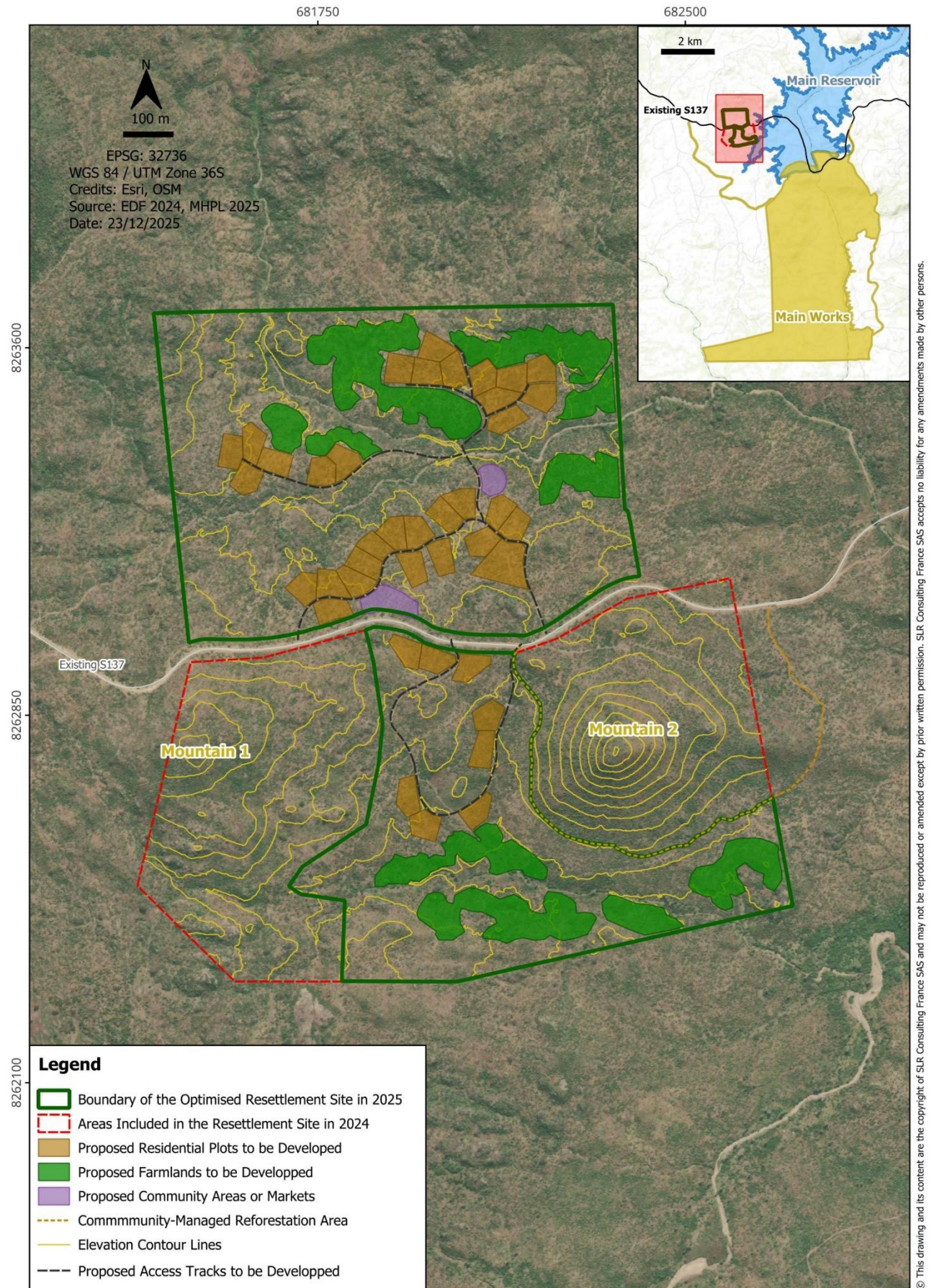
Figure 8 shows the reduction of land requirements for the Kambalame resettlement site. The figure illustrates the initial land requirement and the actual land to be acquired.

Figure 7: Alternatives considered for the New Section of the S137 in the Neno District



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Figure 8: Reduction of the Kambalame Resettlement site



3 Legal Framework and Applicable Standards

3.1 Applicable Standards

The Project complies with Malawi's environmental and social (E&S) laws, regulations and standards. The national framework applicable to land acquisition is described in section 3.2.

The Project also complies with the following international standards related to land acquisition and involuntary resettlement:

- The IFC Performance Standards, notably the IFC Performance Standard 5 (PS5) on Land Acquisition and Involuntary Resettlement (IFC, 2012);
- The World Bank Environmental and Social Framework (Environmental and Social Framework, 2017), and its Environmental and Social Standard 5 (ESS5) on Land Acquisition, Restrictions on Land Use and Involuntary Resettlement;
- AfDB's Integrated Safeguard System (ISS) (African Development Bank (AfDB), 2023), notably the Environmental and Social Operational Standard 5 on Land Acquisition, Restrictions on Access to Land and Land Use and Involuntary Resettlement; and
- The Equator Principles 4 (EP4) (The Equator Principles Association, 2020).

The World Bank ESS5, IFC PS5 and the AfDB OS5 are similar in substance, and the Equator Principles refer to the IFC PS5 regarding land acquisition and involuntary resettlement. Their objectives and requirements are described in section 3.3.

3.2 National Legislation on Land Ownership and Expropriation

3.2.1 Constitution of Malawi

The clauses pertaining to property rights, ownership of land, and expropriations in the Constitution of the Republic of Malawi are outlined in Chapter IV (Human Rights) and Chapter XXII (Transitional Issues). The relevant provisions emphasise the limitations on the government's power to confiscate, condemn, or expropriate property. The constitutional framework constrains such actions, restricting them to instances of public good or national emergencies and necessitating adherence to due process.

Individual property rights are explicitly protected by Article 28.1–28.2, affirming that every person has the right to acquire property independently or in association with others. Furthermore, it prohibits arbitrary deprivation of property.

Article 44.4 in Chapter IV introduces exceptions to these rights, specifying circumstances under which limitations, particularly expropriation of property, are permissible. According to this article, such limitations are allowed only when undertaken for public utility. Moreover, the process requires adequate notification and appropriate compensation. Importantly, individuals retain the right to appeal to a court of law in cases of property expropriation, ensuring a legal recourse mechanism. The constitutional provisions balance the government's authority and the protection of individual property rights, emphasising due process and fairness in property-related actions (Republic of Malawi (Constitution) Act, 1994 (as amended)).

3.2.2 National Land Policy, 2002

The National Land Policy acknowledges the government's responsibility to safeguard property rights in land, ensuring fair compensation when the government acquires private property for public use. The policy emphasises that customary land holds value, and compensation should be based on its open market valuations, including improvements made on land, as inadequate compensation often results from excluding certain factors.

The policy also addresses the relocation of displaced people, stressing the importance of thorough consultations between the District Commissioner's office, TAs, and the affected individuals. These consultations safeguard the interests of those undergoing relocation, reflecting the policy's commitment to inclusive decision-making. In summary, the Malawi National Land Policy strives to balance the economic development objectives with protecting citizens' land rights, promoting fairness, equity, and meaningful engagement in land-related matters (Malawi National Land Policy, 2002).

3.2.3 Land Act, 2016 (as amended by the Land (Amendment) Act, 2022

The Land Act, 2016 (Land Act, 2016) is Malawi's main law governing land administration. It covers aspects like land tenure, transfer, use, and compensation. This Act permanently vests all land in the Republic, rather than under the President's control as was the case previously. The Act categorises land into public and private, with public land including government and unallocated customary land, and private land including freehold, leasehold, or customary estate.

Section 18 of the Land Act, 2016 ensures fair compensation for individuals in case of loss, damage, or disturbance. Section 19 allows customary land to be registered as private land under the Registered Land Act, ensuring tenure security and encouraging investment.

The Act also allocates land to the Malawi Investment and Trade Centre Limited for investment purposes, recognising the importance of secure land tenure for socioeconomic development.

Consequently, the Land Act of 2016 was replaced by the Land (Amendment) Act (No. 5 of 2022).

The Land (Amendment) Act, 2022 (Act No. 5 of 2022) introduces substantial reforms to the Land Act, 2016, aimed at strengthening land governance, clarifying definitions, and enhancing equitable access to land in Malawi.

The amendment revises key land-related definitions, such as "customary land," "customary law," and "freehold land", to improve legal precision and harmonisation with customary practices. It also replaces Section 7 of the principal Act to formally classify land into three categories: public, customary, and private, reflecting current land policy direction.

New provisions (Sections 9A and 9B) affirm the right of every person to access land for shelter and livelihood, require government action to prevent excessive land concentration, and prohibit the sale of vacant freehold or leasehold land. The Act also introduces Section 20A, granting the Minister or local authorities power to issue and enforce eviction orders on unauthorised occupants of public land. Additional amendments include restrictions on granting land to non-citizens, conditions for undeveloped freehold land (which may be surrendered to the Government if development does not commence within two years), rules for lease expiry, and a requirement that land use changes from agricultural to residential or commercial must involve surrendering a portion of land to the Government with compensation.

3.2.4 Registered Land (Amendment) Act, 2016

The Registered Land (Amendment) Act, 2016, aligns with the National Land Policy, recommending changes to the Registered Land Act. It mandates title registration for all land categories, including customary estates. Registration districts are decentralised, and land registers indicate the registered land class. The Act requires obtaining consent from local land committees for dealings with customary land, replacing the Local Land Boards.

The age for accessing private land is reduced from twenty-one to eighteen, acknowledging early marriages in rural areas. The Act protects beneficiaries of land held in trust, subjecting it to unregistered liabilities. Family land ownership is abolished, following the Land Policy (Land Act, 2016).

3.2.5 Customary Land Act, 2016 (as amended by the Customary Land (Amendment) Act, 2022

The Customary Land Act (Customary Land Act, 2016) addresses the governance of customary land in Malawi, emphasising administration and adjudication of interests. Customary land is defined to include areas within Traditional Land Management Areas, demarcated land, and land agreed upon by land committees. The Commissioner issues certificates of customary land to Traditional Authorities, ensuring formal recognition of land ownership. Part III focusses on the transfer of customary land to the Government or a reservation for public interest, while Part IV empowers the Minister to declare hazardous land for protection purposes.

Furthermore, the Act establishes provisions for the allocation and management of customary estates, which are inheritable and subject to conditions outlined in the legislation. It delineates procedures for granting, surrendering, or abandoning such estates. Dispute resolution mechanisms are outlined, with appeals possible to customary land tribunals, district land tribunals, and, ultimately, the Central Land Board. Overall, the Act aims to provide a comprehensive framework for governing and managing customary land, ensuring legal recognition, protection, and resolution of disputes in Traditional Land Management Areas (Customary Land Act, 2016).

3.2.6 Lands Acquisition and Compensation Act, 2016 (as amended by the Lands Acquisition and Compensation (Amendment), Act, 2022

The Lands Acquisition and Compensation Act is structured into four parts, with Part 2 focusing on the acquisition of land for public utility. Under this part, the Minister, following preliminary investigation and notice procedures, has the authority to acquire land either compulsorily or by agreement, with compensation determined as per the provisions of the Act. Part IIA specifically regulates compensation, which can be either agreed upon or assessed by an independent valuer appointed by the Minister, and payable in one lump sum. The assessment of compensation considers various factors, including loss of occupational rights, land, structures, businesses, relocation costs, goodwill, professional advice, nuisance, tenure, and disturbances. The (*Lands Acquisition and Compensation (Amendment) Act, 2022*) adds that if a person is dissatisfied with the minister-appointed valuer, the person may appoint a licensed valuer of their choice, provided the person provides the funds for it. Furthermore, assessment for compensation will also be based on these additional grounds: cost of professional advice, injurious affection, and severance.

Section 10A outlines the matters to be considered when assessing compensation for alienated land, such as market value, damage, compelled change of residence or business location, potential increase in land value or other benefits, and any relief obtained by the claimant. Additionally, the Act stipulates that once a notice to acquire land is published, the land shall revert to the Government as public land within two months of the publication of the notice. This provision ensures the timely transfer of land to the Government for public use following the acquisition process outlined in the Act (Lands Acquisition and Compensation Act, 2022).

3.2.7 Lands Acquisition and Compensation Regulations, 2020

The Lands Acquisition and Compensation Regulations, 2020 delineate various forms of notice involved in land acquisition: notice of preliminary investigation, notice of intention to acquire and claim, and notice to yield up possession. Additionally, they specify the timing and method for

offering compensation and accepting it. Part IV of the regulations governs dispute resolution procedures (Lands Acquisition and Citation and Compensation Regulations, 2020).

3.2.8 Gender Equality Act, 2013

The Malawi Gender Equality Act (2013) is a landmark law designed to promote equal rights, opportunities, and dignity for all genders by prohibiting sex discrimination, harmful practices, and sexual harassment across public and private spheres. The Act applies to all persons and binds the government, establishing clear offences and penalties for discriminatory behavior, harmful cultural practices—including those that undermine health or dignity, and sexual harassment in workplaces and institutions. It further promotes gender balance in public service recruitment and decision-making roles, provides for equal access to education and training, and affirms comprehensive sexual and reproductive health rights. Implementation and enforcement responsibilities are vested in the Malawi Human Rights Commission, which is empowered to investigate violations, issue compliance orders, and advance public awareness programs on gender equality.

3.2.9 National Gender Policy, 2015

The Malawi National Gender Policy, first issued in 2011 and updated in 2015, provides a comprehensive framework for mainstreaming gender across all sectors of national development with the overarching goal of reducing gender inequalities and enhancing the participation of women, men, girls, and boys in socio-economic and political life. The policy aligns with Malawi's constitutional commitments and international instruments, such as CEDAW (the Convention on the Elimination of All Forms of Discrimination Against Women), the Beijing Platform for Action, the SADC Protocol on Gender and Development, and the CRC (Committee on the Rights of the Child). It grounds its objectives in global gender equality standards. It prioritises areas including education, health, agriculture and food security, natural resource management and climate change, governance and human rights, economic empowerment, gender-based violence (GBV), and gender dimensions of HIV and AIDS. To achieve these goals, the policy promotes measures such as improving access to quality education for both girls and boys, integrating gender into health and HIV/AIDS programming, empowering women economically, strengthening gender mainstreaming structures, and ensuring women's participation in decision-making. It also emphasises coordinated implementation by key stakeholders, including the Ministry responsible for Gender and various sectoral ministries, to ensure sustained and equitable development outcomes.

3.2.10 National Local Government Act, 2017

The National Local Government Act, 2017 governs the structure, powers, and operation of local authorities in Malawi, aiming to strengthen democratic, accountable, and participatory governance at the local level. The Act establishes District, Town, Municipal, and City Councils as local government authorities, defines their jurisdictions, and outlines their core objectives, including advancing the constitutional principles of democracy, transparency, accountability, and citizen participation in local decision-making and development processes. It also empowers the Minister to declare or alter local government areas, and the President to confer city status on municipalities. The 2017 amendments (Act No. 10 of 2017) introduced significant updates—most notably replacing the term Local Authority with Local Government Authority, expanding provisions on land acquisition and disposal, refining rules on delegation of council powers, revising procedures for rating and valuation, and inserting new sections (78A–C) establishing a Valuation Tribunal to handle property valuation and related appeals. These changes aligned the Local Government Act with new land legislation, including the Land Act (2016) and Land Acquisition (Amendment) Act (2016), ensuring consistency in land governance within local government systems.

3.2.11 Public Roads Act and 2017 Amendment

The Public Roads Act primarily addresses the management of road reserves and streets. Part II of the Act delves into land acquisition and resettlement matters. Section 44 stipulates the assessment of compensations payable under this Act, covering both surface and land rights of landowners or occupiers. Additionally, Section 45 outlines compensation for the conversion of land into public use. In cases involving customary land, compensation is provided for disturbances such as potential relocation, loss of land, and the possibility that alternative land may not be as suitable as the land lost. Sections 49 and 50 offer avenues for landowners or occupiers to appeal to the High Court regarding grievances related to resettlement and compensation provided for in the Act.

The Public Roads (Amendment) Act No. 8 of 2017 introduces changes to the governance and management of public roads. Key amendments include establishing new definitions, such as "customary estate" and "local government authority," alongside modifications to compensation procedures for surface rights. Additionally, the Act grants expanded powers to local government authorities, empowering them to declare road reserves and manage road-related matters more effectively. Provisions for judicial review of compensation awards have been introduced, allowing for recourse to the High Court in cases of dissatisfaction. Furthermore, several sections of the Principal Act have been repealed and replaced to streamline administrative processes and enhance clarity in road-related regulations. These changes collectively aim to improve the regulation and governance of public roads.

3.2.12 Electricity Act, 2004 and Amendment Act, 2016

The Electricity Act (Electricity (Amendment) Act, 2016) has provisions for notifying and compensating for land affected by electricity infrastructure development projects. Compensation is required if any structures are affected and for any losses or damages caused. The Act also provides for the regulation of the generation, transmission, wheeling, distribution, sale, importation and exportation, use and safety of electricity, and related matters. According to the Act, a licensee has the right to enter any land they may need to survey in the course of their duties, subject to giving the landowners/occupiers 14 days' written notice. The same period of notification is required if plants are to be removed. However, a licensee:

- Has to obtain permission from the occupants of any building under which it wishes to lay an electricity cable or related fixtures;
- Is required by law to give landowners/occupiers a month's notice before construction work;
- Will make good, to the reasonable satisfaction of local or other authority, or the owner as the case may be, of all public/private roads, streets and paths opened or broken in the course of project implementation and operation;
- Will pay fair and reasonable compensation or rent or both for all losses or damage caused in the execution of its powers in the Act;
- Is liable for any damages that may result from work carried out on its behalf; and
- Is required to notify the relevant Minister of any accident that has caused loss of life or serious injury in connection with transmission lines or other equipment.

On the other hand, a licensee may place any electricity-associated structures (substations and towers) in, on, through or over any land or against any building with the consent of the Authority if, in their opinion, the consent is being unreasonably withheld. In any such cases, the Authority will determine the amount of compensation, whether as a lump sum payment, annual rental, or both, to the owner, lessee or occupier.

The Electricity Amendment Act (Electricity (Amendment) Act, 2016) continues the provisions from the 2004 Act concerning the notification and compensation for land affected by electricity infrastructure projects. Licensees are required to give landowners or occupiers a 14-day written notice for surveys and a month's notice before beginning construction work. Additionally, they must compensate for any losses or damages caused by their activities, including making good

any public or private roads and paths affected during project implementation. If structures are affected or if plants need to be removed, compensation is mandated. In situations where permission from land occupants for laying cables or other fixtures under buildings is unreasonably withheld, the Authority can intervene to grant consent and determine appropriate compensation. This compensation can be a lump sum, annual rent, or both, ensuring that affected parties are fairly remunerated.

3.2.13 The Monuments and Relics Act, 1991

The Monuments and Relics Act (Republic of Malawi, 1992) addresses the management and conservation of monuments of significance at both national and local levels. It ensures the proper preservation of such monuments, particularly in cases where land use or development changes are proposed. Additionally, the Act extends to situations where the relocation of graves or graveyards becomes necessary due to land acquisition for various projects (see Section 5.9 and 6.3 in this RAP related to impacts on Cultural Heritage elements).

3.2.14 The Water Resources Act, 2013

The Water Resources Act defines that the bed and banks of rivers and the adjacent land strips are public land. This strip of public land is defined a minimum of 15 m from the highest flow level ever or 100-year flood level.

3.3 World Bank ESS5, AfDB OS 5 and IFC PS5

The World Bank's Environmental and Social Standard 5 (ESS5), the African Development Bank's Operational Safeguard 5 (OS5), and the International Finance Corporation's Performance Standard 5 (IFC PS5) are designed to address the impacts of projects involving land acquisition, restrictions on land use, and involuntary resettlement. The MHSP applies the World Bank ESS5, AfDB OS 5 and the IFC PS5 and other applicable Lenders' standards, collectively referred to herein as "the Lenders standards".

Project-related land acquisition or restrictions on land use may cause physical displacement (relocation, loss of residential land, or loss of shelter), economic displacement (loss of land, assets or access to assets, leading to loss of income sources or other means of livelihood), or both. The term "involuntary resettlement" refers to these impacts. Resettlement is considered involuntary when affected persons or communities do not have the right to refuse land acquisition or restrictions on land use that result in displacement. The WB ESS5, AfDB OS 5 and IF PS5 apply to permanent or temporary physical and economic displacement resulting from land acquisition or restriction on land use undertaken or imposed in connection with the project implementation.

Affected persons may be classified as persons:

- Those who have formal legal rights to land or assets;
- Who do not have formal legal rights to land or assets, but have a claim to land or assets that is recognised or recognisable under national law; or
- Who have no recognisable legal right or claim to the land or assets they occupy or use.

The objectives of the World Bank ESS 5, AfDB OS5, and IFC PS5 are:

- To avoid involuntary resettlement or, when unavoidable, minimise involuntary resettlement by exploring project design alternatives;
- To avoid forced eviction;
- To mitigate unavoidable adverse social and economic impacts from land acquisition or restriction on land use by providing timely compensation for loss of assets at replacement cost and assisting displaced persons in their efforts to improve, or at least restore, their livelihoods and living standards, in real terms, to pre-displacement levels or to levels prevailing before the beginning of project implementation, whichever is higher;

- To improve the living conditions of poor or vulnerable persons who are physically displaced through adequate housing, access to services and facilities and security of tenure;
- To conceive and execute resettlement activities as sustainable development programs, providing sufficient investment resources to enable displaced persons to benefit directly from the project, as the nature of the project may warrant; and
- To ensure resettlement activities are planned and implemented with appropriate disclosure of information, meaningful consultation, and the informed participation of those affected.

3.4 Gap Analysis Between the National Framework and Applicable Standards

Table 2, on the next page, analyses the gap between the legal framework and the requirements of the World Bank and IFC standards on land acquisition and involuntary resettlement.

Table 2: Gap Analysis Between the National Framework and WB and IFC Requirements

Topic	National Framework	WB ESS5, AfDB OS5 and IFC PS5 requirements	How the Gap is or will be bridged
Resettlement Planning	<p>The national framework does not include explicit definitions or requirements regarding involuntary resettlement planning.</p> <p>The land acquisition process is outlined in the Land Acquisition Act. The Minister, upon determining the need to acquire land in the interest of Malawi, can acquire land either compulsorily or by agreement. This process begins with a preliminary investigation to assess the land's suitability, followed by serving a notice of intention to acquire to those with an interest in the land. The notice is also published in the Gazette, inviting claims within two months. Subsequently, the Minister issues a notice to yield up possession, which can be enforced if necessary.</p> <p>Compensation is assessed based on market value of land and improvements, plus statutory allowances such as disturbance allowance, meaning PAPs typically receive compensation above market value in line with Malawi's legal framework to ensure livelihood restoration.</p>	Developing a resettlement and land acquisition plan or framework is obligatory in case of involuntary resettlement.	<p>As outlined in the RPF (SLR Consulting, 2024a), the MHSP land acquisition and resettlement process is planned in phases. Several phased RAPs will then be prepared, as indicated in the RPF.</p> <p>This report is for the Main Works RAP</p>
Avoidance and Minimisation of Displacement	<p>The Land Acquisition Act stipulates that the Minister has discretionary powers of decision relative to land acquisition: <i>"If the Minister resolves that it is desirable or expedient compulsorily to acquire any land under this Act, he shall serve notice upon the persons who are possessed of an interest in the land or upon such of those persons as are after reasonable enquiry known to him".</i></p> <p>The Malawi legal framework focuses on compensation. It does not include detailed and explicit measures for the avoidance and minimisation of displacement.</p>	The first objective of the WB ESS5, AfDB OS5 and IFC PS5 is to avoid involuntary resettlement or, when unavoidable, minimise involuntary resettlement.	This RAP minimised physical and economic displacement (See Section 2.3)

Topic	National Framework	WB ESS5, AfDB OS5 and IFC PS5 requirements	How the Gap is or will be bridged
Eligibility	Legal and customary claimants are considered eligible for compensation in the legal framework.	<p>Three categories of affected persons shall be considered:</p> <ul style="list-style-type: none"> • Those who have formal legal rights to the land and assets; • Those who do not have formal legal rights to land or assets, but have a claim to land or assets that is recognised or recognisable under national law (including claims derived from adverse possession or customary or traditional tenure arrangements); or • Those who have no recognisable legal right or claim to the land or assets they occupy or use. Lack of formal ownership does not preclude compensation to bona fide occupants or affected parties; • Displaced persons without titles to land or any recognisable legal rights to land are eligible for resettlement assistance and compensation for loss of non-land assets. <p>Those without legal rights to the land should have their livelihoods and standards of living restored, as well as other categories of PAP.</p>	<p>While there is alignment between the National Framework and the World Bank ESS5 / IFC PS5 in considering legal and customary claims, the World Bank / IFC standards provide more detailed guidelines and requirements for addressing the needs of different categories of affected persons, particularly those without formal legal rights to land. The MHSP will apply the World Bank and IFC eligibility criteria.</p> <p>Section 6 of this report details the eligibility criteria for this RAP.</p>
Census and Socioeconomic Surveys	The national framework does not require socioeconomic surveys.	The RAP shall present the results of a household-level census identifying and enumerating affected persons, and, with the involvement of affected persons, surveying land, structures, and other fixed assets to be affected by the Project.	A census and socioeconomic surveys were performed for this RAP, as indicated in Section 4.
Cut-Off Date	The Legal Framework does not explicitly define a cut-off date for eligibility. However, as per the Land Acquisition Act (2022) Section 5, a 'Notice of Intent to Acquire' shall be delivered personally to the persons owning the land to be acquired or having an interest in the land to be acquired. This Notice shall be published in the <i>Gazette</i> . After the Notice publication, the affected persons have 2 months to submit their claims or ownership or interest in the land to be acquired.	The establishment of a cut-off date is required. Information regarding the cut-off date should be well-documented. It will be disseminated throughout the project area at regular intervals in written and (as appropriate) nonwritten forms and in relevant local languages. This will include posted warnings that persons settling in the project area after the cut-off date may be subject to removal.	This RAP communicated the cut-off dates during sensitisation meeting prior to the surveys, the end of the census, in each GV, and the information was disseminated as detailed in Section 11 of this report.

Topic	National Framework	WB ESS5, AfDB OS5 and IFC PS5 requirements	How the Gap is or will be bridged
<p>Valuation and Full Replacement Cost</p>	<p>The basis for valuations is provided for in the legal framework as follows. The Land Acquisition Act : (i) Compensation in the case of appropriation of land by the government will be assessed by a valuer appointed by the Minister. If a person is dissatisfied with the Minister-appointed valuer, said person can appoint a licensed valuer of his choice, provided they pay for the cost of the valuer. (ii) If a private developer acquires customary land, compensation shall be paid by the developer and valuation assessed by a valuer appointed by the Minister. Compensation is assessed based on any of the following grounds: Loss of occupational rights, loss of land, loss of structure, loss of business, relocation cost, loss of goodwill, cost of professional advice, nuisance, injurious affection, severance, loss or reduction of tenure and disturbance. The National Land Policy (2002) states, <i>"compensation shall be based on the open market value of the land and all permanent improvements on the land."</i></p>	<p>PAPs should be compensated at full replacement cost in real terms. The replacement cost is a valuation method yielding compensation sufficient to replace assets, plus necessary transaction costs associated with asset replacement. Transaction costs include labour costs, administrative charges, registration or title fees, and any similar costs imposed on affected persons. The valuation method used for determining replacement cost should be transparent and documented. Options for in-kind compensation should also be proposed. Where feasible, economically displaced persons with land-based livelihoods should be offered replacement land.</p>	<p>The national framework does not explicitly require compensation at full replacement cost in real terms, as stipulated by the World Bank ESS5 / IFC PS5.</p> <p>The Valuation Methodology to be applied for the phased RAP considers the full replacement cost, as indicated in Section 7.</p> <p>In-kind compensation options are described in Section 8.</p>
<p>Payment of Compensation</p>	<p>The Land Acquisition Act stipulates that the Minister <i>"shall on behalf of the Government pay in respect thereof fair compensation agreed or determined in accordance with the provisions of this Act"</i>. The valuation is done by an accredited valuer. The minister has discretion on whether to pay compensation in one lump sum or in instalments, with further discretion on the interest rates of outstanding balances. As per Section 6 of the Land Acquisition Act, the Government may take possession of the land if it is 'urgently required' after the Notice of intent to acquire has been served to the affected owners.</p>	<p>The Project will take possession of acquired land and related assets only after compensation following ESS5 has been made available and, where applicable, displaced people have been resettled and moving allowances have been provided to the displaced persons in addition to compensation.</p>	<p>Both the National Framework and the World Bank ESS5 address the payment of compensation for acquired land. However, the National Framework provides discretion to the Minister regarding the mode of payment and interest rates. At the same time, the World Bank ESS5 mandates specific requirements for compensation and resettlement before the Project can take possession of the land. Compensation will be paid in compliance with the World Bank and IFC requirements.</p>

Mpatamanga HSP – Main Works Resettlement Action Plan



Topic	National Framework	WB ESS5, AfDB OS5 and IFC PS5 requirements	How the Gap is or will be bridged
			Aligned with the above, Section 7.2 of this RAP explains the compensation process.
Resettlement Assistance	The Land Acquisition and Compensation Act (2022) requires, in its section 10 that the compensation amount include "relocation costs".	The project should offer displaced persons choices among feasible resettlement options and provide relocation assistance suited to the needs of each group of displaced persons.	The compensation principles (which include the disturbance allowance) are outlined in Section 7
Livelihood Restoration	There is no mention of livelihood restoration in the national framework.	The project should assist displaced persons in their efforts to improve, or at least restore, their livelihoods and living standards, in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher. Transitional support should also be provided by the Project to the displaced persons during the period to restore their income-earning capacity, production levels, and standards of living.	The livelihood restoration measures that will be implemented are outlined in Section 9.
Vulnerable Groups	The 2002 National Land Policy aims to guarantee secure tenure and equitable access to land for all citizens without gender bias or discrimination. Specific measures include ensuring fairness in land transactions and addressing the needs of vulnerable groups, including women, to promote social harmony and economic development.	Vulnerable people must be identified and those who warrant specific assistance must be supported throughout the resettlement and compensation process.	For this RAP, the vulnerable criteria are presented under Section 4.2.12. Measures for Vulnerable groups are defined in Section 6.3.4 of this report.
Gender	The 2015 National Gender Policy is a nationwide inter-sectoral document aiming at mainstreaming gender in the national development process to enhance participation of women and men, girls and boys for sustainable and equitable development for poverty eradication. The main goal of the Policy is to reduce gender inequalities and enhance participation of women, men, girls and boys in socio-economic development processes and, in particular, ensure equality in all spheres of education. The Gender Equality Act of 2014 aims to promote equal rights, opportunities, and treatment for individuals of all genders and to address discrimination based on gender. The	The consultation process should ensure that women's perspectives are obtained, and their interests factored into all aspects of resettlement planning and implementation. Documentation of ownership or occupancy and compensation payments should be issued in the names of both spouses or single heads of households as relevant, and other resettlement assistance, such as skills training, access to credit, and job opportunities, should be equally available to women and adapted to their needs.	As Section 6.3.3 indicates, for this RAP and the implementation of this RAP, the following measures will be applied to minimise and mitigate these risks: <ul style="list-style-type: none"> • Gender specific measures are defined for the consultation with affected households during the phased RAPs (see Section 11); • The MHSP has recruited a Gender-Based Violence (GBV) service provider to manage potential cases of GBV, provide support to victims; • The Grievance Redress Committees have been trained on GBV, and on potential gender-related risks for the

Topic	National Framework	WB ESS5, AfDB OS5 and IFC PS5 requirements	How the Gap is or will be bridged
	<p>Act promotes gender equality, equal integration, influence, empowerment, dignity and opportunities for men and women in all functions of society, to prohibit and provide redress for sex discrimination, harmful practices and sexual harassment, to provide for public awareness on the promotion of gender equality, and to provide for connected matters.</p>		<p>compensation process (such as land grabbing by men or misuse of households' compensation by men).</p>
<p>Consultation with Affected Persons</p>	<p>The Constitution guarantees the right to fair administrative action and the involvement of citizens in decisions affecting them, including the right to be heard and to seek redress through legal channels. The Land Acquisition Act mandates the issuance of notices and the holding of public meetings to inform and engage those affected by land acquisition.</p>	<p>Resettlement activities need to be planned and implemented with appropriate disclosure of information, meaningful consultation, and the informed participation of those affected.</p>	<p>Section 11 of this report provides information disclosure and the stakeholder engagement activities for this RAP.</p>
<p>Grievances Management</p>	<p>The Land Acquisition and Compensation Regulations (2020) define in its Part IV a Dispute Settlement process when affected persons disagree with the compensation. This process is managed through the court.</p> <p>The Local Government Act (Local Government Act, 2017) stipulates that a person aggrieved by the inclusion or omission of any property in a valuation roll, or by any rule or entry related to assessable property within the valuation roll, can object to the Council within twenty-eight days from the date the rate is first payable. The objection must be in writing and detail the specific grounds for the complaint. Upon receiving an objection, the valuer can adjust the valuation roll if it pertains to inclusion or omission issues, or reassess the property's valuation, potentially altering it or confirming the original valuation, and must provide written reasons for their decision to the objector. Further appeal can be made through the courts.</p>	<p>There must be an independent, objective appeal mechanism that is open to the public and reported openly. The Project owner should establish a grievance mechanism as early as possible in the process to receive/ address in a timely manner the concerns related to physical/ economic displacement.</p>	<p>The Project Grievance Redress Mechanism established by the MHSP for this RAP is indicated in Section 12.</p>

Mpatamanga HSP – Main Works Resettlement Action Plan



Topic	National Framework	WB ESS5, AfDB OS5 and IFC PS5 requirements	How the Gap is or will be bridged
Monitoring and Evaluation	Not defined in the national framework.	Monitoring, evaluation and reporting of livelihood restoration mitigation measures are required. Monitoring and evaluation shall be clearly defined in the resettlement planning instrument.	The Monitoring and Evaluation activities to be implemented for this RAP are defined in Section 14.

4 Census and Socioeconomic Profile of the Affected Households

The following sections provide (i) the results of the household-level census identifying and enumerating affected persons (section 4.1) and (ii) an overview of the profile of the affected households (section 4.2).

4.1 Census

The census for this main works RAP was conducted between the 10th of April and the 13th of September 2025. The field investigations included a census to register all affected landowners and their households, a survey of their affected land plots, an inventory of the affected assets on these plots, and a socioeconomic household survey.

The number of households affected by the acquisition of the main works RAP is indicated in Table 3 below.

Of the 325 affected households, 253 consented to conduct the socioeconomic survey; this indicates **that 79% of the affected households consented to the socioeconomic survey**. The remaining 21% were only registered through the census and asset inventory. The questionnaire used for the census and socioeconomic survey is provided in Annexe 2.

Table 3: Overview of the Census of Affected Households and Persons

Number of households only economically displaced (and number of households' members (individuals))	Number of households physically and economically displaced (and number of households members (individuals))	Total number of affected households (and number of households members (individuals))
276 (1,314)	49 (220)	325 (1,534)

4.2 Socioeconomic Profile

The following paragraphs describe the socioeconomic profile of the households affected by the main works RAP.

The following terminology is used in the next paragraphs:

- Whenever the term 'affected' or 'impacted' is used in relation to households, the impact refers to economic displacement due to land acquisition, Main Works RAP, unless stated otherwise;
- The term 'surveyed population' or 'surveyed households' refers to the census and quantitative socioeconomic survey performed in June - September 2025 and targeting the affected households, unless stated otherwise;
- A household consists of one or more persons, related or unrelated, who live together, make common food provisions, and recognise one member as head. They regularly take their food from the same pot and /or share the same grain store (*Nkhokwe*) and pool their incomes for the purchase of food (National Statistical Office, 2020); and
- A household head is the person who makes economic decisions in the household (National Statistical Office, 2020).

4.2.1 Administrative Sub-Divisions

The highest political body at the district level is the District Council (DC). Each DC is subdivided into several Traditional Authorities (TAs), each with its own Area Development Committees (ADCs). TAs are, in turn, subdivided into several Group Villages (GV), each with its own Village Development Committee (VDC).

DCs oversee all infrastructural, economic, and social development in their district through the formulation, approval and execution of a District Development Plan. They are also mandated to promote local democratic institutions and participation, making policies & by-laws for local governance and development, raising funds and mobilising resources, and peace and security maintenance in conjunction with the police. The District Executive Committee (DEC) is the technical advisory body of the DC. It comprises heads of government departments, civil societies, and Non-Governmental Organisations (NGOs), and it assists the DC in the design, formulation, and development of projects in the district.

The ADCs oversee all VDCs in their area. They are composed of 20 or so members, namely the TA chief, members of parliament, ward councillors, elected representatives from GV-level VDCs, and representatives from various interest groups. Although data is not available for all TA-level ADCs in the study area, SLR experts have conducted institutional interviews with select ADCs where the gender distribution was found to be relatively equal. ADCs are charged with preparing project proposals from VDCs for submission to the DC, mobilising community resources, overseeing and monitoring the implementation of development projects in the area (e.g. projects that deal with water, hygiene, poverty, education, gender, etc). ADCs are also involved in budget definitions and fundraising.

Finally, the VDCs report to the ADCs at the grassroots level. Each is composed of the local chief and elected representatives from each village, with roughly equal gender representation. VDCs are responsible for identifying and prioritising local needs, mobilising community resources for self-help grassroots initiatives, and coordinating and planning community development projects with TA-level ADCs.

Seven villages will be impacted by the main works RAP. Table 4 outlines the villages per GVH affected by this RAP's land requirements, and Figure 9 illustrates their location.

Table 4: Villages Affected by the Main Works RAP

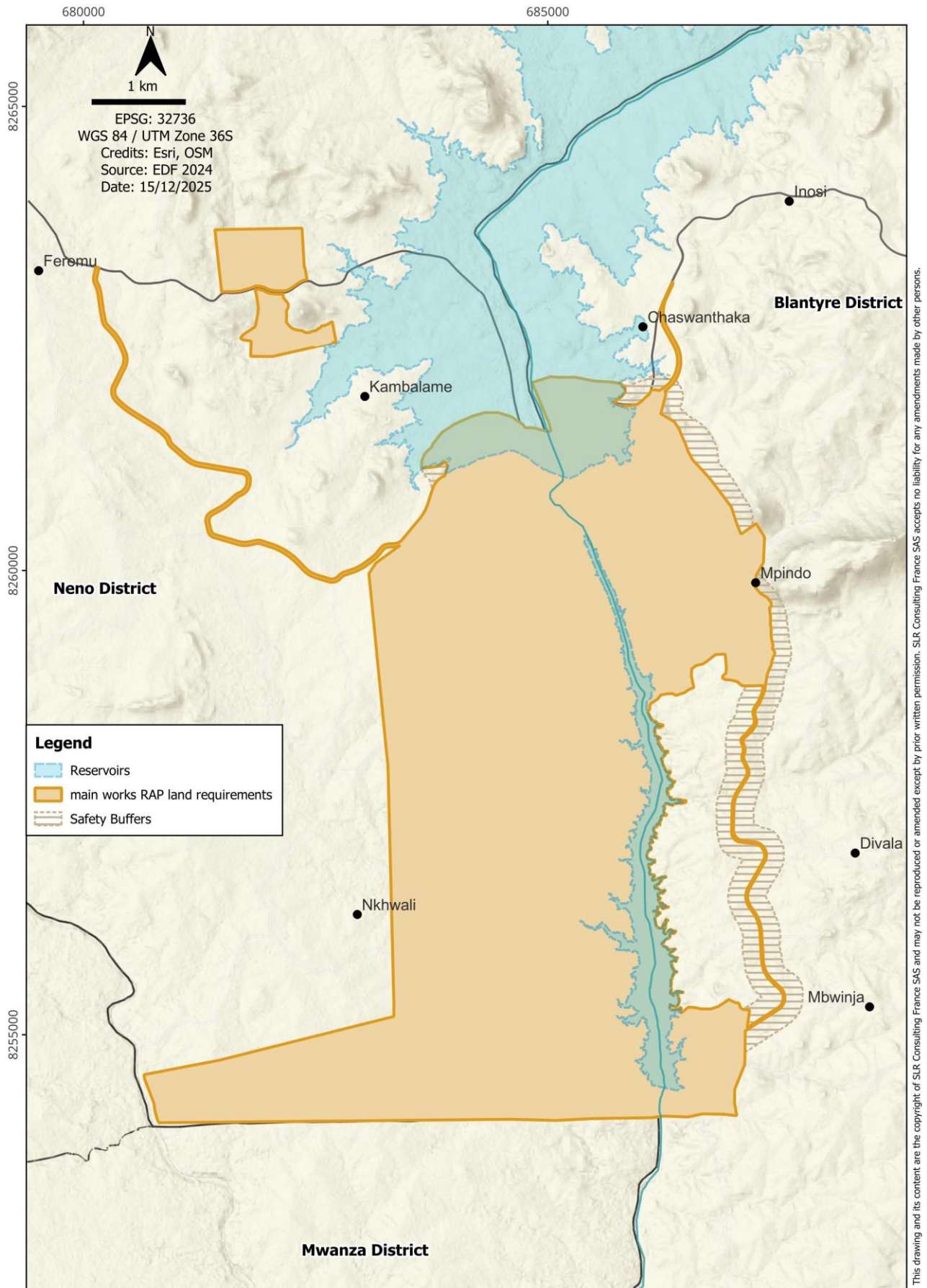
District	TA	GV	Village
Blantyre	Kunthembwe	Chaswanthaka	Chaswanthaka
			Divala
			Mbwinja
			Mpindo
Neno	Mlauli	Feremu	Feremu
			Kambalame
			Nkhwali

Table 5 below shows the distribution of affected households between those residing in a GV affected by this RAP, and those who are residing in a GV not affected, and considered "non-residents". For the purposes of this RAP, a non-resident PAP is defined as follows: A "non-resident" PAP owns one or more land plots (or assets) affected by this RAP's land requirements but does not reside in a GVH that is impacted by this RAP's land requirements.

Table 5: Non-resident Households

Residents		Non-residents		Total	
Nb	%	Nb	%	Nb	%
299	92%	26	8%	325	100%

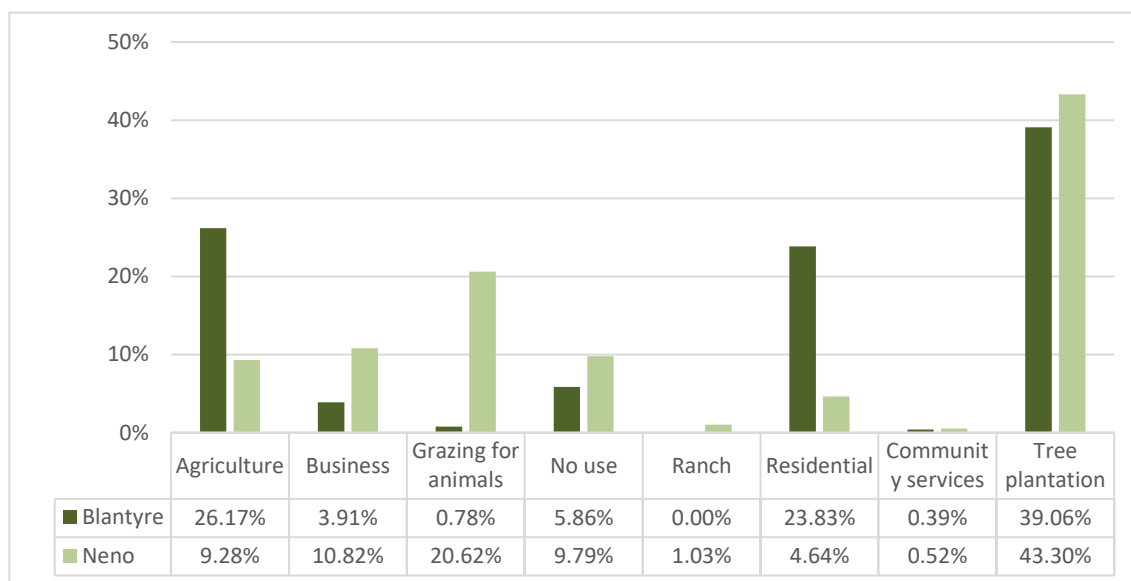
Figure 9: Location of villages affected by the main works RAP



4.2.2 Land Use

In the main works area, the Mpatamanga gorge is characterised by elevated rocky hills. Outside of the gorge, most of the land is shrublands used for grazing or letting grow indigenous trees for charcoal making. Some rain-fed crop farming activities are practised, and the settlement are a mix of scattered residential plots away from the main roads, and houses aligned along sections of roads. Figure 10 below provides the land use of the affected plots indicated by the households surveyed.

Figure 10: Affected Land Plots Use, Disaggregated by District



4.2.3 Land Tenure

As per the legal framework, land is categorised into three main types, namely public, private and customary land. Table 6 gives their prevalence in Neno and Blantyre districts.

Public or government land are held and managed by government institutions and agencies for purposes of national development, security, and tourism. They are generally openly used or accessible to the public at large, and include government buildings, health facilities, schools, game and forest reserves, roads, railways, markets, and police stations.

Private land, including customary estate⁴, are the least prevalent category of land. They are made up of freehold land and land leased from formerly customary land. They are usually held by individuals, businesses, and institutions for residential, agricultural, or institutional purposes. They include individual small-scale farms, private estates, cattle ranches, and other large-scale agricultural or industrial activities.

Customary land, governed by customary practices, is the most widespread category across the surveyed areas. It is primarily subsistence-oriented and is overseen by traditional authorities, group village headmen and village headmen.

⁴ As per the Land Act (2022), §2: "customary estate" means any customary land which is owned, held or occupied as private land within a traditional land management area and which is registered as private land under the Registered Land Act". Customary estates are allocated to individuals or entities. Rights are held by private individuals, entities, or institutions. During the preparation of this RAP, the customary land under TA Kunthembwe was undergoing adjudication, but this process was yet to be completed. This adjudication will result in the creation of customary estates and issuance of customary land certificates, a form of land's freehold status.

Table 6: Proportion of Public, Private and Customary Lands at the District Level

District	Public Land	Private Land	Customary Land
Blantyre	54%	4%	42%
Neno	16%	6%	77%

Source: (Blantyre District Council, 2017; Neno District Council, 2017)

No private land was identified amongst the affected land plots. Some public land are affected, as follows:

- The existing section of the S137 road and its road reserve on the Blantyre side;
- The strips of land along the Shire riverbanks, as indicated in section 3.2.14; and
- One land plot in Neno, used as a reforestation area by a Government-led programme.

Except for these public land, customary land tenure characterises all land affected by the main works RAP. Matrilineal inheritance and matrilineal residence practices prevail in the Project area. The Mang'anja, the area's majority ethnic group, adhere to matrilineal norms, and most minority ethnic groups have in turn adopted these norms over successive generations.

Under prevailing matrilineal practices, children are firmly affiliated with the maternal side of the family, also called 'matriclan'. Daughters are the rightful inheritors of the land, and men traditionally relocate to their wives' villages upon marriage and engage in the cultivation of their wives' land. In the event of marriage dissolution through separation, men are required to return to their original village, while wives and children continue to reside in their current location. In the case of the wife's passing, the land transfers to the children, and the widower usually returns to his initial village, except when granted permission to remain by the family of his deceased wife. Permission to remain is not usually given, but exceptions can be made due to factors like old age.

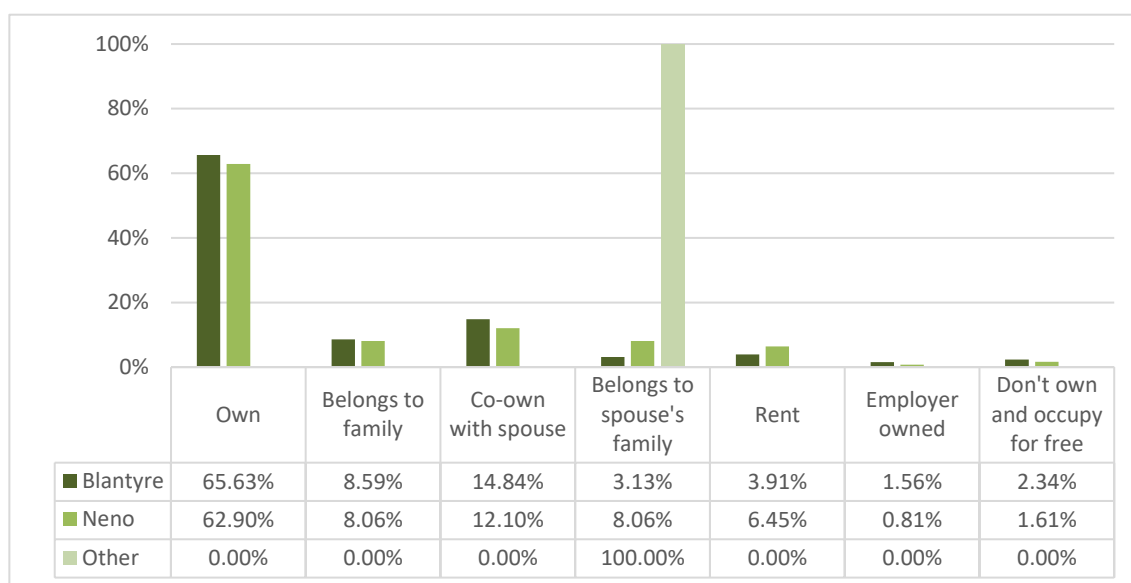
It is common practice for parents to distribute land to all their children, including sons, who hold a right of use to the land either (i) on a temporary basis until their matrilineal marriage in another village, at which point the land is entrusted to their sister or closest matriclan heir, or (ii) on a permanent basis, even while married and cultivating their wife's land in a different village. In this scenario, upon the death of the sons, the land typically passes to their nearest matriclan heir, which could be a sister or a sister's children, rather than their own offspring.

A common method of acquiring land is by making a request to the local chief. The chief may allocate the land for free or sell it, provided land is available in the area.

For freely allocated land, people of any gender and origin may approach a village chief and make a formal request for land. While there is no mandatory fee, it is customary to give an appreciation token to the chief, locally known as '*Chipondetsa Minga*.' This token can take various forms, from gifts of beer and maize to celebratory events. If the person making the request comes from another village, the chief typically initiates a background verification process. This procedure often involves consultation with the requester's previous village chief to ensure they do not have a criminal history or other concerning issues. After completing checks and provided that land is available, the chief proceeds to grant the land allocation request in the presence of witnesses and ensures clear parcel demarcations. Usually, no formal documents are signed; oral agreements being the norm. Land that was given freely by the chief can thereafter be inherited by children in accordance with the local custom.

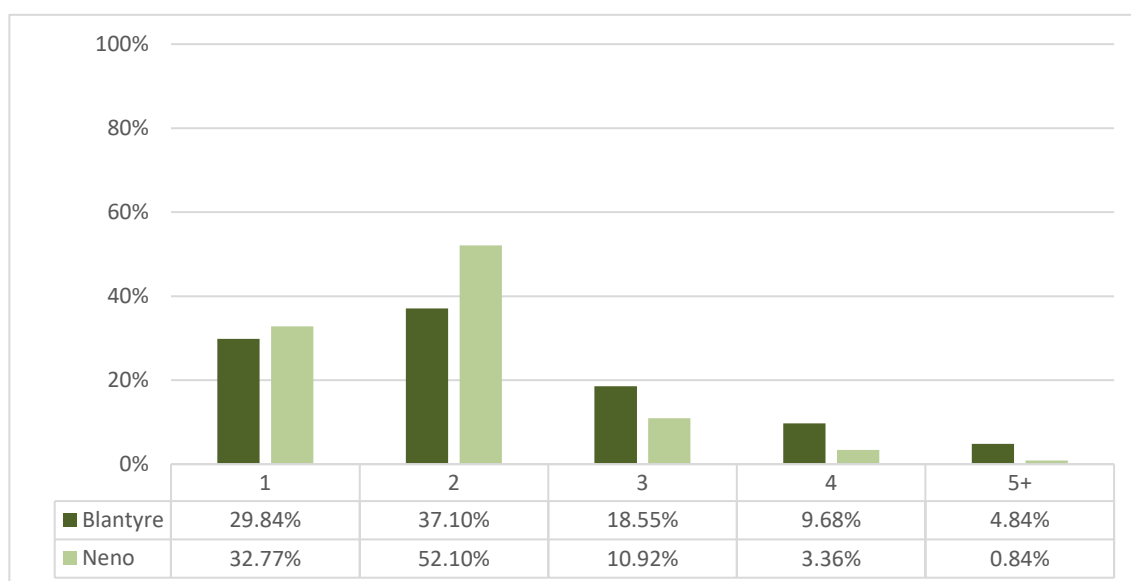
Figure 11 shows that the majority of people own the land on which they live (64.29% on average), with on average 13.49% co-owning their land with their spouse. Also, 8.33% of people reported renting their residential land, though more in Neno (6.45%) than in Blantyre (3.91%).

Figure 11: Residential Land Ownership, Disaggregated by District of Residence



Additionally, most households own and therefore have access to two land plots (42.46% on average). Households residing in Neno District are less likely to have more than one land plot, compared to those living in Blantyre District (see Figure 12). This reflects the lower ownership numbers seen above.

Figure 12: Number of Land Plots Owned by the Household, Disaggregated by District of Residence

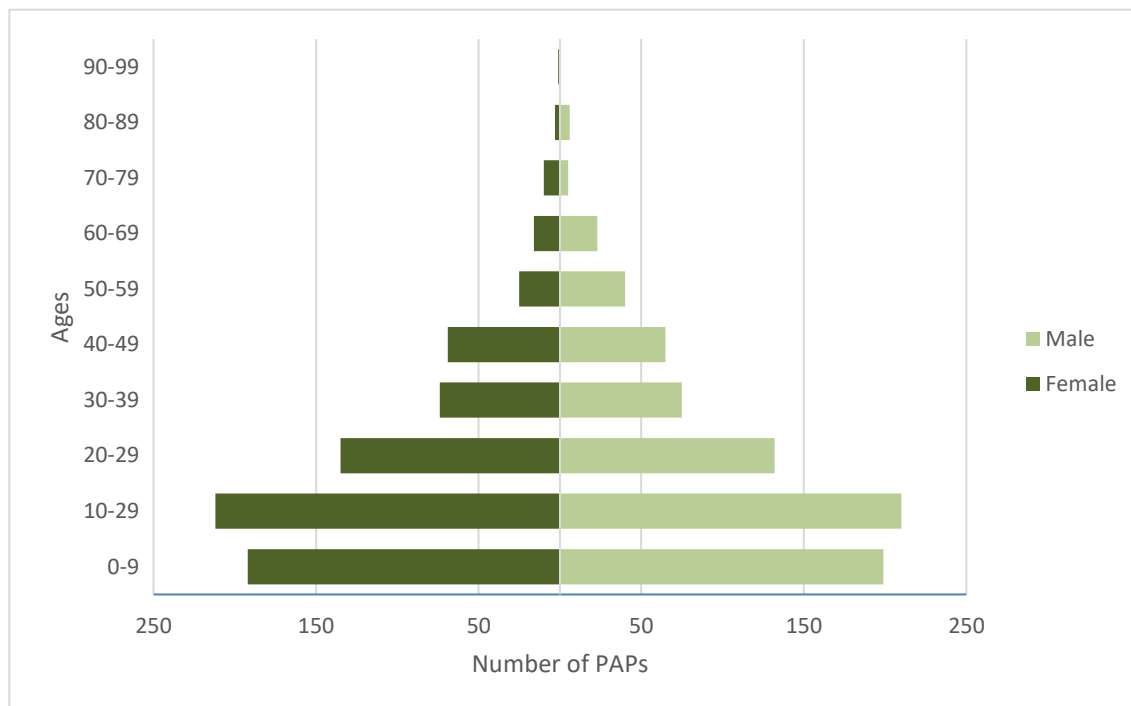


4.2.4 Demographic Profile

4.2.4.1 Age Structure of Affected Household Members

Figure 13 shows the age distribution of household members, disaggregated by gender. It indicates a predominantly young population, with the highest concentration in the 0-9 and 10-19 age groups.

Figure 13: Age Distribution of Affected Household Members, Disaggregated by Gender

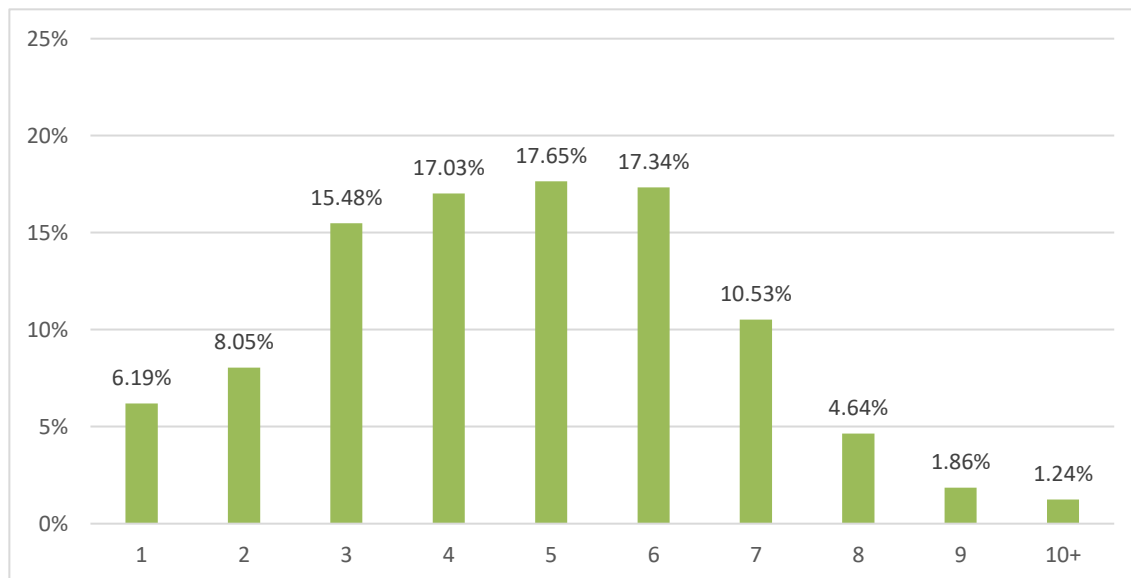


4.2.4.2 Gender of Household Heads and Size of Households

About 79% of the affected households are headed by men, with about 21% headed by women.

Figure 14 illustrates the distribution of household sizes, showing the percentage of households by number of members. Households with three to six members are the most common, representing the sample's highest proportion. Household sizes range from one to eleven members, with a general decline in frequency as the number of members increases beyond six.

Figure 14: Number of Individuals per Household



4.2.5 Language and Ethnicity

As indicated in Figure 15, Chichewa is the dominant language at home for the households affected, accounting for 85.77% of households. This suggests a substantial linguistic homogeneity, with Chichewa serving as the primary means of communication within these communities. However, other languages such as Chimang’anja (5.53%) and Chinyanja (4.35%) are also spoken as a primary household language.

The presence of English as 3.56% of households suggests some exposure to formal education or interactions with non-local communities.

Figure 15: Main Language Spoken in the Affected Households

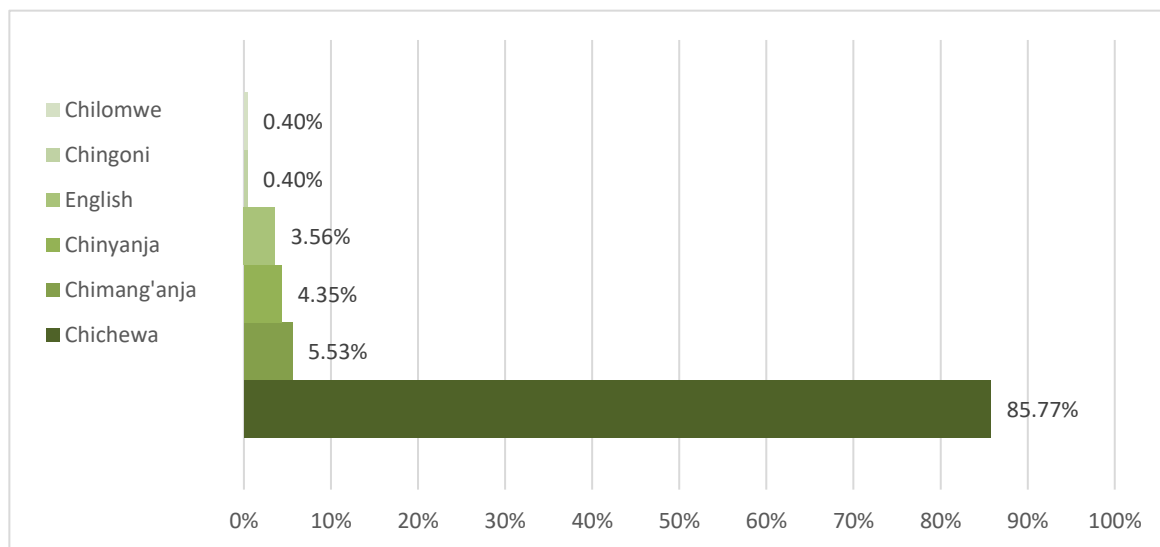
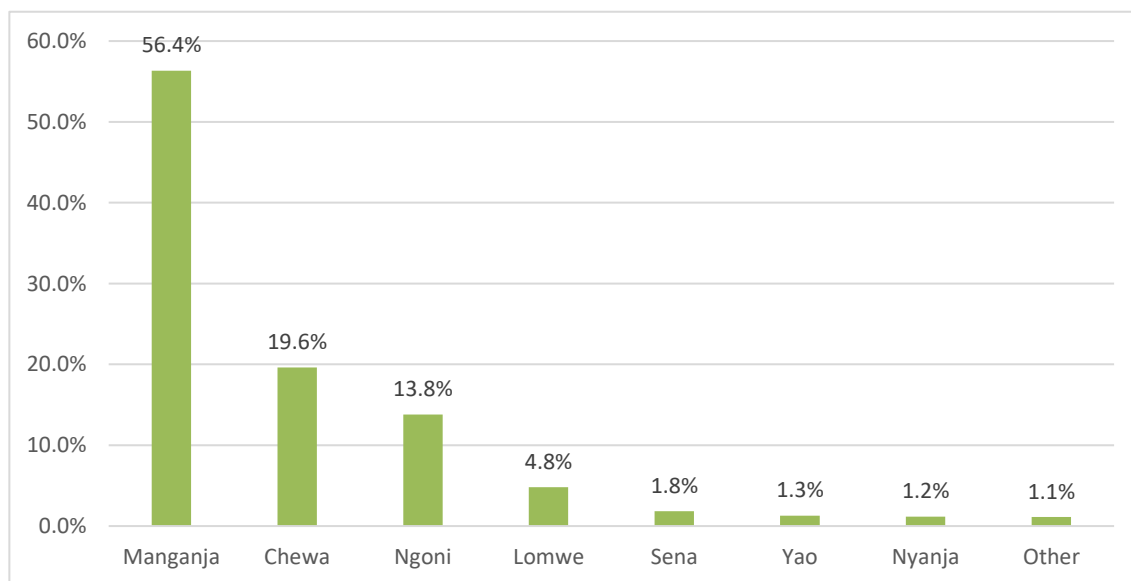


Figure 16 presents the ethnic distribution of the affected households members. The majority belong to the Manganja (56.33%), followed by Chewa (19.85%) and Ngoni (13.92%). Smaller proportions identify as Lomwe (4.42%), Sena (1.85%) or Yao (1.32%).

Figure 16: Ethnicity of Household Members

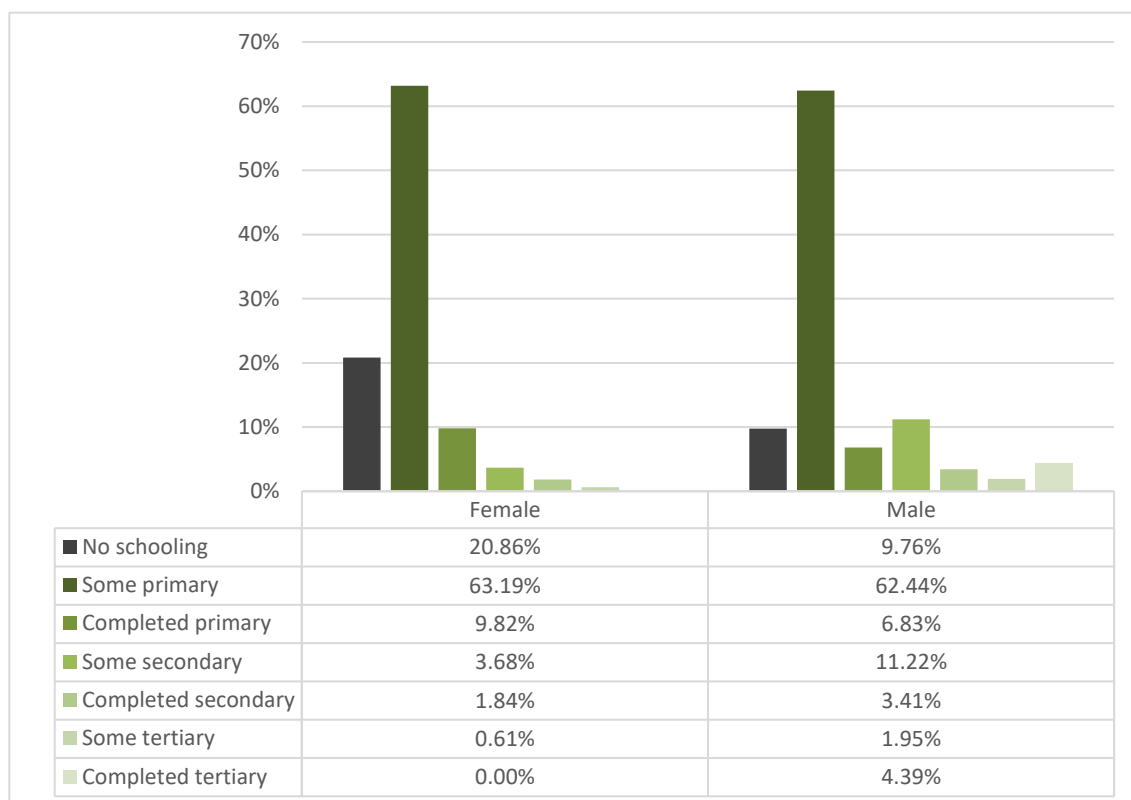


4.2.6 Levels of Education

As shown in Figure 17, the majority of the persons surveyed have attended some primary education (62.77% on average), very few have actually finished primary school (8.15% on average). Additionally, females were more than twice as likely to have no formal education (20.86%) compared to males (9.76%). This suggests that although primary education is relatively accessible, a significant portion of children, particularly girls, still face barriers to entry.

The gender gap is also present in access to higher education, with 14.63% of men having started and/or finished secondary school, compared to 5.52% of girls. Finally, in tertiary education, no female PAPs had completed it, compared to 4.39% of male PAPs. These figures indicate that girls and women are less likely to progress beyond basic education, pointing to systemic challenges such as limited access, cultural norms, or economic constraints that disproportionately affect female educational advancement.

Figure 17: Education Levels of PAPs, Disaggregated by Gender



4.2.7 Levels and Sources of Income

4.2.7.1 Number of Household Members Earning an Income

A significant proportion of affected households rely on a single-income earner, as shown in Figure 18. In Blantyre District, the majority of households rely on a single income earner (68.75%) as opposed to 45.53% in Neno District. In Neno, most households (46.34%) have access to two sources of income. Generally, however, very few households have three or more income earners. This data highlights a strong dependence on single-income households, particularly in Blantyre District, which may indicate economic vulnerability and limited livelihood diversification.

Figure 19 shows the number of individuals in a household contributing to their household's finances by earning an income, disaggregated by the gender of their household head. It is more likely for male-headed households to have two household members earning an income (39.06%) than female-headed households (31.15%). Female-headed households are in fact more likely to

rely on just one person earning an income (63.93%) compared to male-headed households (54.69%). This pattern suggests that male-headed households may have better access to employment opportunities or more working-age members contributing to household income.

Figure 18: Number of Household Members Earning an Income, Disaggregated by District of Residence

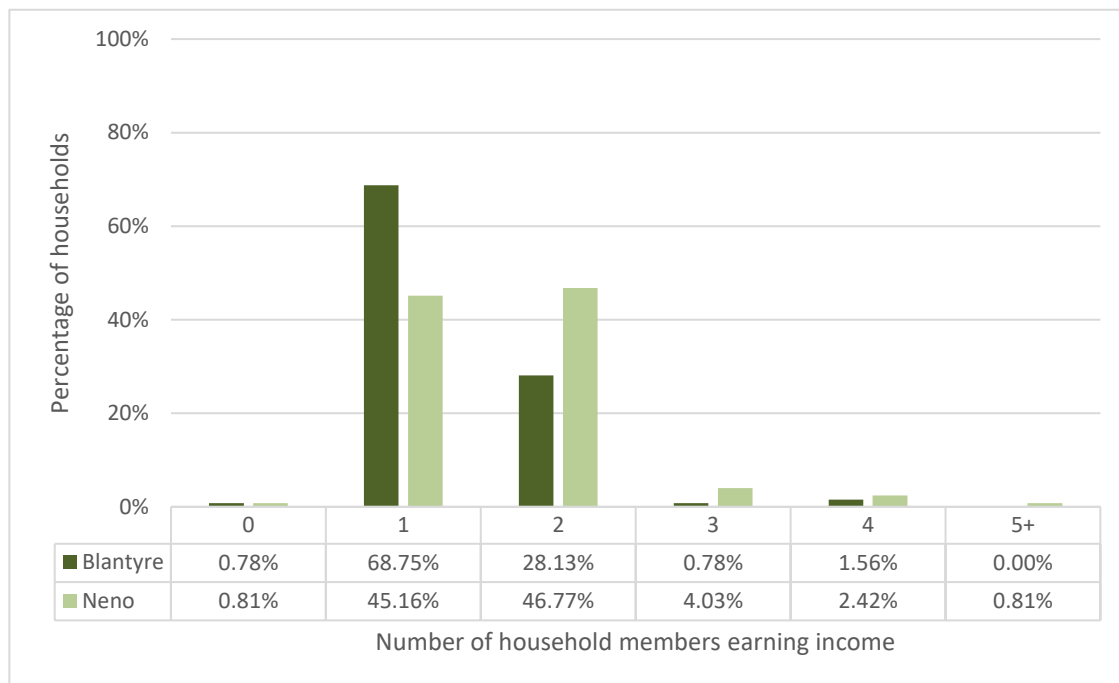


Figure 19: Number of Household Members Earning an Income, Disaggregated by Gender of Household Head



4.2.7.2 Sources of Income

Figure 20 shows that piece work (*ganyu*) (29.97%), charcoal (26.61%) and small businesses (17.65%) are the most common income sources across the surveyed population. This indicates a strong dependence on informal and subsistence-level economic activities in both areas, as well as the limited employment opportunities.

Figure 21 shows the differences in the sources of income between male-headed and female-headed households. Both household types rely heavily on charcoal selling and piecework (*ganyu*) as primary sources of income, with female-headed households (around 35%) showing a higher dependence on these activities than male-headed households (around 25%). Male-headed households showed more range in terms of their means of earning an income than their female counterparts. Agricultural crops (11.27 vs 7.14%), small businesses (18.91% vs 13.1%), and private employment (8% vs 0%) contribute more significantly to male-headed households' incomes than female-headed ones.

Figure 20: Main Sources of Income of Household Members, Disaggregated by District of Residence

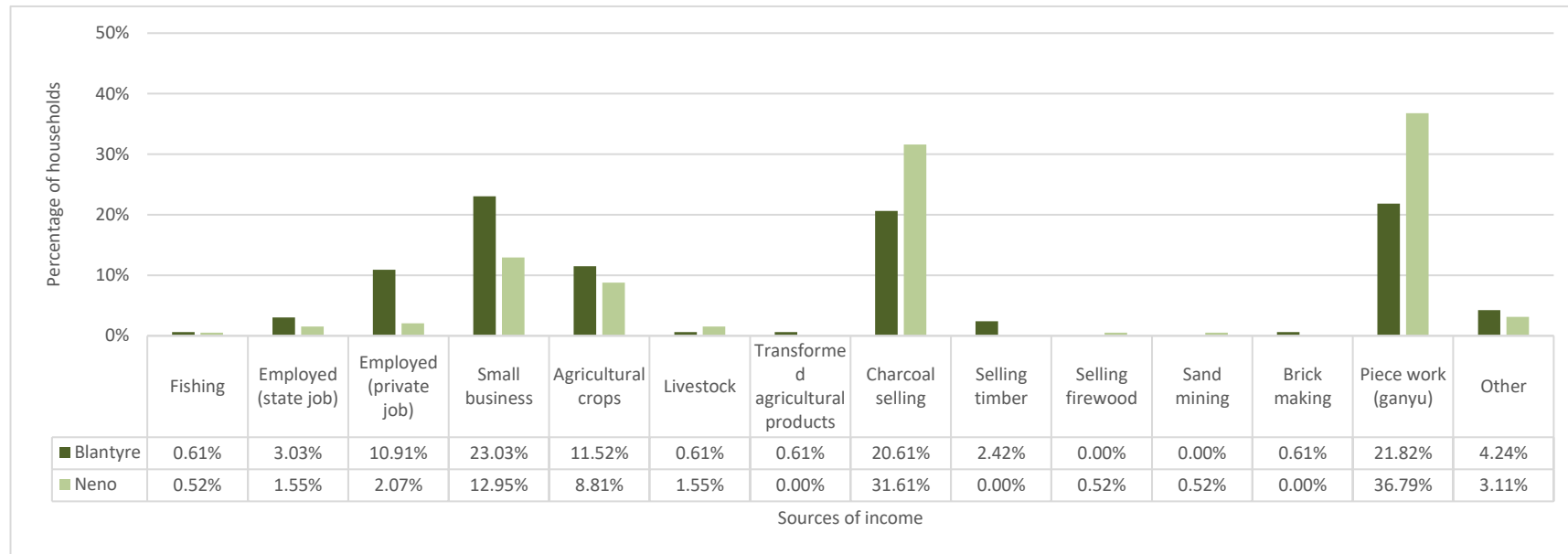


Figure 21: Main Sources of Income of Household Members, Disaggregated by Gender of Household Head

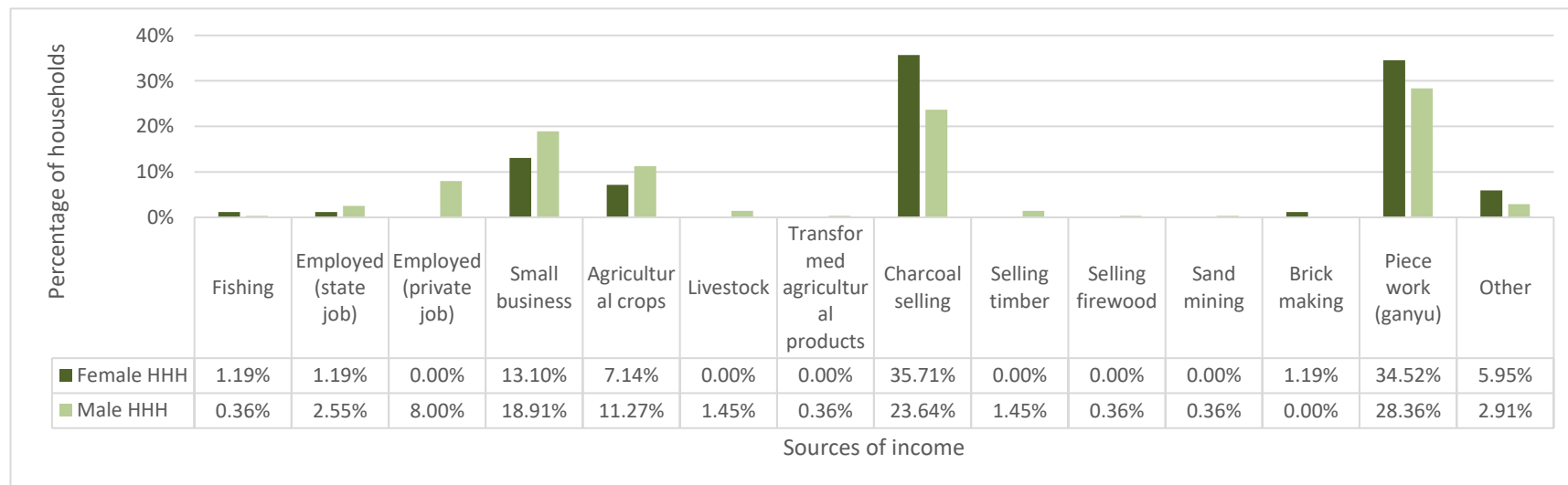
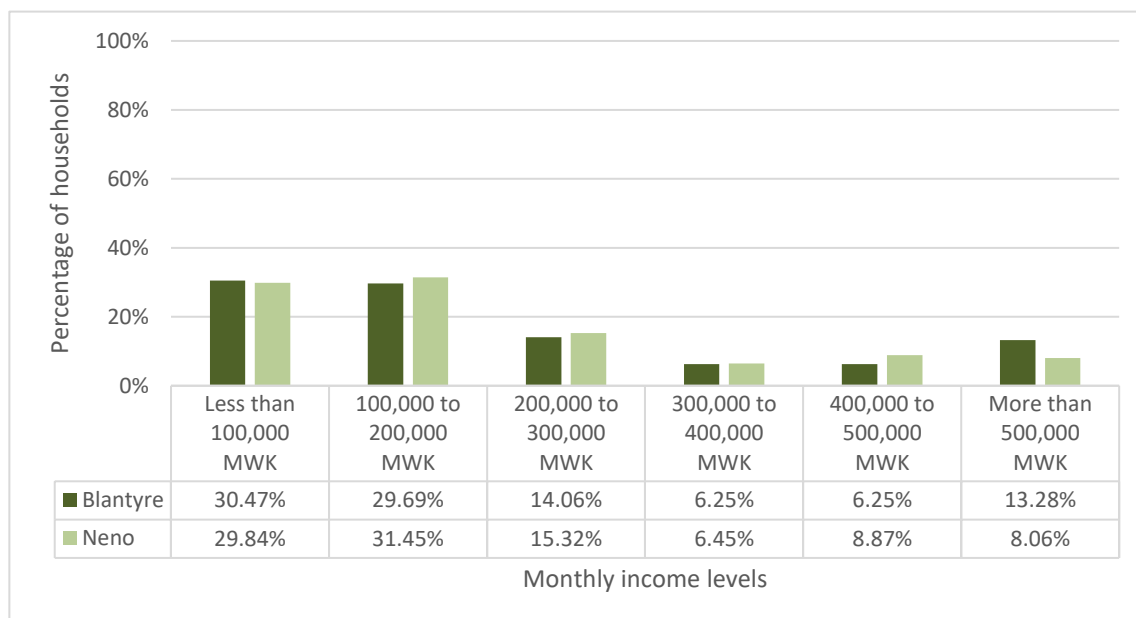


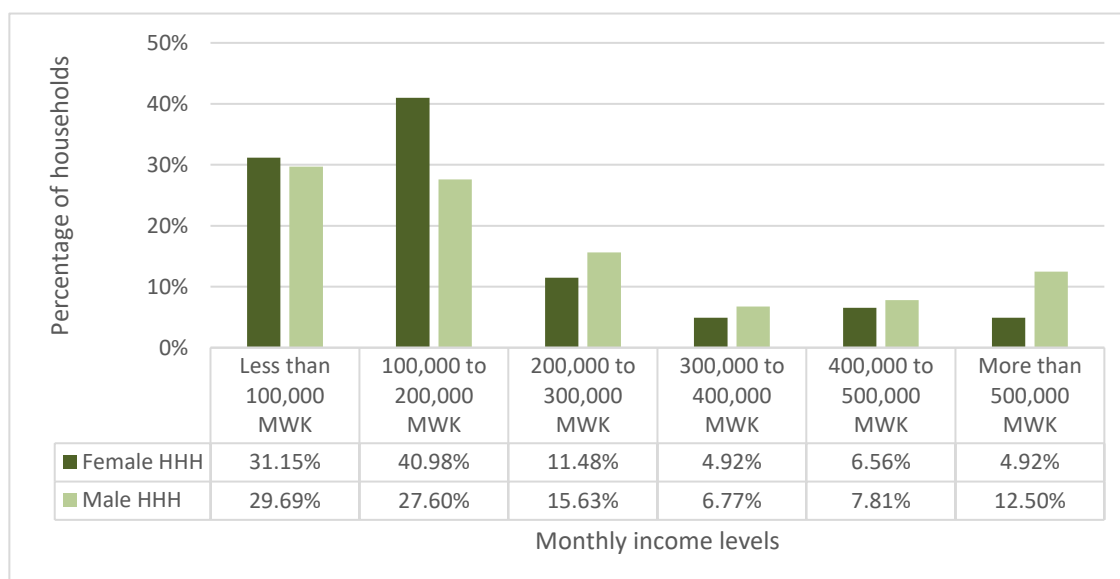
Figure 22 presents the average estimated monthly household income. The majority of respondents earned less than MWK 200,000 per month (60.72%). The fact that a third of people in both districts earn less than MWK 100,000 per month indicates a high prevalence of low-income households in these areas.

Figure 22: Average Estimated Levels of Monthly Household Income, Disaggregated by District of Residence



As per Figure 23, female-headed households are more likely to earn under 200,000 MWK per month (72.13%) than male-headed households (57.29%). Furthermore, male-headed households were consistently found to be more likely to receive monthly incomes in every bracket above 200,000 MWK per month than their female counterparts. These numbers indicate that female-headed households are less stable financially than male-headed households.

Figure 23: Average Estimated Levels of Monthly Household Income, Disaggregated by Gender of Household Head



4.2.7.3 Agriculture

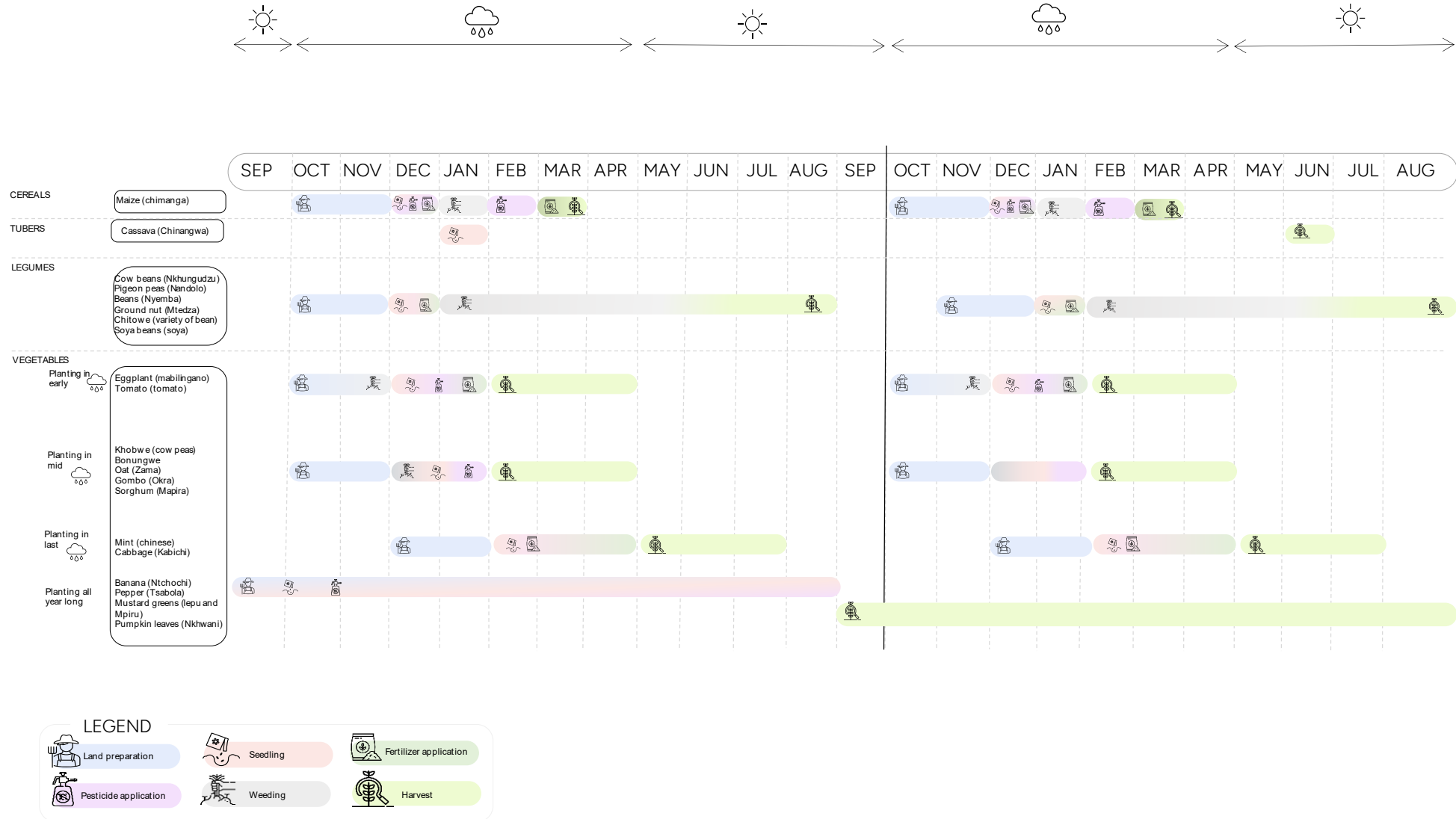
A Crop Farming

Across the area affected by the main works, farmers engage throughout the year in various agricultural practices, with maize serving as their primary food crop. Figure 24 provides an agricultural calendar. Farmers mainly till by hand. As a complement to maize as the main food, several varieties of beans and vegetables are grown, as shown in Table 7. Perennial crops are cropped differently according to the water availability and the financial resources of the farmers.

Table 7: Main Crops Farmed by the Households surveyed, Disaggregated by District of Residence

	Blantyre District		Neno District		Total for both districts	
	Num. of HH	% of HH	Num. of HH	% of HH	Num. of HH	% of HH
Maize	56	49.56%	61	50.00%	117	49.79%
Cassava	6	5.31%	2	1.64%	8	3.40%
Sorghum	5	4.42%	11	9.02%	16	6.81%
Groundnut	12	10.62%	10	8.20%	22	9.36%
Sweet potato	3	2.65%	4	3.28%	7	2.98%
Banana	1	0.88%	2	1.64%	3	1.28%
Tomato	6	5.31%	4	3.28%	10	4.26%
Pea	2	1.77%	2	1.64%	4	1.70%
Cowbeans	15	13.27%	13	10.66%	28	11.91%
Beans	5	4.42%	9	7.38%	14	5.96%
Onion	1	0.88%	2	1.64%	3	1.28%
Cabbage	2	1.77%	2	1.64%	4	1.70%
Pigeonpeas	42	37.17%	22	18.03%	64	27.23%
Sugarcane	2	1.77%	2	1.64%	4	1.70%

Figure 24: Simplified Annual Crops Calendar



B Livestock Farming

More than half of the affected households in the main works area declared they own some animals or livestock (see Table 8). The average number of cattle, goats and chickens owned per household is given in Table 9. Two households also declared owning some sheeps. It shows that female-headed households tend to own less livestock than male-headed ones. The households that own livestock own, on average 7 to 8 cattle heads.

When facing financial difficulties, households sell some of their livestock. For example, during the 2022 floods, villagers sold livestock in order to purchase crops for survival. In remote rural villages, the limited market access might discourage farmers from selling their livestock. Livestock also represents a secure asset compared to money. Bartering can be done with livestock, for instance, goats or chickens are also used to pay a fee at a traditional court. Livestock also has a cultural importance for certain ceremonies. For instance, in Kambalame, a cow is sacrificed each year under a sacred tree.

During the day, cows and goats are taken to grazing and water points, whereas chickens are left to free-range in the village. At night, cows, goats and chickens stay in specific enclosures in the village.

Table 8: Livestock Ownership, Disaggregated by Gender of Household Head

	Female HHH		Male HHH		Total	
	Num	%	Num	%	Num	%
No animals	27	46.55%	85	48.02%	112	47.66%
Own animals	31	53.45%	92	51.98%	123	52.34%
Total	58	100%	177	100%	235	100%

Table 9: Average Number of Livestock Owned per Household, Disaggregated by Gender of Household Head

HH head gender	Cows	Goats	Chickens
Female	1.4	2.6	6.6
Male	3.6	4.3	8.2
All HH	3.0	3.9	7.8

C Commercial Farms

Two commercial farms are established in the main works area:

- Karibu Ministries Farm, in Nkhwali village in Neno District, at the border with the Majete Park (Neno District). These farm premises are outside of the main works area, on the western side of the Mkulumadzi River, but they own a land plot affected by the main works where their cattle is grazing. They have several employees. It was confirmed with this farm that they have other land plots available to graze their cattle, and that they will neither stop their operations nor dismiss their employees due to the land acquisition⁵.
- Mlomba Farm (see Figure 25), on the Shire Riverbank in Nkhwali village (None District) This farm was established around 2012, it farms currently employs eight dedicated employees. With a monthly wage of MWK 50,000 per employee, the team manages and cares for livestock, including cattle, sheep and goats. Along the riverbank, additional areas are earmarked for crops that benefit from irrigation sourced from the Shire River.

⁵ Meeting with the Karibu Ministries, 07/08/2007, Blantyre.

Figure 25: A Worker's House at Mlomba Ranch



4.2.8 Natural Resources and Ecosystem Services

Table 10 presents the use of natural resources and ecosystem services in the affected villages. It shows that affected households reported using the Shire River for various purposes. They are also using the natural resources in the communal land in the villages. Activities such as charcoal, collecting plants, firewood, hay, wood or sand were more commonly done elsewhere in the villages rather than the Shire riverbanks.

About 75% of the households who own cattle taken them to the Shire River to water them.

Chaswanthaka exhibited the highest use of the river, followed by Kambalame. These villages' residents will be the most affected by the restriction of access to the Shire River and to the future reservoirs during operation.

Table 10: Use of Natural Resources Among Surveyed Affected Households in the Affected Villages

Use of Natural resources	Blantyre District				Neno District			Total
	Chaswanthaka	Divala	Mbwinja	Mpindo	Kambalame	Feremu	Nkhwali	
Collect medicinal herbs or plants in the Shire riverbank	0%	0%	16.67%	4.26%	6%	0%	0%	2.7%
Collect medicinal herbs or plants in the rest of the village	20.45%	28.57%	16.67%	29.79%	26%	21.43%	10%	22.07%
Collect firewood in the Shire riverbank	13.64%	0%	0%	4.26%	6%	7.14%	0%	5.86%
Collect firewood in the rest of the village	45.45%	42.86%	33.33%	55.32%	48%	42.86%	30%	44.59%
Collect hay in the Shire riverbank	4.55%	0%	0%	2.13%	4%	3.57%	0%	2.70%
Collect hay in the rest of the village	15.91%	28.57%	16.67%	17.02%	28%	28.57%	15%	20.72%
Collect wood for construction on the Shire riverbanks	11.36%	14.29%	0%	4.26%	10%	3.57%	0%	6.31%
Collect wood for construction in the rest of the village	31.82%	42.86%	16.67%	29.79%	28%	21.43%	17.5%	26.58%
Doing charcoal in the Shire riverbanks	11.36%	0%	0%	4.26%	6%	0%	0%	4.5%
Doing charcoal in the rest of the village	25%	42.86%	16.67%	25.53%	20%	14.29%	7.5%	19.82%
Collecting sand on the Shire riverbanks	4.55%	0%	0%	2.13%	0%	0%	0%	1.35%
Collecting sand in the rest of the village	22.73%	0%	16.67%	19.15%	44%	42.86%	35%	30.63%
Fish in the Shire	15.91%	14.29%	0%	10.64%	36%	7.14%	7.5%	16.22%
Ceremony on the bank of the Shire	15.91%	0%	0%	0%	20%	3.57%	2.5%	8.56%
Laundry in Shire	52.27%	0%	33.33%	10.64%	20%	3.57%	5%	19.37%
Dishes in Shire	43.18%	0%	0%	6.38%	8%	0%	5%	12.61%
Bath in Shire	45.45%	0%	0%	6.38%	8%	0%	5%	13.06%

4.2.9 Access to Energy

Table 11 below shows the means of lighting of the surveyed households, and Table 12 gives the source of energy they are using for cooking.

Table 11: Energy for Lighting, Disaggregated by Gender of Household Head

	Female HHH		Male HHH		Total		
	Num	%	Num	%	Num	%	
Electricity (solar panels)	1	1.72%	26	14.69%	27	11.49%	
Torch (batteries)	55	94.83%	139	78.53%	194	82.55%	
Firewood	1	1.72%	2	1.13%	3	1.28%	
<div style="display: flex; align-items: center;"> <div style="width: 15px; height: 15px; border: 1px solid black; margin-right: 5px;"></div> </div>	Candles + torch	0	0%	1	0.56%	1	0.43%
	Candles + torch + firewood	0	0%	1	0.56%	1	0.43%
	Torch + Solar panels	1	1.72%	8	4.51%	9	3.83%

Table 12: PAH Energy for Cooking, Disaggregated by Gender of Household Head

	Female HHH		Male HHH		Total	
	Num	%	Num	%	Num	%
Gas	0	0%	1	0.56%	1	0.43%
Charcoal	1	1.72%	11	6.21%	12	5.11%
Firewood	42	72.41%	120	67.80%	162	68.94%
Mix of Charcoal + Firewood	15	25.86%	43	24.29%	58	24.68%

4.2.10 Employment Status

As shown in Figure 26, residents in Neno District (41.46%) rely notably more on piece work (*ganyu*) than in Blantyre District (18.86%). In the latter, residents are twice as likely to benefit from employment (13.71% versus 6.83%) and are also more likely to be self-employed (62.86% vs 46.83%). Both districts show the same levels of unemployment.

Figure 26: Employment Status Among Household Members Earning an Income, Disaggregated by District of Residence

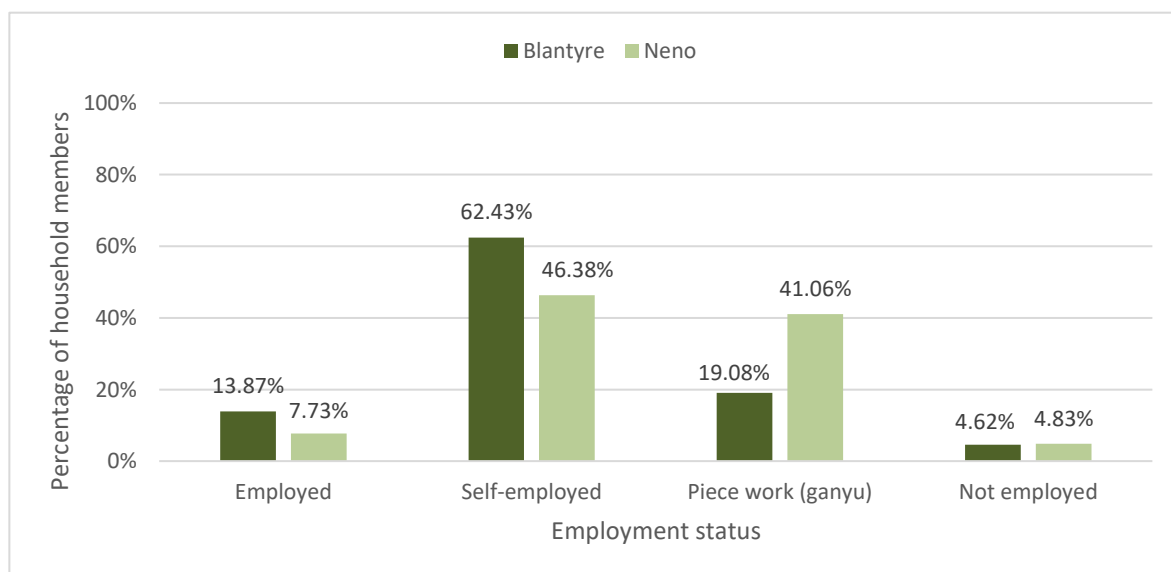
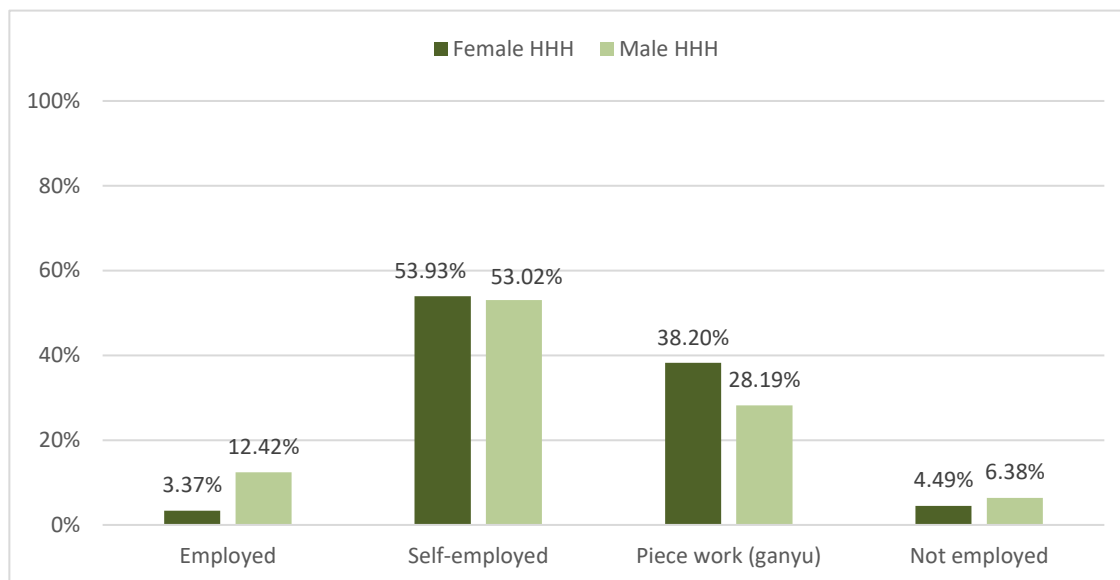


Figure 27 indicates that in both male-headed and female-headed households, self-employment is the most common form of income generation (approximately 53% for both). The proportion

of individuals engaged in *ganyu* work follows a similar pattern for both groups, though female-headed households again have a higher representation (38.2% versus 28.19%). The share of employed individuals shows a distinct difference based on the gender of the household head, with male-headed households showing 12.42% of employment compared to 3.37% of female-headed households.

Figure 27: Employment Status Among Household Members Earning an Income, Disaggregated by Gender of Household Head



4.2.11 Access to Banking and Financial Institutions

Table 13 below disaggregates access to a bank account by district and gender. Across districts and genders, the majority of PAPs did not have a bank account (91.25% on average). Among those who did, an average of 6.1% of all PAPs reported having individual bank accounts.

Table 13: Bank Account, Disaggregated by Gender and District of Residence

Type of bank account	Blantyre District			Neno District			Total
	Female	Male	Total	Female	Male	Total	
Individual account	4.44%	9%	6.84%	1.32%	7.48%	4.92%	6.1%
Joint account	0%	2%	1.05%	0%	0%	0%	0.53%
No account	95.56%	85%	90%	97.37%	90.65%	93.44%	91.25%
Don't know	0%	4%	2.11%	1.32%	1.87%	1.64%	2.12%
Total	100%	100%	100%	100%	100%	100%	100%

Table 14 shows that women were more likely to report relying on buses in Blantyre and taxis in Neno, as opposed to men, who showed the highest use of cars in both districts. The fact that there are no women in Blantyre or Neno districts reported using cars to access their bank accounts could signify a lack of mobility, equally reflected in the absence of women using motorcycles among the PAPs. Instead, women must rely on public transport services, including buses and taxis.

Table 14: Bank Access of PAPs, Disaggregated by Gender and District of Residence

Bank access	Blantyre			Neno			Total
	Female	Male	Total	Female	Male	Total	
Foot	0%	0%	0%	0%	25%	22.22%	8%
Motor cycle	0%	9.09%	6.67%	0%	25%	22.22%	12%
Bus	75%	36.36%	46.67%	0%	0%	0%	28%
Taxi	0%	9.09%	6.67%	100%	12.5%	22.22%	12%
Car	0%	45.45%	33.33%	0%	37.5%	33.33%	36%
Mobile phone	25%	0%	6.67%	0%	0%	0%	4%
Total	100%	100%	100%	100%	100%	100%	100%

4.2.12 Vulnerability

As part of the development of the RPF prepared in 2023 and 2024, a vulnerability assessment was prepared to identify the vulnerable groups in the affected communities. The definition of vulnerability used by the one of the World Bank ESS1: vulnerable people are persons or social groups who are more likely to be adversely affected by project impacts, who are more limited than others in their ability to take advantage of project benefits, or who are more likely to be excluded from or unable to participate fully in the mainstream consultation process.

The vulnerability assessment identified an overall context of high vulnerability across the whole population, with four criteria identified as exposing to heightened levels of vulnerability. The vulnerability criteria have been identified at the household level as follows:

- Criterion 1: Female-headed households - Compared to their male counterparts, female household heads are less likely to access remunerated jobs and suffer from a heightened risk of sexual abuse and assault, disproportionate caring responsibilities and a higher exposure to sexually transmitted diseases and sex work;
- Criterion 2: Households headed by people unable to work, communicate or understand information due to old age, disability or chronic illness, without any other breadwinner in the household - People who are unable to work or communicate due to illness, disability or old age are perceived as vulnerable due to their reduced ability to understand and process information, sustain a productive livelihood, dependence on the household or community for care, higher exposure to illness and reduced mobility, as well as an increased risk of exploitation, abuse, assault and discrimination;
- Criterion 3: Landless households - Landlessness is a factor of vulnerability because it heightens a household's dependence on other people for cash, while significantly limiting the household's productivity, capacity for livelihood diversification and resilience to external shocks;
- Criterion 4: Orphan-headed households - Orphans are considered extremely vulnerable due to their lower levels of education, dependence on the community and reduced ability to sustain a productive livelihood, as well as their heightened exposure to violence, assault, exploitation and forced labour.

Out of the 325 affected households, 84 have been identified as vulnerable. Table 15 shows that female-headed households are the predominant vulnerable group, with 68 households indicating being female-headed, including 15 female-headed households where there is another vulnerability criterion also. Most households headed by adults unable to work are in fact also

female-headed households. There are 24 households headed by a person unable to work, with no other adult living in the household, and 7 orphan-headed households.

Table 15: Breakdown of Vulnerability Within the Affected Households, Disaggregated by District of Residence

		Blantyre	Neno	Other (non-residents)	Total	
Not vulnerable		121	115	5	241	
Vulnerable		42	42	0	84	
Vulnerability criteria	Female-headed household	28	25	0	53	
	Orphan-headed household	2	3	0	5	
	The head is unable to work, and there is no other adult	5	6	0	11	
	Combination of vulnerability criteria	Female-headed household / Orphan-headed household	0	2	0	2
		Female-headed household / The head is unable to work, and there is no other adult	7	6	0	13
Total		163	156	5	325	

5 Impact Assessment

This section describes the involuntary resettlement impacts of the main works RAP. The overall number of affected households and their members is indicated in Table 16 below.

Table 16: Impacts Overview, Disaggregated by District of Residence

TA	Households physically and economically displaced		Households only economically displaced		Total	
	Nb of households	Nb of individuals (HH members)	Nb of households	Nb of individuals (HH members)	Nb of households	Nb of individuals (HH members)
Blantyre	46	203	117	547	163	750
Neno	3	17	154	752	157	769
Other (non-residents)	0	0	5	15	5	15
Total	49	220	276	1,314	325	1,534

5.1 Physical Displacement

The number and distribution of physically displaced households are indicated in Table 17 below. Examples of the houses of the physically displaced households are provided in Figure 28, and the location of the physical displacement impacts is given in Figure 29.

All the households physically displaced are also economically displaced. They are all owning the house there are losing (there are no tenants in the houses being lost).

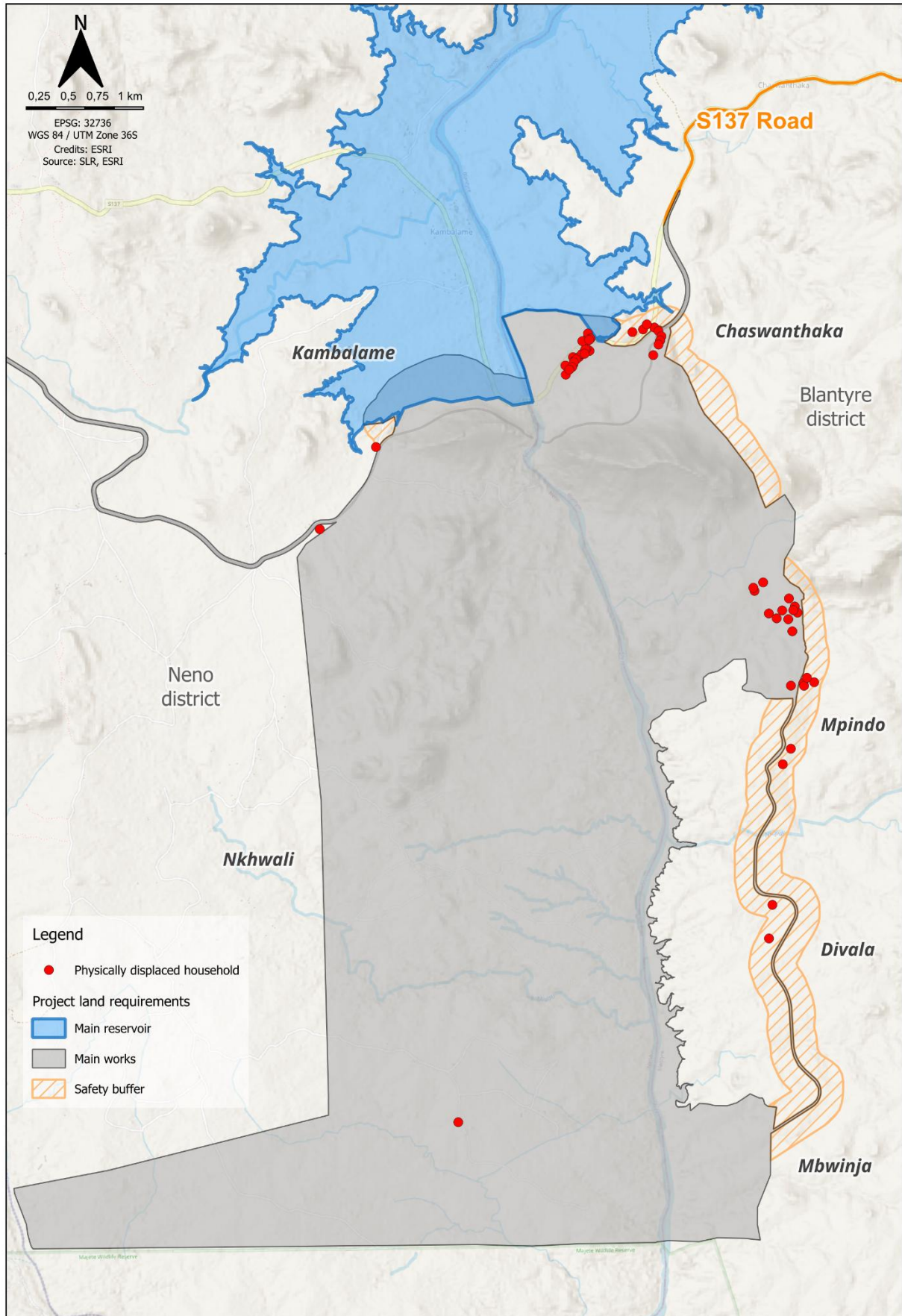
Table 17: Physically Displaced Households, Disaggregated by Village and gender of HH Head

Village		Number of households	Number of household members	Number of female-headed households	Number of other vulnerable households
Blantyre / TA Kunthembwe / Chaswanthaka GV	Chaswanthaka	26	109	10	2
	Divala	2	4	1	0
	Mpindo	18	90	6	0
Neno District / TA Mlauli / Feremu GV	Kambalame	2	11	1	0
	Nkhwali	1	6	0	0
Total		49	220	18	2

Figure 28: Photos of some Affected Houses of the Physically Displaced Households



Figure 29: Location of Physical Displacement



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5.2 Economic Displacement

A total of 276 households will be affected only by economic displacement. They are disaggregated by the gender of the household's head in Table 18. Their vulnerability is given in Table 19.

Table 18: Economically Displaced Households, disaggregated by Gender of the Household's Head

Male-headed households		Female-headed households		Total	
Num. of HH	Num. of HH members	Num of HH	Num. of HH members	Num. of HH	Num. of HH members
222	1,048	54	266	276	1,314

Table 19: Economically Displaced Households and Household Members, Disaggregated by Vulnerability

Vulnerability		Number of households	Number of household members
Non-vulnerable households		212	1,023
Vulnerable households		64	291
Female-headed household		38	213
Orphan-headed household		5	10
Head is unable to work, no other able adult		9	29
Combination of vulnerability criteria	Female-headed household / Orphan-headed household	2	6
	Female-headed household / Head unable to work, no other able adult	10	33
Total		276	1,314

Amongst the affected households economically displaced, in some cases several individuals from the same households are affected by different and separate losses. For instance, a wife and her husband may own separately two different land plots affected, while being part of the same household affected. The total of 276 households only economically displaced includes 325 persons having their assets or source of income affected. Table 20 gives the distribution of these 325 persons by category of impact. The majority of them are landowners losing land, with some employees of affected businesses and business owners.

Table 20: Persons Losing their Assets or Sources of Income, per Category of Impact

Category of impact	Residency Status		Total
	Resident	Non-resident	
Business owner	0	2	2
Employee	8	0	8
Family land (several households owning land together)	7	1	8
Landowner	273	26	299
Landowner + Business owner	2	1	3
Landowner + Employee	1	0	1
Landowner + Tenant	1	0	1
Tenant	3	0	3
Total	295	30	325

5.3 Loss of Land

As indicated in Section 2.2, out of the land requirements of 3,174.8 ha, 223.1 ha is public land, which will not be acquired, as it is already the property of the GoM. The 236.1 ha of the safety buffer area are not acquired. In total, 2,715.5 ha of land is being acquired by the RAP, as indicated in Table 22. A total of 446 privately owned land plots, all under customary ownership, are affected (see Table 21). These land plots are owned by 364 landowners, who belong to 316 households (see Table 22). Figure 30 illustrates the land plots affected.

The large majority of the land plots affected (436 out of 446) are not cultivated (for a total of about 2,704 ha of uncultivated land). Some of them are used as residential plots, and two are used by ranches, with most other being used to grow trees or not used.

Ten of these plots are being cultivated, for a total area cultivated of less than 1 ha. The Project will schedule the land acquisition process to avoid or minimise as much as possible impacts on crops. PAPs cultivating crops will be allowed sufficient time to harvest their crops prior to land take, ensuring no loss of mature or near-mature crops. They will have no less than 2 months advance notice to vacate the land and right to harvest the crops before the date the land shall be vacated (as long as it does not interfere with Project construction timelines). Where annual crops are damaged or destroyed due to project activities during construction, including impacts from machinery movement or site clearance, these crops will be eligible for compensation.

There are 4 tenants affected, two located in Blantyre District and two in Neno District.

A total of 60 orphan land plots were identified during the RAP surveys and will be acquired, representing a total area of 25.12 ha, mostly in Neno District.

Table 21: Loss of Cultivated versus Uncultivated Landplots, Disaggregated by District

District	Not cultivated	Cultivated	Total
Blantyre	252	2	254
Neno	184	8	192
Total	436	10	446

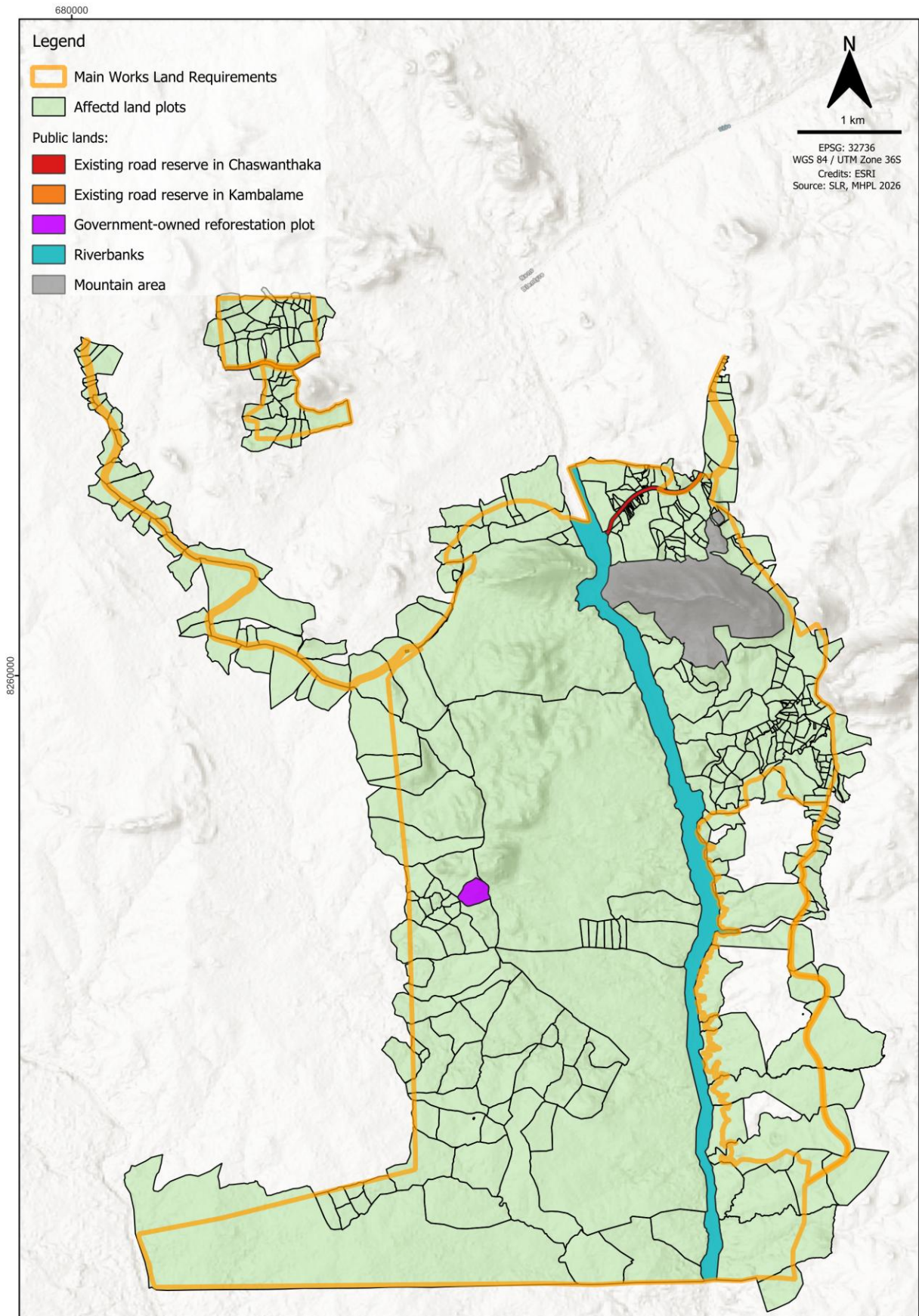
Table 22: Surface, Number of Plots and Number of Landowners Affected, Disaggregated by District

District	Acquired area (ha)	Number of land plots	Number of landowners	Number of landowner households
Blantyre	488.8	254	183	158
Neno	2,226.7	192	182	160
Total	2,715.5	446	364 ^a	316 ^b

^aOne landowner owns one land plot in Blantyre District and one other in Neno District.

^bOne household has one member owning one land plot in Neno District and one other member in Blantyre District. One other household includes one member owning one land plot in Blantyre District and one other in Neno District. .

Figure 30: Land Plots Affected



5.4 Loss of Trees

A total number of 241,939 trees will be impacted, as indicated in Table 23. The vast majority of which are timber trees, most of them indigenous trees. A total of 399 fruit trees are impacted, the species of which are listed in Table 24.

Table 23: Loss of Trees, Disaggregated by District

District	Fruit trees	Palm trees	Timber trees			Total
			Exotic trees	Indigenous trees	Timber total	
Blantyre	302	7	1141	44,467	45,608	45,917
Neno	97	52	89	195,784	195,873	196,022
Total	399	59	1,230	240,251	241,481	241,939

Table 24: Loss of Fruit Trees

Fruit tree species	Number of affected seedling fruit trees	Number of affected productive fruit trees	Total number of affected fruit trees
Banana	129	184	313
Custard apple	1	7	8
Guava	5	6	11
Lemon	2	5	7
Mango	6	9	15
Mulberry	0	6	6
Orange	1	0	1
Papaya	20	18	38
Total	164	235	399

5.5 Loss of Structures

A total of 230 structures will be affected by the main works, as indicated in Table 25. This total includes the structures of the physically displaced households. Figure 31 provides photos of some affected structures.

Table 25: Affected Structures

Categories of structures affected	Blantyre District	Neno District	Both districts
Bathroom	21	5	26
Bench	1		1
Borehole		2	2
Boys_quarter	1	1	2
Chicken_house	15		15
Commercial_building	3	2	5
Fence	3	3	6
Unfinished structure - Foundations	3		3
Unfinished structure - Gable_level	6		6
Unfinished structure - Walls		2	2
Unfinished structure - Window_level		2	2
House	58	17	75
Kitchen	3	6	9
Kraal	29	16	45
Latrine	9	4	13
Shade	5	4	9
Steps		3	3
Stove	2		2
Tank		1	1
Troughs		2	2
Yard	1		1
Total	160	70	230

Figure 31: Photos of Affected Structures



Chicken house (Mpindo village)



Fence (Chaswanthaka village)



Kraal (Chaswanthaka village)



Latrine (Chaswanthaka village)

5.6 Loss of Businesses

Six businesses are affected by the Main Works RAP. As shown in Table 26, these are three grocery shops, two ranches, and a maize mill.

Table 26: Types of Affected Businesses

Business category	Blantyre District	Neno District	Total
Groceries	3	0	3
Maize mill	0	1	1
Ranch	0	2	2
Total	3	3	6

Nine persons are employees from affected businesses who will be displaced: six are working at a ranch in Neno District, two other employees are working for a PAP owning a large piece of land in the Neno conservancy area, and one employee is working for the maize mill owner. Figure 32 gives some photos of affected businesses.

Figure 32: Photos of some Affected Businesses



Basikolo grocery shop (Chaswanthaka village)



Kamwenje Maize Mill (Nkhwali village)



Ma Noliya Shop (Chaswanthaka village)



Ma Raphael Grocery Shop (Chaswanthaka village)

5.7 Community or Public Assets affected

As indicated in Table 27, three collective or public assets will be affected. The football ground in Mpindo is losing its entire surface. The Community borehole in Nkhwali village is pictured in Figure 33. The reforestation plot affected in Nkhwali is owned by the Government, and as such, will not be compensated. This reforestation plot is not used by the local communities.

Table 27: Types of Lost Community Entities, Disaggregated by District

Collective asset	Blantyre District	Neno District	Total
Community borehole in Nkhwali Village	0	1	1
Football ground in Mpindo	1	0	1
Government-owned reforestation plot	0	1	1
Total	1	2	3

Figure 33: Community Borehole affected in Nkhwali Village



5.8 Loss of Access to Natural Resources

5.8.1.1 Loss of access to the Shire River

The socioeconomic surveys indicate that a large proportion of the affected households use the Shire River for various purposes (see Table 10 in Section 4.2.8). The Shire River and its banks are a source of livelihoods. Most households take their cattle to the riverbanks to water them.

Access to the Shire River during construction will be limited around the construction sites for safety reasons. During operation, some areas of the Shire River and its banks will no longer be accessible to the local communities as defined in Section 2.2.7:

- On the Blantyre side (left bank), it will be possible to access the regulating dam shore except in the following fenced areas:
 - The area between the main dam and 1.5 km downstream of the main powerhouse, including the main switchyard. This will affect Mpindo villagers, who will lose access to about half of the riverbanks in their village;
 - The area between the regulating dam and the northern boundary of Majete, and the regulating dam switchyard. This will affect Mbwinja villagers, who will lose their main access to the Shire Riverbank;
- On the Neno side (right bank), the proposed biodiversity conservancy area will be fenced from the main dam to the limit with Majete Park. No public access to the regulating reservoir shore will be possible. The fencing of the conservancy area is planned at the very beginning of construction. It means Nkhwali village will no longer have access to the Shire River from the start of the construction; and
- During operation, access to the main reservoir close to the main dam will not be allowed for safety reasons within 500 m from the main dam, its spillways, its water intake and diversion tunnel. This will reduce the area of riverbanks available to Kambalame and Chaswanthaka villagers.

Collective Livelihood Restoration Measures are defined to address these impacts. The Project will define and implement alternative solutions to restore access to water for the five villages affected by the restriction of access to the future reservoirs and maintain access to the main reservoir for the 18 riverine villages around the main reservoir. The measures are described in Section 9.4. They will be implemented in a participatory manner with the affected villages, to ensure they are socially acceptable and adapted to the needs and uses of the affected villages.

5.8.1.2 Loss of Access to Terrestrial Natural Resources

As described in Section 4.2, Charcoal making, subsistence farming and livestock grazing are key activities for the households affected by the main works RAP, in both Blantyre and Neno District.

The land acquisition for the Project will reduce the areas available for these activities in Chaswanthaka, Mpindo, Mbwinja and Nkhwali villages and to a lesser extent in Kambalame and Divala village as well. At the village level, it is likely that the reduction of areas available to produce charcoal or graze cattle will increase pressure on terrestrial natural resources outside of the Project land requirements. In addition, the impacts on the use of terrestrial natural resources at the village level cannot be assessed solely from the RAP perspective. Pressure on natural resources could also increase because of Project-induced in-migration, and from the influx of workers, as described in the ESIA.

Therefore, the impacts of the reduction of access to terrestrial natural resources will likely be experienced collectively by the affected villages. Overall, there will be a need to develop alternative sources of livelihood for the affected households, but also the affected villages as a whole.

As these impacts will be collective, measures to address impacts from restriction of access to terrestrial natural resources will be collective in nature, rather than directed towards individuals or

households⁶, as defined in the RPF. Households-level livelihood restoration activities will be offered to affected households in addition to the collective ones, including development of alternative sources of income. These livelihood restoration measures are detailed in Section 9.

5.9 Cultural Heritage Elements Impacted

The Cultural Heritage Impact Assessment (CHIA) for the Project was conducted by the Department of Museums and Monuments (DoMM) between November 1 and 14, 2025. The assessment aligns with Malawi's Environmental Management Act (2017), Monuments and Relics Act (1990), and IFC Performance Standard 8 (Cultural Heritage). The DoMM applied a multi-tiered approach, which involved:

- Desktop Review: Analysis of archival records, previous archaeological studies, historic maps, and ethnographic literature to predict sensitive zones;
- Field Survey: Systematic archaeological walkovers and cultural site mapping. Transects were walked in the Project footprint;
- Stakeholder Engagement: Consultations with TAs, GVHs, elders, women's groups, and custodians of cultural knowledge to validate site locations and understand cultural significance.

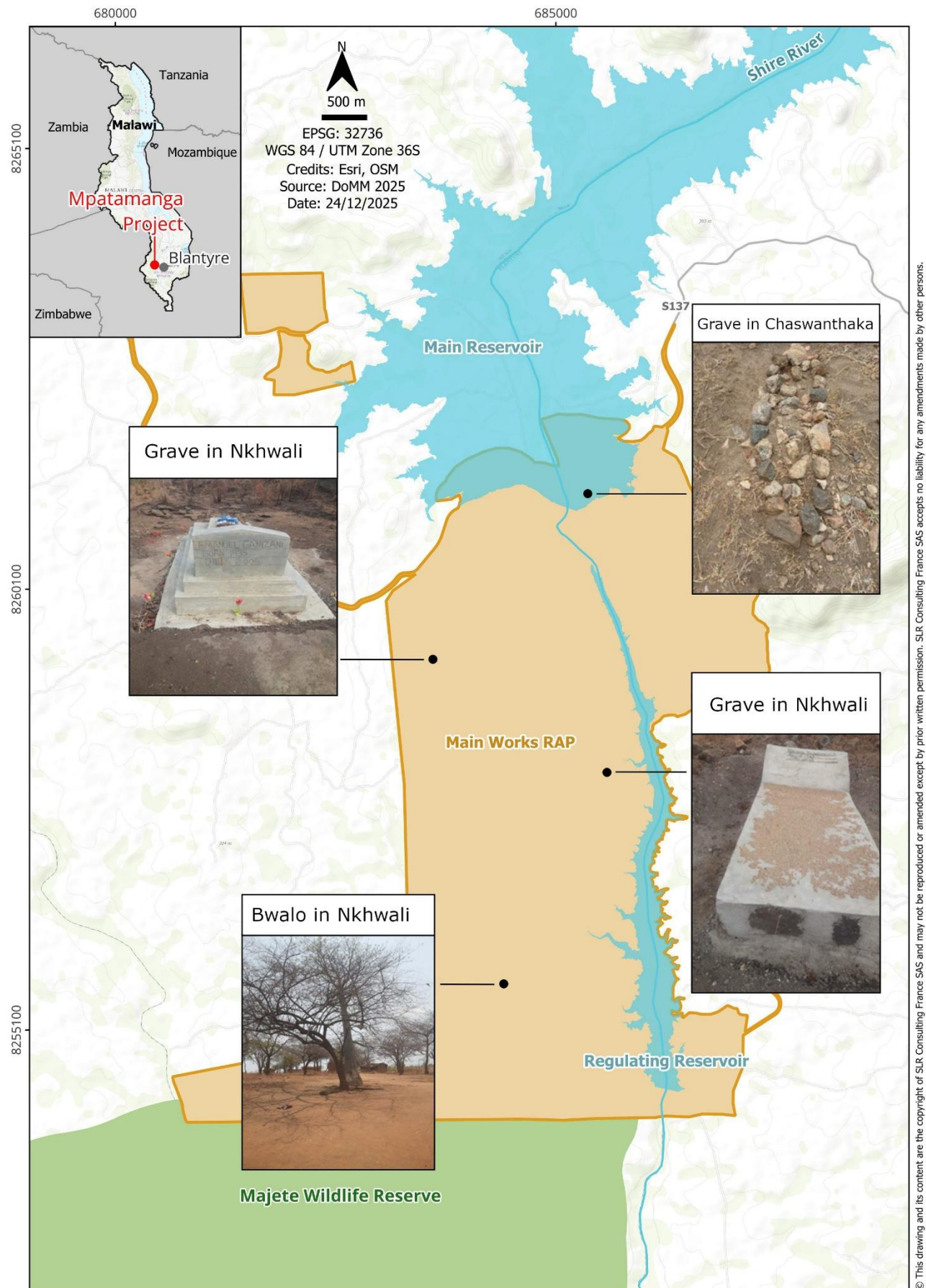
The following cultural heritage sites were identified during the CHIA field survey and stakeholder consultations (see Figure 34):

- One Bwalo (Community Gathering Space located in Nkhwali village: this Bwalo serves as a meeting place for community gatherings, dispute resolution, and cultural ceremonies. While replicable, its cultural significance is substantial, and relocation must involve community consultation and the ritual transfer of any spiritually significant trees;
- Three lone graves, one in Chaswanthaka and two in Nkhwali village. They will be displaced according to the graveyards relocation plan to be prepared and implemented by the DoMM.

At the time of writing this main works RAP, the DoMM was preparing a Cultural Heritage Management Plan (CHMP) and a Grave Relocation Action Plan (GRAP) to detail the procedures to mitigate these impacts and displace the graves. These plans will be implemented by the DoMM. The affected graves will be relocated to new cemeteries developed in Kambalame and Chaswanthaka villages during the main reservoir RAP, or to Nkhwali Village cemetery for graves originating from Nkhwali. The relocation process will comply with Malawi law, Lenders standards, and community cultural protocols.

⁶ As envisaged in IFC PS5 § 28

Figure 34: Lone graves and Bwalo impacted by the Main Works (source DoMM, 2025)



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6 Eligibility and Entitlements

6.1 Eligibility Criteria

The eligibility criteria for this RAP are those defined in 2024 in the RPF (SLR Consulting, 2024a):

- Persons with formal legal rights to land lost in its entirety or in part;
- Persons who lost the land they occupy or use in its entirety or in part, who have no formal legal rights to such land but who have claims to such land that are recognised or recognisable under national laws; and
- Persons who lost the land they occupy in its entirety or in part have neither formal legal rights nor recognised or recognisable claims to such land.

The 2024 RPF (SLR Consulting, 2024a) defines the categories of affected persons who may be eligible for the various measures in each phased RAP. These eligibility criteria are listed in Table 28 below, along with their applicability to this main works RAP.

Table 28: Categories of People Affected by the Project Land Acquisition Process

Categories of Affected People	Description	Applicable to the main works RAP
Landowners with formal legal rights (leasehold or freehold) and/or persons having a recognised or recognisable customary right to the land	Landowners with a legal land right (both under customary law and/or with formal documentation).	yes
Tenant farmers	Tenants cultivating on affected land (with or without a formal written agreement).	yes
Informal occupants or land users without a recognisable right	Persons using land for which they have no recognised or recognisable ownership right.	no
Owners of house, dwellings and non-residential structures	Persons who will lose their home (defined as permanent residence), or their structures (ancillary structures, barns, fences, abandoned/derelict houses).	yes
Tenants of residential structures	Persons renting an affected house (either formally or informally).	no
Communities and Custodians of affected cultural heritage elements	Communities and people owning or being custodians of affected graves and/or religious structures, such as churches or mosques.	yes
Affected business owners, including owners of Affected Ranches	Business owners who are temporarily or permanently losing their immovable means of business (shop, or other structure), including owners of commercial farms or ranches affected by the Project land requirements.	yes
Employees of business owners, including employees working on the commercial farms or ranches.	Employees of affected business owners who will temporarily or permanently lose their existing salary.	yes
Affected communities	Communities experiencing one of the following impacts: Loss of community structure or assets (such as graveyard, school, borehole or sacred site), Loss of access to the Shire River, Loss of communal land (<i>Malo Amudzi</i>) or loss of access to natural resources.	yes

Categories of Affected People	Description	Applicable to the main works RAP
Vulnerable households	Female-headed households The household head is able to work, and no adult (age >18) able to work in the household, Landless households and Orphan-headed households (below 20 years of age).	yes

6.2 Cut-Off Date

A cut-off date for determining eligibility for compensation or other assistance is intended to help prevent encroachment by opportunistic settlers. It is most effective when well communicated, documented, and disseminated, including by providing a clear demarcation of areas designated for resettlement. Individuals settling in or starting to use the land in the project area after the cut-off date are not eligible for compensation or resettlement assistance. This cut-off date is the date of the end of the census of affected persons and the inventory of their affected land plots and assets.

The Main Works RAP covers a large area. To avoid delays between the end of the RAP surveys in a given village and the cut-off date, separate cut-off dates were set for both GVs Neno and Blantyre districts. Table 29 indicates the cut-off dates for the different GVs and villages.

Table 29: Cut-off Dates for Villages per Group Village

District / TA	GV	Villages	Cut-off date
Blantyre / TA Kunthembwe	Chaswanthaka	Mbwinja, Divala	3 May 2025
		Chaswanthaka, Mpindo	12 September 2025
Neno / TA Mlauli	Feremu	Feremu, Kambalame, Nkhwali	31 May 2025

Before the census began in each GV, a public meeting was held in each cluster of villages to explain the RAP process, the census and cut-off date principles, and to disclose the Project Grievance Redress Mechanism (GRM). During these community sensitisation meetings, village chiefs were requested to help disseminate information about the census in their villages.

At the end of the RAP surveys in a Group Village, a close-out meeting was organised. During this close-out meeting, the cut-off date principle and date were again explained, and the next steps of the RAP process were explained to the local communities and the affected persons.

To complement the meetings, cut-off date notices (in Chichewa) were also displayed across the villages, at key community locations such as the chiefs' houses or schools. Figure 35 shows one of the publicly displayed cut-off notices, which complemented the community meetings. Figure 36 provides an example of the cut-off date notice in Chichewa for Divala and Mbwinja villages (03 May 2025).

Figure 35: Example of Cut-off Date Notices

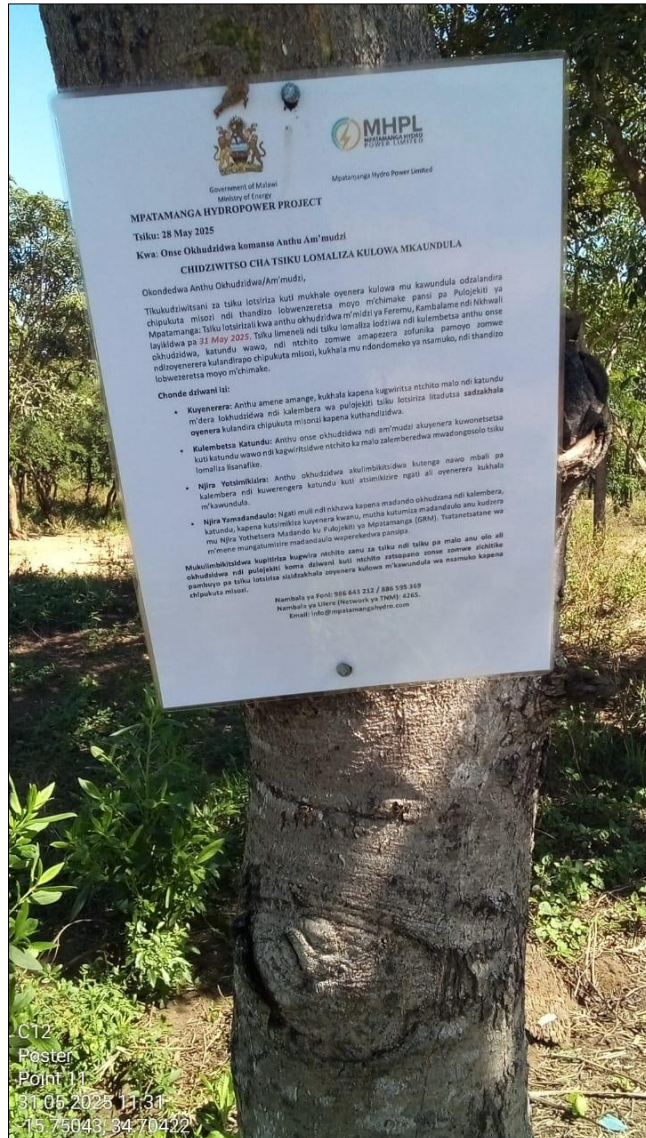




Figure 36: Cut-off Date Notice in Chichewa

Government of Malawi
Ministry of Energy

Mpatamanga Hydro Power Limited

MPATAMANGA HYDROPOWER PROJECT

Tsiku: 28 April 2025

Kwa: Onse Okhudzidwa komanso Anthu Am'mudzi

CHIDZIWITSO CHA TSIKU LOMALIZA KULOWA MKAUNDULA

Okonedwa Anthu Okhudzidwa/Am'mudzi,

Tikukudziwitsani za tsiku lotsiriza kuti mukhale oyenera kulowa mu kawundula odzalandira chipukuta misozi ndi thandizo lobwenzeretsa moyo m'chimake pansi pa Pulojekiti ya Mpatamanga: Tsiku lotsirizali kwa anthu okhudzidwa m'midzi ya M'bwinja ndi Divala layikidwa pa **3rd May 2025**. Tsiku limeneli ndi tsiku lomaliza lodziwa ndi kulembetsa anthu onse okhudzidwa, katundu wawo, ndi ntchito zomwe amapezera zofunika pamoyo zomwe ndizoyenerera kulandirapo chipukuta misozi, kukhala mu ndondomeko ya nsamuko, ndi thandizo lobwenzeretsa moyo m'chimake.

Chonde dziwani izi:

- **Kuyenerera:** Anthu amene amange, kukhala kapena kugwiritsa ntchito malo ndi katundu m'dera lokhudzidwa ndi kalembera wa pulojekiti tsiku lotsiriza litadutsa **sadzakhala oyenera** kulandira chipukuta misonzi kapena kuthandizidwa.
- **Kulembetsa Katundu:** Anthu onse okhudzidwa ndi am'mudzi akuyenera kuwonetsetsa kuti katundu wawo ndi kagwiritsidwe ntchito ka malo zalemberedwa mwadongosolo tsiku lomaliza lisanafike.
- **Njira Yotsimikizira:** Anthu okhudzidwa akulimbikitsidwa kutenga nawo mbali pa kalembera ndi kuwengerera katundu kuti atsimikizire ngati ali oyenerera kukhala m'kawundula.
- **Njira Yamadandaulo:** Ngati muli ndi nkhwawa kapena madando okhudzana ndi kalembera, katundu, kapena kutsimikiza kuyenera kwanu, mutha kutumiza madandaulo anu kudzera mu Njira Yothetsera Madando ku Pulojekiti ya Mpatamanga (GRM). Tsatanetsatane wa m'mene mungatumizire madandaulo waperekedwa pansipa.

Chonde kumbukirani kuti mukulimbikitsidwa kupitiriza kugwira ntchito zanu za tsiku ndi tsiku pa malo anu olo ali okhudzidwa.

Nambala ya Foni: 986 643 212 / 886 595 369
Nambala ya Ulere (Network ya TNM): 4265.
Email: info@mpatamangahydro.com

6.3 Entitlements

This main works RAP applies the principles and entitlements defined for all the Project's components in the RPF. Table 30 next page provides the entitlement matrix. This entitlement matrix is the same as the one defined in the RPF, except that it does not include easement of transmission lines, as this impact will not occur in this main works RAP.

As entitlements are presented by category of loss and category of affected person, one affected household may qualify for entitlement in more than one category.

Table 30: Entitlement Matrix for the Main Works RAP

Type of impact	Eligible Party	Entitlements	
		Compensation in Cash <u>OR</u> Compensation in Kind	Livelihood Restoration
Loss of land	Landowners with legal land rights (both under customary law and/or with formal documentation)	<p>Compensation in cash at full replacement cost;</p> <p>OR</p> <p>The households <u>physically displaced</u> (i.e. losing their home) by the main reservoir and Main Works from Kambalame, Chaswanthaka and Mpindo villages will be offered in-kind replacement land on the resettlement sites. The households physically displaced in the other villages will be offered assisted self-relocation on a plot they will choose in the same village or GV.</p> <p>The Households <u>economically displaced</u> (i.e. losing land without losing their house) will be offered the possibility to choose in-kind replacement land to be identified in the same village or GV over cash compensation, <u>if</u> they are losing productive land, Residing in the affected villages or GVs (i.e. non-resident affected persons will not be offered replacement land) and <u>if</u> they are in one of the categories below:</p> <ul style="list-style-type: none"> • Affected vulnerable household (as outlined in 4.2.12 of this report); • Losing either the entirety or more than 30% of their land; <p>AND</p> <ul style="list-style-type: none"> • When a land plot is only partially lost, the landowner will have the possibility to request the Project to acquire the entirety of the land plot if the remaining part is not economically viable (as defined in Section 6.3.1); • Disturbance allowance (20% of the total compensation amount). 	<p>Livelihood Restoration support is defined in Section 9 of this report (except non-resident PAP).</p> <p>Transitional support (except non-resident PAP): a staple food basket per household provided in-kind during 6 months as defined in Section 9 of this report.</p>
Loss of access to land	Tenant of rented land	<ul style="list-style-type: none"> • No compensation for land; • Advance notice to vacate the land (no less than 2 months); • Compensation for the unexpired portion of the lease for the land lost; • Crops, trees, and structures are compensated as per the entitlements below. 	<p>Livelihood Restoration support is defined in Section 9 of this report.</p> <p>Transitional support (except non-resident PAP): a staple food basket per household provided in-kind during 6 months.</p>
	Land users without recognisable rights	<ul style="list-style-type: none"> • No compensation for land; • Advance notice to vacate the land (no less than 2 months); • Crops, trees and structures compensated as per the entitlements below. 	<p>Livelihood Restoration support is defined in Section 9 of this report.</p> <p>Transitional support (except non-resident PAP): a staple food basket per household provided in-kind during 6 months.</p>
Loss of residential structure	The house owner residing in the house (Physical displacement)	<p>The affected households that are physically displaced will have the choice between cash compensation and in-kind compensation.</p> <p>Cash compensation: Compensation at full replacement cost, at least be sufficient to enable purchase or construction of housing of similar or better standing and quality than the house lost, and as a minimum, of housing that meets acceptable minimum community standards of quality and safety. Right to salvage materials before the land is vacated.</p> <p>OR</p> <p>In-kind compensation: For the households physically displaced by the main reservoir and Main Works from Kambalame, Chaswanthaka and Mpindo villages: in-kind replacement housing on one of the resettlement sites, built by the Project.</p> <p>For the physically displaced households in the other villages by the other Project components, assisted self-relocation and Project-organised construction of replacement</p>	<p>Livelihood Restoration support is defined in Section 9 of this report.</p> <p>Transitional support (except non-resident PAP): a staple food basket per household provided in-kind during 6 months.</p>

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Type of impact	Eligible Party	Entitlements	
		Compensation in Cash <u>OR</u> Compensation in Kind	Livelihood Restoration
		housing (the affected person identifies a replacement land plot in the same village or GV, the Project pays for this land using the land rate defined, and the Project then construct a house on the replacement plot for the affected household). AND <ul style="list-style-type: none"> • Moving allowance; • Disturbance allowance (20% of the total compensation amount); • For vulnerable households physically displaced: Assistance in their move, by provision of a vehicle to transport their belongings. 	
	Landlord of the affected house (not residing in the affected house – no physical displacement)	<ul style="list-style-type: none"> • Cash compensation at replacement cost; • Disturbance allowance (20% of the total compensation amount). 	-
	Tenant of the affected house	<ul style="list-style-type: none"> • No compensation for the structure; • Compensation for paid unexpired portion of the lease for the residency, as applicable; • Advance notice to vacate the house (no less than 2 months); • Moving allowance. 	-
Loss of uninhabited private structures, such as commercial structures, churches, mosques, and/or ancillary structures not used as housing (foundations, uncompleted buildings)	Structure owner Churches or Mosques will be compensated to the organisation managing them.	<ul style="list-style-type: none"> • Compensation at full replacement cost; • Right to salvage materials before displacement occurs; • Disturbance allowance (20% of the total compensation amount). 	-
Loss of annual crops, perennial crops and trees	Landowner cultivating/owning crops and trees	Trees will be compensated at full replacement cost. The Project will schedule the land acquisition process to avoid or minimise as much as possible impacts on crops. PAPs cultivating annual crops will be allowed sufficient time to harvest their crops prior to land take, ensuring no loss of mature or near-mature crops. They will have no less than 2 months advance notice to vacate the land and right to harvest the crops before the date the land shall be vacated (as long as it does not interfere with Project construction timelines). Where annual crops are damaged or destroyed due to project activities during construction, including impacts from machinery movement or site clearance, these crops will be eligible for compensation. When and where it will not be possible to avoid impacts on crops, the following principles will apply: <ul style="list-style-type: none"> • Compensation at full replacement cost for crops; • Compensation at full replacement cost for improvements on the land made by the landowner; 	Livelihood Restoration support is defined in Section 9 of this report. Transitional support (except non-resident PAP): a staple food basket per household provided in-kind during 6 months.

Mpatamanga HSP – Main Works Resettlement Action Plan



Type of impact	Eligible Party	Entitlements	
		Compensation in Cash <u>OR</u> Compensation in Kind	Livelihood Restoration
		<ul style="list-style-type: none"> Disturbance allowance (20% of the total compensation amount). 	
	Tenants or sharecroppers cultivating/owning crops and trees	<p>Trees will be compensated at full replacement cost.</p> <p>The Project will schedule the land acquisition process to avoid or minimise as much as possible impacts on crops. PAPs cultivating annual crops will be allowed sufficient time to harvest their crops prior to land take, ensuring no loss of mature or near-mature crops. They will have no less than 2 months advance notice to vacate the land and right to harvest the crops before the date the land shall be vacated (as long as it does not interfere with Project construction timelines). Where annual crops are damaged or destroyed due to project activities during construction, including impacts from machinery movement or site clearance, these crops will be eligible for compensation.</p> <p>When and where it will not be possible to avoid impacts on crops, the following principles will apply:</p> <ul style="list-style-type: none"> Compensation at full replacement cost, allocation of compensation according to the arrangement (formal contract or informal arrangement) between the landowner and the tenant or sharecropper; Compensation at full replacement cost for improvements on the land made by the tenant/sharecroppers; Disturbance allowance (20% of the total compensation amount). 	Livelihood Restoration support is defined in Section 9 of this report. Transitional support (except non-resident PAP): a staple food basket per household provided in-kind during 6 months.
Loss of business revenue	Formal businesses owners (Including commercial farms or ranches)	<ul style="list-style-type: none"> In addition to the compensation for the loss of land, structures and/or crops/trees, as compensation for the loss of income for the time required to re-establish the business, a one-off allowance equivalent to 3 months of their average net revenue <i>to be based on the documented average net income for the past 2 years.</i> Moving Allowance to displace the business 	-
	Informal businesses owners	<ul style="list-style-type: none"> In addition to the compensation for the loss of land, structures and/or crops/trees, as compensation for the loss of income for the time required to re-establish the business, one-off allowance equivalent to 3 months of the average net revenue <i>estimated for the business category, based on a business survey.</i> Moving Allowance to displace the business 	-
Loss of income due to loss of employment	Employees or regular workers of the businesses (including ranch workers)	<ul style="list-style-type: none"> One-time allowance equivalent to 3 months minimum wage income in rural areas⁷ to cover the time needed to find another employment. 	-
Loss of Community Assets	Communities losing assets or structures	<ul style="list-style-type: none"> No Compensation in Cash. Replacement in-kind or relocation of community assets and structures (such as schools, boreholes). 	-
Restriction or loss of access to natural resources	Communities losing access to natural resources – all components	-	Collective Livelihood Restoration Measure for All Phased RAPs: [LR 8] Collective support to improve agricultural production, one measure possible per village, to be

⁷ As defined by the Ministry of Labour, the minimum rural wage is MWK 126,000 per month as of 1st June 2025 (Ministry of Labour 2025). This amount will be updated if and as required during the phased RAPs.

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Type of impact	Eligible Party	Entitlements	
		Compensation in Cash <u>OR</u> Compensation in Kind	Livelihood Restoration
			chosen amongst the three measures below: <ul style="list-style-type: none"> • Farmer Field Schools, trainings on improved fallow and demonstration plots; OR • Support for the development of small agro-processing units; OR • Support for the development of micro-businesses producing agricultural inputs.
	Villages affected by the restriction of access to the main reservoir and regulating reservoir and restriction of access to the Shire River, as part of this main works RAP: <ul style="list-style-type: none"> • In Blantyre District, in GV Chaswanthaka, Chaswanthaka, Mpindo, Divala and Mbwinja villages; • In Neno District, in GV Feremu, Feremu, Kambalame and Nkhwali villages 	-	In addition of the collective livelihood restoration measures above: <ul style="list-style-type: none"> [LR 9] Support to Sustainable and Green Charcoal Production; [LR 10] Restoration of Access to Water for Domestic and Drinking Purposes; [LR 11] Restoration of Livestock Access to Water; [LR 12] Support to Develop Small-Scale Irrigation; [LR 13] Support for Fisheries Activities for Affected Communities Around the Main Reservoir.
Loss of Grave	Grave rightsholder/custodian/communities	<ul style="list-style-type: none"> • No compensation in cash. • The Project will cover all costs for grave relocation at a new graveyard site selected with the affected communities. 	-
Loss of sacred site	Sacred site rightsholders/custodians/communities	<ul style="list-style-type: none"> • No compensation in cash; • The Project will cover all costs for necessary ceremonies and rituals. 	-
All impacts	Vulnerable households	<ul style="list-style-type: none"> • Compensation for the loss of land and/or assets (structures, trees, crops) as defined above 	Additional Assistance and Livelihood Restoration support for Vulnerable Households: <ul style="list-style-type: none"> [LR 14] Assistance for Land-Clearing and/or Preparation of Agricultural Fields during displacement; [LR 15] Provision of Small Livestock (Goat or Sheep); [LR 16] Support to Develop Beekeeping.
<i>Note: Entitlements are presented by category of loss and category of affected person. One affected household may qualify for entitlement in more than one category.</i>			

6.3.1 Acquisition of Orphan Land

Orphan land is the unacquired parts of land parcels which are left unusable or undevelopable (either temporarily or permanently) because of the Project. When residual non-affected sections of a plot become inaccessible, unusable or economically unviable after acquisition, the totality of the affected land plot will be acquired if the owner so wishes, at the compensation rate defined for land (see Section 7.1.1).

A residual land plot will be considered unusable or economically unviable when its size (too small), shape or topography is such that the remainder cannot be cultivated or physically accessed, and/or the existing activities that were conducted on the entire land plot cannot be continued after the land acquisition. As a general approach, the remaining non-affected part of land of more than one hectare will not be considered orphan land.

6.3.2 Livelihood Restoration

Livelihood restoration support will be offered to all affected households as defined in Section 9.

6.3.3 Gender

As indicated in Section 4.2, in the project-affected areas, the land tenure is predominantly organised through matrilineal systems. However, even in villages where matrilinearity prevails, gender inequalities can be translated into risks of land grabbing or attempts of appropriation of compensation by male members of the family (for instance, male 'nkhoswe' or male siblings).

MHSP contracted Evidence for Change (E4C) as a service provider for GBV prevention, to strengthen community-level GBV risk mitigation and response mechanisms. This GBV service provider was mobilised alongside the RAP surveys, with a presence in the field. During July 2025, E4C and MHSP conducted a comprehensive GBV Risk Assessment across all active communities. This process was inclusive, engaging 129 participants, 42 men, 49 women, and 38 youth, and involved marginalised groups such as people with disabilities and the elderly. Key informant interviews (KIIs) were held with traditional leaders, and separate focus group discussions (FGDs) were conducted with men, women, youth, and Gender-Based Violence Response Committees (GVGRCs). Civil society organisations (CSOs) and DCs from Blantyre and Neno also participated, ensuring a multi-stakeholder approach.

In parallel, the development of the MHSP GBV Pathway is underway. This strategic framework aims to guide coordinated responses to GBV and child protection concerns, aligning with both local and national protocols.

Additionally, E4C is designing a comprehensive GBV/SEA/VAC (Sexual Exploitation and Abuse/Violence Against Children) Response Plan tailored for the upcoming construction phase of the MHSP.

For this RAP and the implementation of this RAP, the following measures will be applied to minimise and mitigate gender-related risks:

- Gender-specific measures are defined for the consultation with affected households during the phased RAPs (see Section 11);
- MHSP has recruited a GBV service provider to manage potential cases of GBV, provide support to victims; and
- The Grievance Redress Committees have been trained on GBV, and on potential gender-related risks for the compensation process (such as land grabbing by men or misuse of households' compensation by men).

In addition, the following measures will be implemented during the interaction with affected households during the phased RAPs:

- To ensure women participate in the compensation process and are aware of the compensation provided to the households, the individual disclosure of the

compensation packages will be done during one meeting with both spouses and all adults members of the households (including daughters and sons);

- The Project will ensure that both spouses are informed of the household's entitlements, compensation amount and payment process during individual meetings; and
- Training on the sustainable management of received compensation will be provided to affected households. This training will include women-only sessions, as well as sessions where both spouses will participate together.

6.3.4 Vulnerable Households

In addition to other compensation and livelihood restoration measures, the vulnerable households affected by economic displacement for this RAP will be eligible for the measures below (see section 9):

- [LR 14] Assistance for Land-Clearing and/or Preparation of Agricultural Fields;
- [LR 15] Provision of Small Livestock (Goat or Sheep); and
- [LR 16] Support to Develop Beekeeping.

6.3.5 Psychosocial Support

In addition to the compensation and livelihood restoration measures, the Project will recruit social assistance staff to offer psychosocial support throughout the resettlement process to households who wish to receive such support. A service provider will be identified and recruited and will be mobilised to offer voluntary advice and support to those who wish. This service provider will be presented to the affected persons during the compensation process and will establish a presence on site. A dedicated phone number will also be established. This support will be free and anonymous for all affected persons and the Project will pay for all costs.

7 Valuation Methodology

This section provides the methodology used to determine the replacement cost of the affected assets and the compensation principles (Section 7.1) and the process for payment of compensation to the affected households (Section 7.2).

The compensation rates provided throughout this section were used to compile the compensation agreements and budget (see Section 15) for this RAP.

7.1 Valuation Methodology and Compensation Rates

7.1.1 Methodology

The valuation methodology is aligned with the valuation methodology outlined in the RPF (SLR Consulting, 2024a). An accredited valuer participated in this RAP to define the compensation rates at full replacement cost. The definition of the full replacement cost is based on a market survey conducted to get up-to-date on the actual prices of goods. The market survey was conducted from 23rd June 2025 to 11th July 2025, in multiple locations across Blantyre, Zalewa, Neno and Mwanza districts. This survey included the following activities:

- Visit and market surveys in various markets and trading centres in the Project area;
- Interviews with key informants in the affected communities, to obtain information on cost of local assets, the ruling prices and expenses involved; and
- For triangulation purposes, various District Officers were met to collect their experience on compensation processes and information relating to structures, land, trees, crops and movement to and from the area.

The Market Survey Report can be found in Annexe 3, with the list of meetings and formal interviews. This report was shared and discussed with the Ministry of Lands to obtain their agreement on the rates proposed.

The following sections provide the valuation methodology and compensation rates for the different assets. To enable comparison or adjustment of the rates specified in this report during implementation, the rates are provided in Malawi Kwacha (MWK) with an indication of the equivalent amount in US dollars. The exchange rate and source are indicated throughout this section.

7.1.2 Compensation principles

7.1.2.1 Choice Between Cash Compensation and In-kind Compensation

In case of physical displacement, the Lenders standards recommend, where appropriate, to offer a choice between in-kind adequate housing with security of tenure or cash compensation at replacement cost. Compensation in kind should be considered in lieu of cash where livelihoods are land-based. The Lenders policies also require that for persons only economically displaced whose livelihoods are land-based, replacement land that has a combination of productive potential, locational advantages, and other factors at least equivalent to that being lost will be offered where feasible.

The affected households' livelihoods are predominantly land-based, as indicated in section 4. Therefore, the project will offer a choice between in-kind compensation and cash compensation. Replacement cost will be the basis for cash compensation. Approaches for in-kind compensation are outlined below and are further detailed in Section 8.

7.1.2.2 Approach for In-Kind Compensation

The approach for in-kind compensation is detailed in Section 8.

For physically displaced households, two approaches will be proposed:

- For the households physically displaced by the main reservoir and main works from Kambalame, Mpindo and Chaswanthaka villages: **in-kind replacement land and housing** will be offered as in-kind compensation **on the resettlement sites** in the same villages.
- For the other physically displaced households outside of Chaswanthaka, Mpindo and Kambalame villages, **assisted self-relocation** will be offered as in-kind compensation. Replacement land will be identified in the same village or GV, and replacement housing will be provided to these households on the replacement land identified. The identification of replacement lands for assisted self-relocation will be done by the Project with traditional leaders and PAP.

Preliminary investigations were performed in 2024 during the RPF preparation to assess if replacement lands were available in the villages affected by the main reservoir and the main works outside of the resettlement sites. Villages chiefs were met to identify if and where potential replacement lands were available. Some replacement lands would be available in about half of the villages affected by the main reservoir and the main works. In the other half, the quantity of land available is not enough for all economically displaced households in the village. As there is not enough replacement land for all affected households economically displaced, those who are most affected and/or most vulnerable are prioritised. Therefore, a choice between cash and in-kind compensation will be offered to economically displaced households only for cultivated and productive land. Unused land will be compensated in cash. The households economically displaced (i.e. losing land without losing their house) will be offered the possibility to choose in-kind replacement land to be identified in the same village or GV over cash compensation:

- If they are losing productive land and
- If they are residing in the affected villages or GVs (i.e. non-resident affected persons will not be offered replacement land) and
- If they are in one of the categories below:
 - Affected vulnerable household (as outlined in 4.2.11 of this report);
 - Losing either the entirety or more than 30% of their land.

7.1.2.3 Replacement Cost as the Basis for Cash Compensation

The constitution of the Republic of Malawi requires that the PAPs to be appropriately compensated for the loss of their assets. The World Bank ESS 5 requires that compensation to be on a replacement cost basis. The World Bank ESS5 defines replacement cost for assets as: *“a method of valuation yielding compensation sufficient to replace assets, plus necessary transaction costs associated with asset replacement. Where functioning markets exist, replacement cost is the market value as established through independent and competent real estate valuation, plus transaction costs. Where functioning markets do not exist, replacement cost may be determined through alternative means, such as calculation of output value for land or productive assets, or the undepreciated value of replacement material and labor for construction of structures or other fixed assets, plus transaction costs.”* (WB ESS5 §2 footnote 6).

Full replacement cost is used as the basis to define the compensation rates, using the methods defined in the next paragraphs.

7.1.3 Compensation for Land

7.1.3.1 Compensation In Kind

The principles for compensation in-kind for land are detailed in Section 8. They are summarised here for the reader’s convenience.

For the households physically displaced opting for in-kind compensation for land on the resettlement sites of Chaswanthaka, Mpindo and Kambalame, the in-kind compensation for land will be as follows:

- Residential plots of 0.15 ha per household; and
- Farming plots of 0.5 ha as a minimum for a household of 2 persons, then an additional 0.2 ha per household member.

For the households entitled to assisted self-relocation outside the resettlement sites (see above), the in-kind compensation for land will be as follows:

- 0.1 ha for a residential area for households physically displaced; and
- 0.5 ha as a minimum for farming land, for a household of 2 persons, then 0.2 ha per household member.

To ensure security of tenure, title deeds will be provided at no cost to the PAP.

7.1.3.2 Compensation in Cash

In rural settings in Malawi, as in the Project area, there is no zoning specifically for residential properties. Generally, land is for agriculture, and the owner decides where to construct his/her house. The dominant feature is agriculture in the Project area. As such, the value of residential land is considered to be the same as the value of agricultural land.

The comparable sales method was not appropriate to determine the full replacement cost for land. This method relies on market information/ local transactions to value the land. Land prices documented from the market survey were highly inconsistent, even within the same locality and period. These discrepancies suggest sellers lacked technical knowledge and made uninformed pricing decisions, making the comparable sales method unreliable.

The land productivity method or profit method was used to determine the land value. This method focuses on the productive value of land. It assumes that the value of farmland is directly linked to the income generated from the sale of crops produced on the target land. As this rate is linked to the productive capacity of the land, it is not subject to any speculative development or abuse of land prices over time. The productive value of land is examined using appropriate agro-economic techniques. This typically works with examining the types of crops prevalent, yields, cost of inputs, and market returns on products. The average crop production yields of the major local crops must be determined using the estimated yields provided by the Department of Agriculture and then validated with local farmers. In this work, local market rates have been determined from market studies in the area and in Blantyre.

The market survey confirmed maize as the dominant crop in the Project area, with pigeon peas as the main secondary crop. Other crops include groundnuts, cassava, legumes, and vegetables (onions, tomatoes, cabbage, okra, sugarcane), mostly grown on riverbanks with better soil and water access. Irrigation is rarely practised, though riverbanks allow easier water access. To assess the maximum productive value of land, crop yields, input costs, and market prices were used:

- Yields sourced from the Ministry of Agriculture's 2024 Agriculture Production Estimates Survey Report (upper quintile yields);
- Costs updated for price volatility in inputs; and
- Market prices collected locally; the highest maize price used: MWK 2,100/kg.

The maximum productive value of land has been established at MWK 5,100,000 per hectare. The detailed calculations are included in Annexe 3.

Through on-site observations and stakeholder interviews, the land productivity varies significantly and is influenced by location, resource access and soil condition. During the survey, the following variations were noted:

- Riverbank land (e.g. immediately adjacent to the Shire River) is land with high agricultural value, due to irrigation potential and nutrient-rich soil. Ranches or agro-businesses prefer using these lands; and

- Upland areas have a lower productivity, due to minimal water access and the soil quality (rocky, elevated, or dry land in the upland escarpment, away from Shire). The agricultural activities are cropping-dependent but generally limited by seasonal rain-fed cultivation.

As each of these two categories may be cultivated or left virgin and undeveloped, the valuation has considered the risks associated with such parcels to determine the value of uncultivated land in both categories. Considering that at the time of acquisition, the uncultivated land may need more inputs to bring it to the condition of the cultivated land, an estimate of 50% of the value of cultivated land has been assigned as the value of uncultivated land.

According to the discussion with the Agriculture Department of the Neno District, it can be estimated that the cultivated land on the riverbanks is 25% more productive than the cultivated land in the upland areas. Therefore, the value of cultivated land in the upland areas is 75% of the cultivated land value for the Shire riverbanks.

Table 31 below provides the compensation rates for land. In addition to the land value defined in this table, the transaction costs should be added to obtain the full replacement cost. For Customary land, it is customary to give an appreciation “token” or informal gift to the local traditional leader, locally known as ‘Chipondetsa Minga’. Although this token is expected by the chiefs, as it is a de facto practice in Malawi, it is most of the time in the form of in-kind gifts. As there is no rule defining how this ‘token’ should be offered, or how much it should be, it will be covered by the Disturbance Allowance paid as part of the compensation to affected households (see Section 7.1.8.2).

Three of the plots located along the Shire Riverbanks in Neno District are much bigger than the other plots (see Figure 30). They are fully affected and range from more than 230 ha to more than 400 ha, and they extend more than 2 km inland, where the land is not as productive as on the Shire riverbanks. All other affected plots located along the Shire riverbanks are smaller than 50 ha and do not extend more than 800 m away from the Shire riverbanks. In addition, according to the market survey, large land plots have usually a price per hectare lower than smaller land plots. For these three big plots along the Shire riverbanks, a specific valuation is applied, as follows:

- The first 50 ha are valued using the Shire riverbanks rate; and
- The remaining area above the first 50 ha is valued using the upland areas rates.

Table 31: Compensation Rates for Land

Main category Zone/Location	Sub-category Cultivation status	Value ranking	Compensation rate per ha	
			MWK	USD
Shire Riverbanks	Cultivated	Highest value - Compensation at the maximum productive value of cultivated land	5,100,000	2,940
	Uncultivated	Compensation at 50% of the cultivated area along the Shire Riverbanks (highest value)	2,550,000	1,470
Upland Areas	Cultivated	High value – 75 % of the highest value	3,825,000	2,205
	Uncultivated	Compensation at half the rate of cultivated upland areas	1,912,500	1,100

1USD=MWK1,734. (RBM, 25/9/25)

7.1.4 Compensation for Buildings and Structures

7.1.4.1 In-kind Compensation for Houses in Case of Physical Displacement

As indicated above, physically displaced households from Kambalame in Neno District and from Chaswanthaka and Mpindo in Blantyre District will be offered the choice between cash compensation and a replacement dwelling on the resettlement site (see Section 8.1.4).

Households physically displaced in other villages will be offered a choice between cash compensation and a replacement house as part of the assisted self-relocation as an in-kind compensation option (see Section 8.2).

In both cases (resettlement sites or assisted self-relocation), the Project will use contractors to build the replacement housing. The categories of replacement housing are detailed in Section 8.1.4. The Project will build and provide 'ready-to-occupy' replacement houses. The size of the replacement houses will be based on the number of bedrooms of the house lost by the physically displaced households. The replacement housing provided by the Project will include the construction of the house (living and bedrooms), kitchen, toilet, bathroom and store structures, as applicable to the recipient households. All other elements of homesteads (e.g. fences, animal pens) will be compensated in cash for self-establishment by the affected households.

The standardised house categories include a 1-bedroomed house (living room and bedroom) of not less than 18 m² and a 2-bedroomed house (living room and 2 bedrooms) of not less than 31.5 m², both with a 'khonde' and a utility building. Either house category can be augmented with 1 or 2 units of 'gowelo' (boys quarters, additional bedrooms, 6 m²), added externally where required for additional family members.

7.1.4.2 Compensation in Cash for Private structures

The market survey team identified a variety of structures in the area. These have been grouped into four main categories, namely: dwelling houses, secondary structures (used to serve the dwelling house), livestock structures and business structures. This categorisation is based on use. Each group is further categorised based on the materials used and finishing.

There are three approaches to the valuation of structures: (i) comparable sales/market, (ii) income, and (iii) cost. The comparable sales require market evidence of sales of structures in the area, which at the time of the survey were almost non-existent. Thus, this method was not used. The income approach also requires market inputs like rents and return on investment, which are also nonexistent in the Project area. Therefore, to determine the full replacement costs of the affected structures, the cost method was used.

The cost method assesses the cost of building a new structure equivalent to the one affected, using data collected during the market survey on construction and finishing materials, labour costs, and transportation costs as appropriate. The data collection involved interviews with local suppliers, contractors and real estate agents. On-site visits to construction areas were done to observe market conditions. Material prices were gathered from local suppliers and hardware stores, focusing on commonly used construction materials such as cement, bricks, steel, timber, and finishing materials. Labour rates were obtained through discussions with local contractors operating within the area.

A compensation rate per square metre or linear metre is then obtained for the different structural categories for different types of structures: houses, commercial buildings, kraals, kitchens, fences, leisure shade, benches, and a number of other structures. The compensation rates for houses and commercial buildings is provided in Table 32 below. The detail of the compensation rates for the other types of structures is given in Annexe 3.

Table 32: Compensation rates for houses and commercial buildings

Structure Category	Code	Description	Price per size (m ²) (MWK)	Price per size (USD ⁸)
Houses	H15	Poles	15,939	9
	H1	Walls: mud and wattle-composed of poles, Thatched roof	34,637	20
	H18	Burnt brick, earth floor, wooden poles and plastic paper roof	83,000	48

⁸ 1USD=MWK1,734. (Reserve Bank of Malawi, 25/9/25)

Structure Category	Code	Description	Price per size (m ²) (MWK)	Price per size (USD ^a)
	H12	Grass thatched roof, sundried bricks bonded with mud mortar, hallowed wall windows, wooden doors fitted in wooden frames, earth floor	88,000	51
	H2	Walls: sundried bricks – earth floor – windows glazed, Thatched roof	93,139	54
	H3	Walls: burnt bricks – earth floor – windows glazed, Thatched roof	100,379	58
	H16	Roof: Corrugated Iron Sheets resting on poles, Walls: Sundried bricks bonded with mud mortar, plastered with mud, Floor:Mud	102,453	59
	H17	Walls: stones bonded with mud mortar, Floor: earth, Roof: grass thatched, Door: grass door	112,698	65
	H5	Walls: Burnt bricks – earth floor – windows glazed in wooden frames, Roof: Corrugated Iron Sheets	121,528	70
	H13	Walls: Burnt bricks, Pointed outside, Plastered inside, glazed windows, Roof: Corrugated Iron Sheets, Floor; cement floor	125,601	72
	H10	Walls:Burnt bricks, Cement floor, Plastered inside and outside, painted,no roofing	157,347	91
	H7	Walls: Burnt bricks – cement floor, Plastered inside – windows glazed, Roof: Corrugated Iron Sheets	207,211	120
	H8	Walls: Burnt bricks – cement floor, plastered inside and outside – windows glazed, Roof: Corrugated Iron Sheets	224,782	130
	H14	Walls: Burnt bricks – cement floor, plastered inside and outside - painted- windows glazed, Roof: Corrugated Iron Sheets covered with plywood ceiling, Services; Solar Panels	294,448	170
	H9	Walls: Burnt bricks – cement floor, plastered inside and outside - painted- windows glazed, Roof: Corrugated Iron Sheets	389,305	225
	H11	Walls: Stones bonded with cement motor pointed. Window: Raised windows, metallic casement with Burglar bars. Roof: Corrugated Iron sheets resting on sawn timber. Door: Wooden, with steel frame. Floor: Concrete.	525,081	304
Commercial building	COM2	Walls: sundried bricks – earth floor – windows glazed, Thatched roof	93,139	54
	COM6	Walls: Burnt bricks – cement floor – windows glazed in wooden frames, Roof: Corrugated Iron Sheets	121,528	70
	COM12	Roof; Grass thatched resting on timber poles, Walls; Sundried bricks bonded with mud mortar and plastered with mud, Window, wooden window and window frame, Wooden door and door frame, Floor; Earth	106,002	61
	COM10	Floor-Earth, Walls- Burnt Bricks bonded with mud, Roof- Corrugated iron sheets resting on timbers, Doors-Wooden door with wooden frame, Windows- No windows	127,605	74
	COM11	Corrugated Iron Sheets, Burnt Bricks bonded with mud mortar, open ceiling, wooden window with steel burglar bars, wooden door in wooden	176,669	102

Structure Category	Code	Description	Price per size (m ²) (MWK)	Price per size (USD ^a)
		frames, rendered and painted, partly plastered,cement floor screed finish.		
	COM13	corrugated iron sheets, cement blocks with cement mortar, cement screed, steel window frames	234,000	135
	COM9	Walls: Burnt bricks – cement floor, plastered inside and outside - painted- windows glazed, Roof: Corrugated Iron Sheets	389,305	225

7.1.4.3 Compensation in Kind for Community Structures and Government-Owned Structures

The GoM will rebuild the affected government-owned structures, such as boreholes. They will be replaced in-kind. This will be done as part of the MHSP.

7.1.5 Compensation Rates for Trees

The trees are classified into the following categories based on use and originality:

- Timber trees (exotic and indigenous trees) and
- Fruit trees.

7.1.5.1 Indigenous and Exotic Trees

Two alternatives exist for the valuation of trees: the application of rates defined in a forestry gazette and the market approach.

The Department of Forestry releases a forestry gazette periodically, which stipulates the statutory rates for indigenous, exotic, and fruit trees in the country. The recent publication is that of June 2024. However, this was suspended due to an injunction taken against its implementation. This injunction is independent of the Project. As the current Forestry Gazette cannot be used as a reference, the Market Approach was used.

The market survey team interviewed charcoal sellers, local leaders, carpenters, timber makers, and ordinary citizens to understand how trees are sold in the area. The prices differed depending on the size of the trees (small to medium to large). Seedlings of exotic trees are sold, but seedlings of indigenous trees are not sold as they grow naturally in the Project area. Thus, the indigenous tree seedlings are not compensated. Similarly, palm trees shorter than 1.5 m are not considered for compensation, as they do not have any commercial value.

The trees have been measured using the standard Diameter at Breast Height (DBH) method, measuring the trunk diameter at about 1.3 m from the ground. For indigenous trees, the measurement for small trees is between 10 cm and 30 cm. The measurement for medium-sized trees is between 30 cm and 55 cm. The large size is measured as above 55 cm. The sizes for exotic trees are less than 7 cm for the seedlings, between 7 cm and 25 cm for the small size, between 25 cm and 35 cm for the medium and above 35 cm for the large size.

Using the suspended forestry gazette as a guide, the data collected during the market survey, and after discussion with the Ministry of Lands Valuers, the rates of compensation for the indigenous and exotic trees have been worked out, as indicated in Table 34 below. The equivalence between class and species is included in Annexe 3.

Table 33: Compensation Rates for Indigenous and Exotic Trees

Type of tree	Size (Trunk diameter at 1.37 m)	Cost	
		MWK	USD
Indigenous trees – Class 1 and 6 (I and/or VI)	10 to 30 cm	10,000	5.77
	30 to 55 cm	20,000	11.54
	> 55 cm	40,000	23.07
Indigenous trees – Class 2, 3, 4 and 5 (II – V)	10 to 30 cm	3,000	1.74
	30 to 55 cm	10,000	5.77
	> 55 cm	20,000	11.54
Exotic trees (such as Acacia, Moringa, Neem, White teak, Eucalyptus Blue-gum, Pine tree, Firtree, Gliricidia, Cypress)	< 7 cm	1,500	0.87
	7 to 25 cm	15,000	8.66
	25 to 35 cm	22,500	12.98
	> 35 cm	45,000	25.96
Sisal/Cactus/aloe vera	bunch	1,000	0.87
Palm trees	Trunk height > 1.5 m	30,000	17.31

7.1.5.2 Fruit Trees

Fruit trees that do not yet produce fruit are considered seedlings and are compensated at the cost of a seedling.

To develop compensation rates for productive fruit trees, the loss of future income was estimated. The following formula was adopted:

$$C = (K \times V - M) \times YP + E$$

Where:

- C is the compensation value of the fruit tree;
- K = average annual productivity of one tree of the same species and age group as cut tree (in kg per tree);
- V= market price at farm gate of 1 kg of product;
- M = average operating cost and annual expenses for agricultural works;
- YP = multiplier to obtain the present value of future incomes from the fruit tree at the time of valuation. It is based on the concept of the time value of money: an amount of money receivable or anticipated as income in the future is always worth less than an equal amount actually in hand now. The current bank interest rate (0.26) is applied as the discount rate for estimating the present worth of future income streams to be generated by the fruit tree during the time it takes to reach maturity for a new tree. The formula to obtain the multiplier is : $YP = \left(1 - \frac{1}{(1+interest\ rate)^{(years\ to\ maturity)}}\right) \times interest\ rate,$
- E = Establishment costs, estimated to be 10,000 MWK, covering the cost of seedling and replanting activities.

To obtain input into this valuation model, the market survey established the price of seedlings, cost of production, unit prices, yields per tree per year, and the time it takes from planting to a productive stage. The market survey team engaged fruit growers and experts in Mwanza and Agriculture officers in Neno for annual yields, cost of production/expenses and years needed to regrow the tree to its highest productive stage. Vendors were engaged in Mwanza, Chikuli and the markets along the S137 road in Blantyre for unit prices.

The compensation rates for fruit trees (seedlings and productive trees) is given in Table 34 below. The details are included in Annexe 3.

Table 34: Compensation Rates for Fruit Trees

Fruit trees	Compensation for Seedling		Compensation for productive trees	
	MWK	USD ⁹	MWK	USD
Avocado_peas	4,250	2.5	392,100.00	226.12
Banana	1,000	0.6	102,700.00	59.23
Custard_apple	2,500	1.4	159,700.00	92.10
Guava	3,000	1.7	61,500.00	35.49
Lemon	2,250	1.3	151,500.00	87.37
Mango	1,000	0.6	133,300.00	76.87
Mulberry	2,500	1.4	42,700.00	24.63
Oranges	2,250	1.3	184,300.00	106.29
Papaya	2,500	1.4	78,900.00	45.50
Tangerine	1,500	0.9	169,600.00	97.81

7.1.6 Crops

The Project will schedule the land acquisition process to avoid or minimise as much as possible impacts on crops. PAs cultivating annual crops will be allowed sufficient time to harvest their crops prior to land take, ensuring no loss of mature or near-mature crops. They will have no less than 2 months advance notice to vacate the land and right to harvest the crops before the date the land shall be vacated (as long as it does not interfere with Project construction timelines). Where annual crops are damaged or destroyed due to project activities during construction, including impacts from machinery movement or site clearance, these crops will be eligible for compensation, using the rates defined by the market survey, which could be update on an annual basis to reflect market variations and inflation.

The market prices and crop yields per hectare have been collected during the market survey. The crop yields per hectare are multiplied by the highest market price of the crop in the past three years to arrive at the crop compensation per hectare. The market survey established the yields and costs of production for various crops from the secondary sources supplied by Neno Agriculture Office. The market prices were obtained from interviews with crop and vegetable vendors at Chikuli, Kaliati, Kanjedza, Mpinganjira and 10 Miles Markets on the Blantyre side and Chifunga and Mwanza town markets on the western side of the Shire River.

7.1.7 Loss of Business Revenue

The Project will affect both formal and informal businesses in the Project area.

The formal business identified in the area is the ranch on the western bank of the Shire River. Typically, formal companies are recognised by the DCs through licensing, and they pay business rates to the councils. They usually operate in permanent structures. They are established in their locations, and they may employ others and typically keep records of transactions.

Informal businesses in the area include small shops selling meat or vegetables or other goods, bars, small restaurants, all operating without paying taxes. These businesses play a significant role in livelihoods, but are generally not as well established as the formal businesses.

For both categories, structures will be compensated as indicated in the previous sections. However, the loss of income during the transition to a new place to re-establish the business will be a separate loss category. The loss of income depends on the size and type of business, and is explained in the next paragraphs.

⁹ 1USD=MWK1,734. (Reserve Bank of Malawi, 25/9/25)

7.1.7.1 Formal Businesses

Formal businesses have records or documents allowing them to establish their net revenue. Based on these documents/records, the formal businesses will attract an allowance equivalent to 3 months of their average net revenue documented for the past 2 years.

The type of records to be relied upon to determine the net revenue/profit includes sales and purchase documents, wage payment records, utilities payment records, and business rates payment records to councils. There is only one affected formal business which will have to stop its activity: a ranch located in the conservancy area. The market survey engaged the business owner of this ranch to understand the operations of the business and expenses and receipts involved. Using the above methodology, the cost of purchases was deducted from receipts and later the wages, utilities and other working expenses were deducted from the gross profit to obtain the net revenue.

Table 35 below provides the estimated average net revenue and the associated allowance for the loss of business revenue for the formal business affected. This is an estimation, based on the information collected during the survey. The final allowance will be determined after the relevant tax records have been verified. A minimum of 5,000,000 MWK of average net monthly revenue will be considered, which would make 15,000,000 MWK for the total allowance for loss of formal business revenue.

Table 35: Allowances for Loss of Business Revenue for Formal Businesses

Business Category		Average net revenue (MWK per month) estimated from the market survey	Allowance for loss of business revenue (equivalent of 3 months of average net revenue)	
			MWK	USD
Formal business	Ranch	5,000,000	15,000,000	8,650

Exchange rate: 1US\$=MWK 1,734 (Reserve Bank of Malawi, 26/9/25)

7.1.7.2 Informal Businesses

Small informal businesses (such as small kiosks) can easily be moved, with appropriate allowances for loss of income during transition. These are informal and seldom, if ever, have records of profit or loss. A survey was performed to determine the profit per month per category of informal businesses. During the survey, informal business owners were asked how much they invest per month into their business, what expenses they incur, and how much they get as profit based on the invested money. The amount realised was compared with profits in different seasons and years past. For each informal business category, a fixed amount is estimated for the loss of income during the moves until they are established again. This fixed amount was calculated through the observation method to estimate turnover and profit for typologies of business. This amount is limited to 3 months of average estimated net revenue for the category of business affected. The allowances for loss of business revenue for informal businesses are given in Table 36 below.

Table 36: Allowances for Loss of Business Revenue for Informal Businesses

Businesses categories	Average monthly net income (MWK)	Allowance for loss of business revenue (equivalent to 3 months of average net revenue)	
		MWK	USD
Groceries	305,000.00	915,000.00	527.7
Mobile Money	287,000.00	862,500.00	497.4
Chips	223,000.00	669,000.00	385.8
Vegetable selling	250,000.00	750,000.00	432.5
Motorcycle repair	190,000.00	570,000.00	328.7
Photocopy	40,000.00	120,000.00	69.2
Welding	780,000.00	2,340,000.00	1349.5
Meat selling	760,000.00	2,280,000.00	1314.9
Maize mill	1,000,000.00	3,000,000.00	1730.1

Businesses categories	Average monthly net income (MWK)	Allowance for loss of business revenue (equivalent to 3 months of average net revenue)	
		MWK	USD
Bar	450,000.00	1,350,000.00	778.5
Phone charging	100,000.00	300,000.00	173.0
Restaurant	500,000.00	1,500,000.00	865.1
Barber shop	250,000.00	750,000.00	432.5
Fish Selling	468,000.00	1,404,000.00	809.7
Fish/veg selling	380,000.00	1,140,000.00	657.4
Burning centre	260,000.00	780,000.00	449.8
Carpentry/joinery	875,000.00	2,625,000.00	1513.8
Clothes selling	220,000.00	660,000.00	380.6
Computer use	530,000.00	1,590,000.00	917.0
Rental real estate	100,000.00	300,000.00	173.0
Retail food	550,000.00	1,650,000.00	951.6
Tinsmithing	390,000.00	1,170,000.00	674.7

Exchange rate: 1US\$=MWK 1,734 (Reserve Bank of Malawi, 26/9/25)

7.1.8 Allowances

7.1.8.1 Loss of Employment Revenue

To cover the time needed to find another employment, or the period during which their employers will re-establish their businesses, the employees of the affected businesses will receive, for loss of employment revenue, a one-time allowance equivalent to 3 months of the minimum wage income in rural areas. As defined by the Ministry of Labour, the minimum rural wage is MWK 126,000.16 per month as of 1st June 2025 (Ministry of Labour 2025).

7.1.8.2 Disturbance Allowance

A disturbance allowance is a precedent requirement widely used in resettlement Projects and entails a set percentage of the fixed asset compensation rates. The intent is to allow for costs and expenses that entities would experience during the course of displacement, and which cannot reliably be forecast. There is no national or international set standard and approach, and it is often subject to the discretion of the GoM. A rate of 20% is usually applied as a disturbance allowance by other Projects. Therefore, the Project will apply a 20% disturbance allowance on the total compensation amount for all categories of affected persons.

7.1.8.3 Moving Allowance

A moving allowance is to be provided to the households physically displaced (either owning the house affected and tenants of the affected house) and to the affected business owners. This moving allowance is to be a one-off payment of MWK 200,000 (about USD 116).

The price of transportation services was investigated during the market survey. It was found that transportation services providers would charge MWK 170,000 for renting a small truck to move business equipment or household belongings to a new place. Rounding this cost up to MWK 200,000 gives the amount of the moving allowance.

7.1.9 Graveyards

The graves affected by the main works will be relocated by the Department of Museums and Monuments with the participation of the affected communities. No compensation in cash will be provided for the graveyards. The Project will support the costs of the graves relocation.

7.2 Compensation Process

7.2.1 Disclosure of Compensation Principles to the Affected Persons

The compensation principles and the entitlement matrix have been disclosed to the affected communities during public disclosure meetings for the RPF (see Section 11.2.2).

During the preparation of this main works RAP, the entitlements and compensation principles were also disclosed to the affected persons during community sensitisation meetings at the start of the census process (see Section 11.3).

The compensation schedule, compensation agreements and compensation rates will be disclosed to the affected persons during the disclosure of the RAP to the local communities. A Guide on Land Acquisition and Compensation (GLAC) prepared in English and Chichewa will be used to disseminate the valuation, compensation, and resettlement process to the affected persons (see Annexe 4).

7.2.2 Endorsement of the Compensation Packages by the Affected Persons

During the implementation of this main works RAP, after the draft compensation schedule is prepared and approved by the Ministry of Lands (see section 10.2). Before the disclosure process begins, sensitisation meetings will be held with the PAPs. These meetings will provide a clear explanation of the disclosure exercise, including the methodology and the steps involved. All information will be presented in the local language (Chichewa) to ensure full understanding and meaningful participation by the PAPs.

The individual compensation schedules will be disclosed to each affected person and households as follows:

- The individual disclosure of the compensation packages will be done during one meeting with both spouses and all adult members of the households (including daughters and sons), as indicated in Section 6.3.3. The Project will ensure that both spouses are informed of the household's entitlements, compensation amount and payment process during individual meetings;
- The affected persons will sign off on their compensation schedule;
- One copy of the signed form will be given to the affected household, and another will be kept by the Project;
- In cases where the affected people disagree to the valuation, individual negotiation will be undertaken (i) to explain in detail the methodology followed, (ii) to understand the point of view of the affected people and the reasons of the disagreement, and (iii) if necessary, review the valuation in the light of the elements provided by the affected people; and
- If the affected persons still disagree with the valuation result, they can resort to the Grievance Redress Mechanism defined in Section 12.

7.2.3 Payment of Compensation

7.2.3.1 Steps of Compensation Payment

According to the World Bank's ESS5 and AfDB's OS5, the Project will only take possession of acquired land and related assets after compensation has been provided in accordance with this standard. If applicable, displaced individuals must be resettled, and moving allowances must be given to them (WB ESS5 §15 and AfDB OS5). Therefore, all compensations must be paid and received by the affected persons before the Project can take possession of the land.

For this RAP, and in line with the RPF (SLR Consulting, 2024a), the payment of compensation to the affected persons is undertaken as follows:

- Financial Institutions or banks present in the affected areas are already identified by the Project, and a Memorandum of Understanding (MoU) will be prepared to organise the transfer of compensation payments from the Project to the affected persons.
- The affected persons without a bank account will be assisted in opening a bank account to receive their compensation. The costs of opening the bank account will be borne by the Project.
- Payments of compensation for a total amount of less than MKW 50,000 (or USD 30 USD) will be done using “mobile money” instead of a transfer to a bank account. The withdrawal fee will be added to the compensation paid, so that the PAP does not bear the cost of the transaction.
- Training on the sustainable management of received compensation will be provided to affected households. This training will include women-only sessions, as well as sessions where both spouses will participate together.
- Once the payment is available, the affected households will be informed individually through phone calls, and through public announcements in each affected village to ensure the information is disseminated as much as possible. During these meetings, the Project will inform the affected households they have no less than 2 months to vacate the affected land.
- The Project will then meet each affected household individually to invite them to sign a receipt stating they have received their compensation and explain the delay to vacate the land. All adult members of the households will have to be present for the signature of this receipt, to ensure the information is transmitted to all households’ members and prevent gender biases.
- After compensation payments have been received by the affected persons, and assistance measures are provided, the Project will then take possession of each affected land plot, clear the land and demarcate its boundaries after each area has been vacated by its occupants.

7.2.4 Update of Compensation Rates if Payments are Delayed

If compensation is not paid within 6 months of the signature of the compensation agreement by the affected persons, the compensation rates will be adjusted to reflect inflation.

The inflation rate application will ensure that the PAPs get the equivalent of what they were entitled to at the cut-off date or date of valuation. The calculation of the inflation rate to be applied will consider the compensation value in MWK stipulated in the compensation schedule signed by the affected persons, and apply an inflation rate defined by the variation of the Consumer Price Index published by the National Statistical Office in Malawi. To confirm the variations of the Consumer Price Index with grounded data in the Project affected area, a new market survey will be performed, and the inflation rate could be adjusted based on its results.

8 Assistance to Resettlement

In addition to the disturbance and moving allowances defined in Section 7.1.8, assistance to resettlement will be provided as follows:

- Provision of in-kind replacement land and housing to the affected households choosing in-kind compensation over cash compensation,
 - On resettlement sites for physically displaced households of Kambalame, Chaswanthaka and Mpindo villages (see Section 8.1),
 - Through assisted self-relocation for other physically displaced households and economically displaced households losing farmlands they are cultivating if they are a vulnerable household, and/or are losing more than 30% of their productive land, and are residing in the affected villages and GVs (Section 8.2).
- Scheduling the timing of the relocation to minimise impacts on farming activities and support the preparation of replacement land for farming activities (Section 8.3), and
- Psychosocial support to the displaced household to help them adjust to the resettlement process (Section 6.3.5),
- In-kind assistance will also be provided to vulnerable households physically displaced to move their belongings during their relocation (Section 8.5).

8.1 Resettlement Sites

8.1.1 Identification of the Resettlement Sites

The identification and selection of the three resettlement sites in Chaswanthaka, Mpindo and Kambalame have been detailed in the RPF. They are summarised here for the reader's convenience.

The Chaswanthaka and Kambalame resettlement sites were identified in September 2022 by the Regional Commissioner for Land, jointly with the Department of Museum and Monuments and the Land Officers of the relevant District Council members. Members of Traditional Authority and Village Development Committees were also present during the joint site visit held to identify the sites.

The Mpindo resettlement site was pre-identified in August and September 2024 following site visits and consultations with stakeholders - including the chiefs of Mpindo and Chilaulo, Mpindo villagers, District authorities, and Government of Malawi officials.

The characteristics considered to select these three sites were the following:

- Livelihoods criteria:
 - Land sufficient in size and potential: the carrying capacity of the three sites has been assessed, considering the topography and soil conditions, and the size of landholding per household documented during the Resettlement Policy Framework preparation in 2023 and 2024, and the estimate of the number of physically displaced households. The sites can accommodate the residential plots and farming plots of the households physically displaced in Kambalame, Chaswanthaka and Mpindo villages.
 - No significant secondary displacement: the sites have been selected to avoid inhabited areas and minimise the impacts on farmed areas. Unused land have been preferred, as much as possible.
 - Access to agricultural services and markets: In the three villages of Chaswanthaka, Mpindo and Kambalame, access to agricultural services and markets is currently done through the S137 road. The resettlement sites will be adjacent or very close to the S137 road. Access to existing agricultural services and markets will be maintained.

- Access to potential project employment opportunities: the three resettlement sites are close to the Project main construction activities. This could facilitate access to Project employment opportunities for the households resettled on the resettlement sites.
- Security of Tenure: Title deeds will be issued to the affected persons opting for the land-for-land compensation on the resettlement sites. All costs for the issuance of a title deed shall be borne by the Project.
- Planning and construction criteria:
 - Geotechnical characteristics: The three resettlement sites present a mix of slopes and flat terrain. The Kambalame site presents more flat areas than the Mpindo and Chaswanthaka sites, which are hillier, and where grading and levelling works will be necessary.
 - Water availability (drinking water and other uses): Investigations to confirm the presence of an underground water table in the three resettlement sites are ongoing. If it is not possible to have productive boreholes on the sites, the option to pump water from the future reservoir could also be considered, given the proximity of the two resettlement sites to the future main reservoir.
 - Access to power: The existing electricity distribution network stops about 20 km east of Chaswanthaka and Mpindo resettlement sites and about 4 km west of the Kambalame resettlement site. It could be possible to provide electricity on the resettlement site by extending the distribution line, at least in Kambalame, or by providing solar panels to the resettled households.
 - Access to sustainable education and health services: For the Kambalame resettlement site in Neno District, the nearest health centre (currently under construction) is located about 3 km away from the resettlement site in Feremu village. The second closest is the one located at Chifunga Market (see Figure 127). The nearest primary school is about 2.5 km away from the resettlement site in Feremu village. A primary school will be built on the Kambalame resettlement sites. For the Chaswanthaka and Mpindo Resettlement sites, the nearest health centre in Blantyre District is located about 20 km away (Chikowa health Centre). Once the new health centre is finished in Feremu village in Neno District, it will be about 10 km away. The MpatseAbwile Primary School is located in Chaswanthaka. It is planned to relocate this school on the Chaswanthaka resettlement site, which is located within walking distance of the Mpindo site.
 - Spatial planning and building permits: A layout plan for each Resettlement site has been prepared and is being approved by the DCs. Individual construction permits will not be needed, as the layout plan is considered a global construction permit.
 - No need for the site to be displaced again in the future (future infrastructures or development): The Resettlement sites are located outside of the proposed Mpatamanga HPP infrastructures, including the future re-aligned S137 road. There is no other known project or plan located in the resettlement sites.
- Sociocultural criteria:
 - Socio-cultural compatibility between resettled and host communities: In each village, the resettlement site remains in the same village's land. As the resettlement sites are located in the same village, GVH, TA and District as the physically displaced households who will resettle into the sites, the host communities and the resettlement communities are the same.
 - Impact on local political balance and demographic balance between administrative subdivisions: As the resettlement sites are located in the same village, GVH, TA and District as the physically displaced households who will resettle into the sites, there will not be any impact to local political balance and demographic balance between administrative subdivisions.
 - Access to religious and sacred sites, including cemeteries: The resettlement sites are in close to the areas where the physically displaced households are living, so that they can continue to access the religious sites and cemeteries they are currently

using. The Kambalame and Chaswanthaka cemeteries will be affected by the main reservoir and will be relocated close to the resettlement sites. A Graveyard Relocation Plan will be developed by the DoMM.

- Environmental criteria: The sites are not in any protected area or critical habitat. The area is mostly made of secondary shrubland. The resettlement sites were included in the 2024 Environmental and Social Impact Assessment (ESIA) approved by the Malawi Environmental Protection Authority (MEPA) on the 9th of May 2025.

8.1.2 Size of the Replacement Land on the Resettlement Sites

The replacement land provided as in-kind compensation will be defined during the allotment of the resettlement site. The following principles will be applied.

A Residential Areas

The minimum size of a residential land according to the Physical Planning Act (2016) is 15x30 m. However, observations conducted in the affected villages and discussions with households potentially physically displaced suggest that the usual residential area per household is more than twice this size. A residential area of 0.1 to 0.15 ha per household is what is typically observed in the existing settlements. Therefore, the minimum for residential land for in-kind compensation will be 0.15 ha per household.

B Farming Land

For replacement land for farming activities, the size of the affected households will be considered. The area of the replacement land for farming activities should ensure sustainable food security for the displaced households. According to interviews from the qualitative socioeconomic surveys in 2023, farmers commonly require an annual production of 20 to 35 bags (50 kg bags) of maize per household (1,000 – 1,750 kg total), translating to an average of 4 to 6 bags (200-300 kg total) per person. The Agricultural Development Extension Officers (ADEO) met during the 2023 surveys indicated an average yield of 725-815 kg of maize per acre in the Project area.

Dietary recommendations consider a caloric intake of 1920-2875 kcal per day per person (West et al., 1988). Considering maize's energy content of 35 kcal/kg (FAO, 2002), one person would require approximately 0.25 to 0.4 acres of maize for sustainable farming practices. Given the fluctuation in agricultural yields, which can be attributed to weather, soil quality, or labour, it is recommended to take a higher range to estimate the minimum theoretical land area required for an individual to sustain themselves agriculturally: 0.5 acre (or 0.2 ha) per person could be considered as acceptable.

Therefore, the size of the farming land provided to the households physically displaced on the resettlement sites will be 0.5 ha as a minimum for a household of 2 persons, then an additional 0.2 ha per person.

8.1.3 Development of the Resettlement Sites

The layout of these resettlement sites has been developed through a participatory process with the affected persons and the local authorities, summarised hereafter.

8.1.3.1 Conceptual Layouts of the Resettlement Sites

During the preparation of the RPF, between October 2023 and June 2024, several FGDs with households potentially physically displaced were held to gather and understand their needs and preferences regarding the development of the resettlement sites. FGD participants were asked to describe the typical homestead they would like to see replicated on the resettlement sites. They were invited to share their preferences and views regarding resettlement housing and sites, with men-only and women-only discussions organised to ensure both genders' preferences were expressed. The results of these FGD is summarised in section 11.2.4.

Between October and November 2024, consultation was carried out with DC officials from Blantyre and Neno on the recommended or prevailing standards to be applied. Traditional authorities and the communities were engaged to ascertain the expectations, preferences and needs of PAPs. During the first mission, the affected households' preferences regarding the development of the resettlement sites and the replacement housing were determined via meetings and FGDs, and prevailing conditions were observed. Women-only FGDs were held with women to ensure their views and opinions were expressed freely. Draft 'conceptual layouts' were prepared by landscape professionals and architects with consideration of this wide range of parameters. These were presented to officials and PAPs during a second mission. Where applicable, the feedback was incorporated into revised final 'conceptual layouts'. These 'conceptual layouts' are provided in Figure 37 to Figure 40.

These conceptual layouts have then been used to tender the development of the sites and the construction of replacement housing. Layout plans have also been prepared for approval by the District' councils.

8.1.3.2 Acquisition of the Resettlement Sites

The areas to be developed for Chaswanthaka and Mpindo resettlement sites have been acquired during the early works phase 1 RAP between January and February 2025, to allow the development of the resettlement site before the start of the main works (as Chaswanthaka and Mpindo villages will be affected by the main works). To minimise impacts, during early works phase 1 RAP, only the areas which would actually be developed have been acquired. Only land that was not farmed has been included in the area acquired and will be later developed.

The area to be developed for the Kambalame resettlement site is acquired as part of this main works RAP, to allow the development of the resettlement site before the start of the main reservoir RAP (as most of Kambalame village will be affected by the main reservoir). As indicated in Section 2.3, only the area which will be developed has been acquired.

8.1.3.3 Allotment and Development of the Resettlement Sites

At the time of writing, the layout plans were under review by the Physical Planning Department of the Districts' Councils, contractors had been selected and were about to start the construction activities in Mpindo and Chaswanthaka resettlement sites.

The allotment of the replacement land plots (residential and farming plots) on the resettlement sites will be done by the Survey Department of the Ministry of Lands, in a participatory manner with the resettled households.

After allocation of plot numbers to the beneficiaries, title deeds can be prepared and issued to the PAPs to ensure security of tenure. These title deeds will be provided at no cost to the PAP. This can take a long time, so the PAPs should establish themselves on their plots before the deed titles are issued. The Deed Registrars of each District Council Office will register individual land titles for resettlers on the resettlement sites.

Figure 37: Conceptual Layout of the Chaswanthaka Resettlement Site



Figure 38: Conceptual Layout of the Mpindo Resettlement Site



Figure 39: Conceptual Layout of the Kambalame Resettlement Site

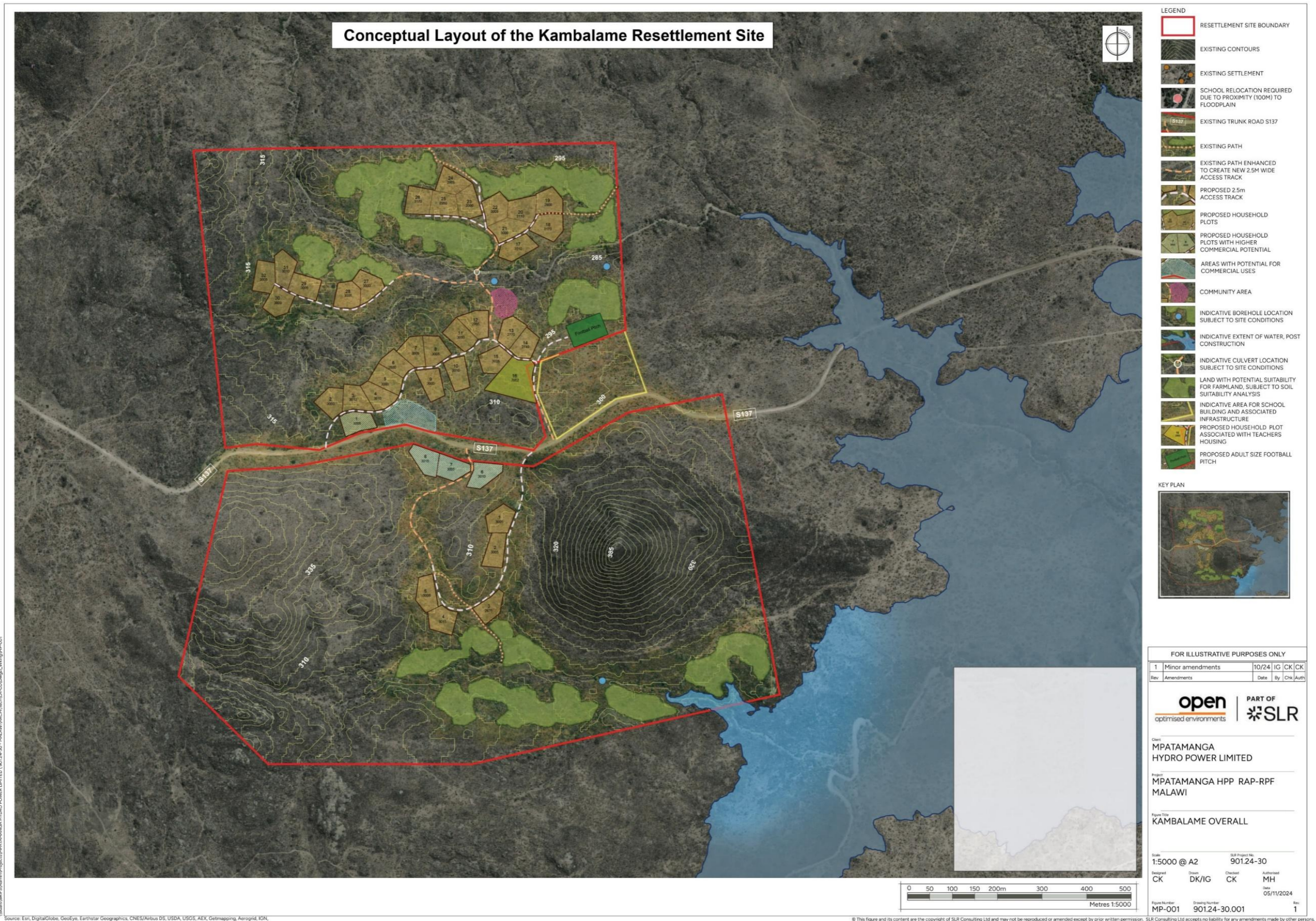
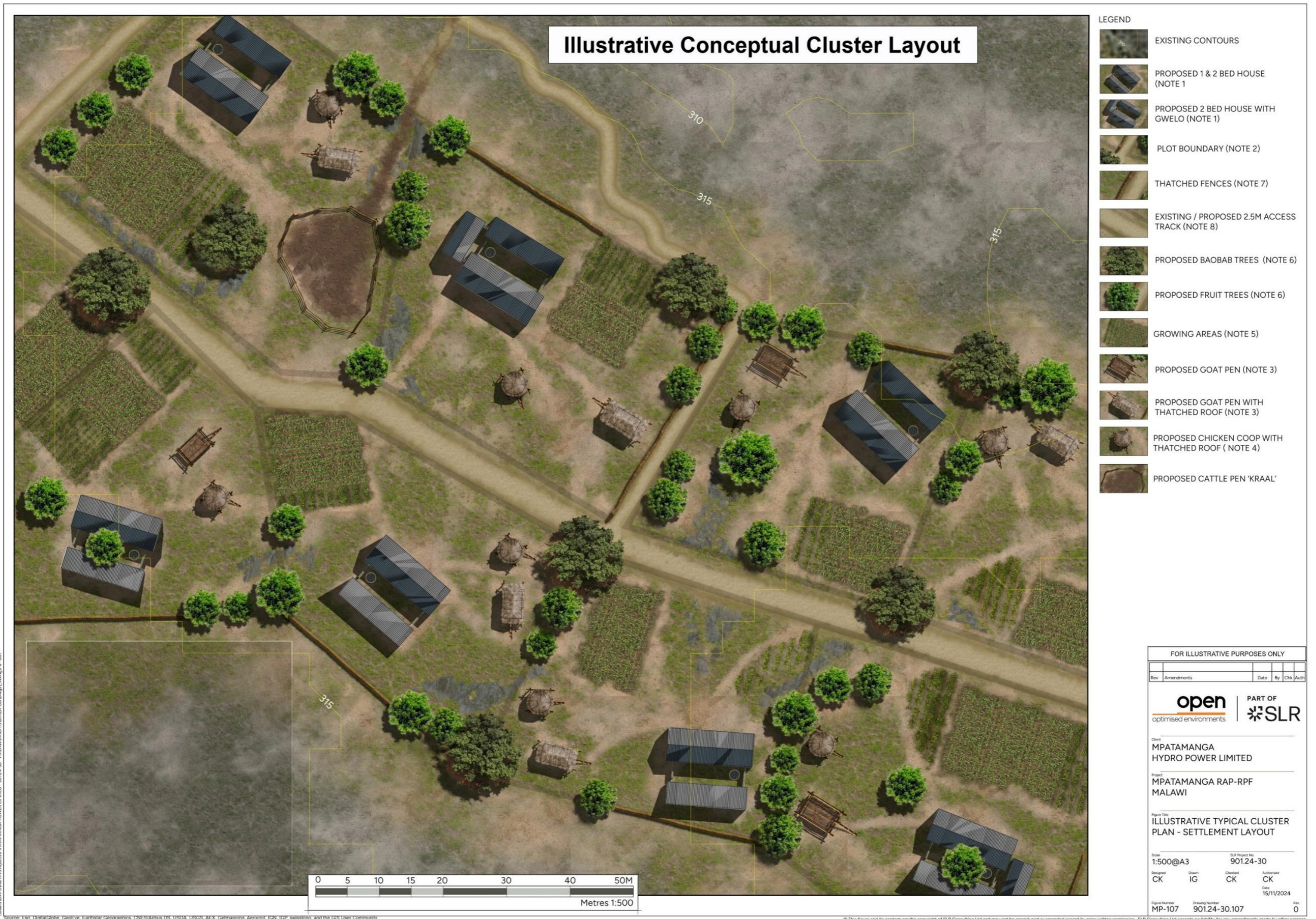


Figure 40: Illustrative Cluster Layout



8.1.4 Replacement Housing

The Project will build and provide 'ready-to-occupy' replacement houses. The size of the replacement houses will be based on the number of bedrooms of the house lost by the physically displaced households. The replacement housing provided by the Project will include the construction of the house (living and bedrooms), kitchen, toilet, bathroom and store structures, as applicable to the recipient households. All other elements of homesteads (e.g. fences, animal pens) will be compensated in cash for self-establishment by the affected households.

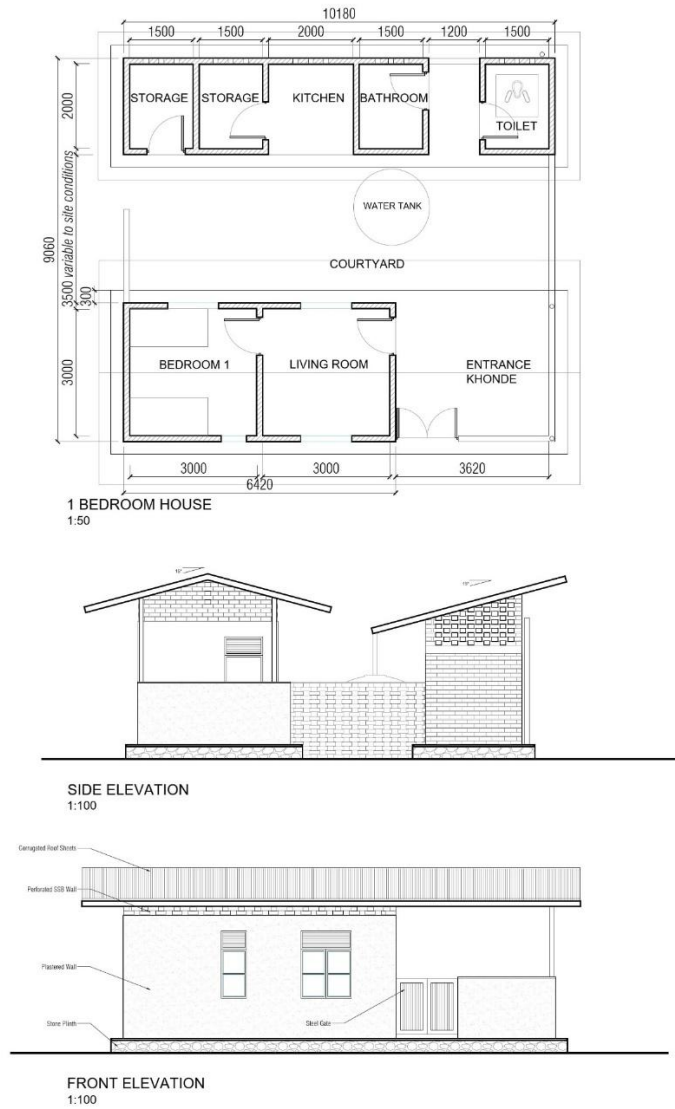
As part of the development of the conceptual layout of the resettlement sites, an architect prepared replacement housing designs, considering the preferences expressed by the physically displaced households. The draft housing designs were disclosed to the households to be physically displaced in Chaswanthaka, Mpindo and Kambalame in November 2024. The final housing designs have then been prepared, accounting for the feedback received from the affected households.

The standardised house categories include a 1-bedroomed house (living room and bedroom) of not less than 18 m² and a 2-bedroomed house (living room and 2 bedrooms) of not less than 31.5 m², both with a 'khonde' and a utility building. Either house category can be augmented with 1 or 2 units of 'gowelo' (boys quarters, additional bedrooms, 6 m²), added externally where required for additional family members. Figure 41 and Figure 42 provide the design prepared by the architect and an illustration of the type of replacement houses to be provided.

The design adopts a straightforward, adaptable layout that is functional and provides well-proportioned rooms in a courtyard layout. The buildings shield the inner spaces from the harsh environmental conditions, creating a protected, secure and private zone for residents. The buildings are anchored on local stone wall foundations, with walls constructed from Soil Stabilised Blocks (SSB) procured from local suppliers or produced on-site. Door and window frames are of steel with ventilation panels. The structure is tied with a reinforced concrete (RC) ring beam at lintel height. Plaster and paint are applied internally and externally to the main living spaces. SSB ceilings on reinforced concrete joists maintain year-round thermal comfort and improve mosquito exclusion. A gabled, corrugated roof on steel trusses provides a durable, weather-proof cover and shades the ceiling. This, combined with the ventilated space between the roof and ceiling, enhances thermal comfort. Construction and material specifications are provided.

Kitchen, storage, bathroom and latrine elements are coalesced into a 'utility building' with a mono-pitch roof. This provides for construction efficiency, facilitates the courtyard layout, and enables rainwater harvesting. Ample ventilation and lighting are provided through perforated block walls above the ring beam. The kitchen will be fitted with improved brick ovens. The toilet will be a Ventilated Improved Pit Latrine.

Figure 41: Illustrative Conceptual Design of the Replacement Housing (1 Bedroom House)

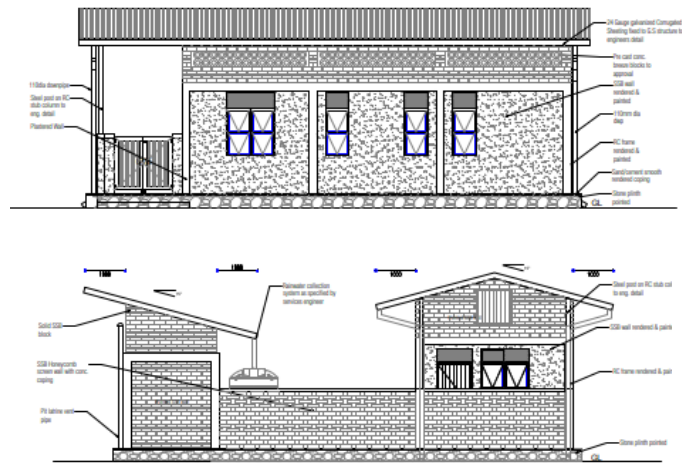
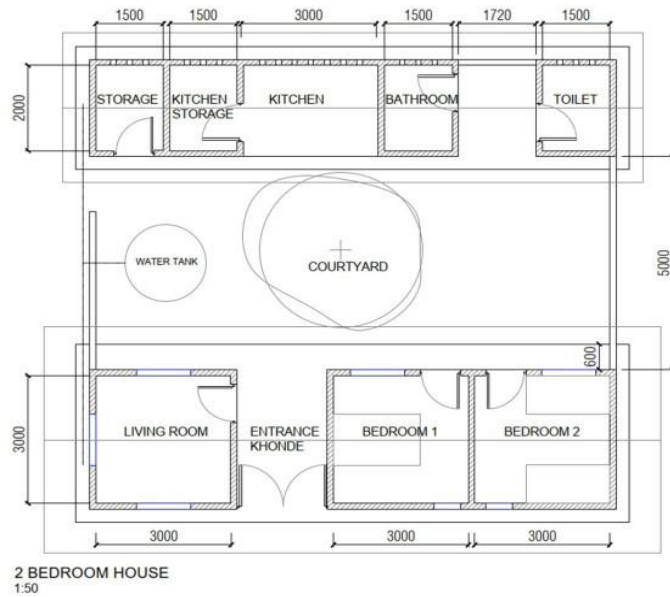


Conceptual drawings of replacement housing



Illustration of the replacement housing

Figure 42: Illustrative Conceptual Design of the Replacement Housing (2 Bedroom House)



Conceptual drawings of replacement housing



Illustration of the replacement housing

8.2 Assisted Self-Relocation

The Project will adopt a second approach for the households physically displaced affected by the main works and main reservoir who cannot be accommodated in the Chaswanthaka, Mpindo and Kambalame resettlement sites. A complementary “assisted self-relocation” approach will be applied for the other components, and/or where small groups of households or individual households are physically displaced. Combined with in-fill resettlement¹⁰, the assisted self-resettlement can be considered for impacts from linear infrastructures, like roads or transmission lines.

Assisted self-resettlement processes are being implemented in Malawi on other projects, including the MOMA transmission line project (ESCOM & WSP, 2021), and the Accelerated Growth Corridor Project funded by the Millennium Challenge Corporation (MCC).

This approach will be applied in two cases:

- For physically displaced households from other villages than Chaswanthaka, Mpindo and Kambalame, as they cannot be accommodated on the resettlements. For this main works RAP, this will apply to the two households physically displaced in Divala village, and the one household physically displaced from Nkhwali village.
- For households economically displaced (i.e. losing land without losing their house) if they are losing productive land, residing in the affected villages or GVs (i.e. non-resident affected persons will not be offered replacement land) and if they are (i) a vulnerable household and (ii) losing either the entirety or more than 30% of their land. For these economically displaced households, the process will be the same as the assisted self-relocation for physically displaced households, without the construction of replacement housing. For this main works RAP, this will apply to 29 households economically displaced in Neno district, and 30 households economically displaced in Blantyre District.

The steps to implement the assisted self-resettlement are outlined in the next paragraphs.

A Step 1 - Identification of Replacement Land

Available replacement land outside the resettlement sites will be identified through a participatory process, village by village, involving the Village Heads and affected households. The identification of replacement lands for assisted self-relocation will be done by the Project with traditional leaders and PAP.

Potential replacement land will be mapped considering four main criteria:

- Identification of replacement land in the same community, to minimise social disruption: Replacement land will be identified preferably in the same village, or if not possible in the same GV. Replacement land outside of the GV, where the affected households have their affected land in will not be considered. Identifying replacement land in the same villages and communities the affected households currently live in, as close as possible to their place of residence, will help minimise the risks of social disruption. It will help maintain existing family and social relationships and networks. It will also help maintain their access to communal land or natural resources, managed and shared with the same community. Access to markets and public services will also be maintained;
- Land to be considered as replacement land will be either unused community land or customary land privately used;
- Distance between the replacement land and the settlements: Replacement land for economically displaced households will be used for subsistence farming activities.

¹⁰ In-fill resettlement involves relocating displaced persons into existing neighbourhoods rather than development of resettlement sites (IFC, 2023). It can be done for linear projects, where affected persons can move to the remaining non-affected part of a land plot partially affected by a project.

Relocating farming activities presents multifaceted challenges, with physical distance emerging as a pivotal factor. For impacted farmers, the distance between their homes and their agricultural fields holds significant implications. Traditional farming practices often involve daily trips to the cultivated fields, with considerations for the timing of planting, harvesting, and irrigation. Farmers interviewed indicated that a distance of two hours on foot from their house to the cultivated plots is considered a maximum. Beyond this threshold, time and effort for daily commutes may arise, potentially impacting the viability of farming activities. Therefore, replacement land will have to be within a maximum of 1.5 hours by foot from the place of residence of the affected households;

- Minimum size of the replacement land: The minimum and maximum area for replacement land for households choosing assisted self-relocation:
 - 0.1 ha for a residential area for households physically displaced;
 - 0.5 ha as a minimum for farming land, for a household of 2 persons, then 0.2 ha per person;
- Productive potential of the replacement land. As subsistence farming is key for the livelihoods of the affected households, replacement land to be identified should have at least the same productive potential as the land lost. The productive potential of replacement land will be assessed based on three main criteria: soil quality, topography and water availability:
 - Soil quality: the replacement land should not be too rocky nor too sandy;
 - Topography: the replacement land should ideally avoid slopes or land with an important gradient. Erosion is more important on slopes, and the interviewed farmers confirmed they favour flat land, where productivity is better, and where it is easier to farm crops; and
 - Water availability: two main types of agricultural systems are practised by the local communities: rain-fed crop farming, with one yield per year, and “dambo” farming, which is practiced on riverbank fields and relies on manual irrigation, and gives two yields per year. According to local farmers, the soil fertility near riverbanks is better than elsewhere. Farmers losing land plots on the riverbanks they cultivated following the “dambo” system will require land with access to water (i.e. close to riverbanks) to reproduce their farming practices.

These criteria will be discussed and validated with the affected households during the participatory identification of replacement land.

B Step 2 - Acquisition of Replacement Land by the Project

The landowners of potential replacement land will be identified. The GoM Project Implementation Unit (PIU) and MHPL will negotiate with them on a willing–seller–willing–buyer process, using the land rate defined in Section 7.1.3. The Project will then select, with the affected households the preferred replacement land amongst the landowners willing to sell and acquire the replacement land.

C Step 3 - Construction of Replacement Housing

The Project will construct the replacement housing for the households choosing assisted self-relocation. The houses constructed for assisted self-relocation will be the same as those constructed on the resettlement sites described in Section 8.1.4.

D Step 4 - Delivery of Replacement Land and House to the Affected Households

The affected persons then receive the house and land as in-kind compensation. If they are physically displaced, they are only allowed to move into the replacement house once it is completed. The Project will then hand over documents to secure their land tenure to the affected persons to ensure security of tenure. These title deeds will be provided at no cost to the PAP.

They also benefit from livelihood restoration measures and disturbance allowance in cash.

8.3 Timing of Displacement

Displacement should be scheduled to minimise disruption of agricultural production, in order to minimise impacts on subsistence farming production.

Rain-fed farming practices are the main subsistence activities for the affected households. Rain-fed farming practices should therefore be considered as the key driver of the displacement schedule to minimise risks to the food security of the displaced households. The calendar for rain-fed farming is indicated in Figure 24 in Section 4.2.7.3. This calendar may vary depending on the actual time of the rains, but it can be broadly summarised as follows:

- Land preparation between October and November,
- Seedling and fertilising in December,
- Weeding in January and February, and
- Harvesting between March and April.

Therefore, displacement should occur after harvesting is completed in the impacted land plots, i.e. after April.

The development of the Resettlement sites and the identification of the replacement land for the assisted self-relocation is planned to allow the preparation of the new agricultural fields in October and November.

8.4 Psychosocial Support

As indicated in Section 6.3.5, the Project will recruit social assistance staff to offer psychosocial support throughout the resettlement process to households who wish to receive such support. A service provider will be identified and recruited and will be mobilised to offer voluntary advice and support to those who wish. This service provider will be presented to the affected persons during the compensation process and will establish a presence on site. A dedicated phone number will also be established. This support will be free and anonymous for all affected persons, and the project will pay for all costs.

8.5 Support for Vulnerable Households

In-kind assistance will be provided to the vulnerable affected households during relocation, as follows:

- The Project will offer assistance to all physically displaced vulnerable households to assist them in their move, by providing a vehicle to transport their belongings; and
- Specific Livelihood Restoration Measures dedicated to vulnerable affected households are also defined in Section 9.

9 Livelihood Restoration Measures

9.1 Overview

The Lenders' policies on Involuntary Resettlement mandate that Projects support displaced individuals in their efforts to enhance or restore their livelihoods and living standards to the levels they were at before displacement or before the start of the project, whichever is higher.

The RPF defined the livelihood restoration measures and transitional support that the Project will provide to the households and communities affected by the phases of the land acquisition. These livelihood restoration measures were developed based on the investigations and stakeholder engagement undertaken during the RPF preparation between 2023 and 2024, including:

- Qualitative and quantitative socioeconomic surveys amongst the communities and households affected;
- Agronomic surveys on farming practices;
- Engagement with various District Officers and NGOs; and
- Extensive engagement with affected communities, through several rounds of community meetings, before the surveys and after the RPF was drafted; to present the eligibility and entitlement principles and the livelihood restoration measures during the public disclosure of the RPF in 2024.

The details are provided in the RPF. Table 37 next page gives an overview of the livelihood restoration measures defined by the Project. All of them are applicable to this phase of the land acquisition and compensation (the main works RAP). The next paragraphs then detail these Livelihood Restoration Measures¹¹.

Individual livelihood restoration measures are provided at the household level.

Some livelihood restoration measures require the EPC contractors to be mobilised, which will not occur until the Main Works construction activities commence. This is the case for [LR 7] Preferential Hiring and Skills Training. MHPL team is performing a PAP skills audit to identify local skill sets.

Some livelihood restoration measures are collective measures targeting the affected villages. They will be provided once per village. The beneficiaries will not be the affected households taken individually, but the affected communities, including households physically and economically displaced, but also the members of the communities who may be affected by restriction of access to natural resources.

At the time of writing, the Project had identified service providers for all the livelihood restoration measures and was contracting them.

¹¹ The Livelihood Restoration Measures are defined in the Resettlement Policy Framework and are reflected in the Project Environmental and Social Management and Monitoring Plan (ESMMP). See the activities under "Owner Construction (OC) 31- 34" in the ESMMP.

Table 37: Overview of Livelihood Restoration Measures applicable for the Main Works RAP

Category of Measures	Category of Affected Persons or Households Eligible for this RAP	Livelihood Restoration Measures
Support During the Compensation and Resettlement Process	All affected households	[LR 1] Support to Open a Bank Account
	All affected households	[LR 2] Training for Sustainable Management of Compensation
	All affected households residing in the affected villages. Non-resident affected households will not be eligible to this measure.	[LR 3] Transitional Support
Support to Existing Farming Activities	Affected household with cultivated plots affected (Non-resident affected households will not be eligible to this measure.)	[LR 4] In-kind Provision of Agricultural Inputs to Restore Crop Production
	All affected household, except non-residents	[LR 5] Provision of One Bicycle per Affected Household
Support to Develop Alternative Livelihood Activities	All affected household, except non-residents	[LR 6] Support to the Development of Off-Farm Economic Activities.
	All affected household, except non-residents	[LR 7] Preferential Hiring and Skills Training.
Collective Livelihood Restoration Measures	All affected villages.	[LR 8] Collective support to improve agricultural production, one measure possible per village, to be chosen amongst the three measures below: <ul style="list-style-type: none"> • Farmer Field Schools, trainings on improved fallow and demonstration plots; OR • Support for the development of small agro-processing units; OR • Support for the development of micro-businesses producing agricultural inputs.
	Villages affected by the restriction of access to the main reservoir and regulating reservoir and restriction of access to the Shire River, as part of this main works RAP: <ul style="list-style-type: none"> • In Blantyre District, in GV Chaswanthaka, Chaswanthaka, Mpindo, Divala and Mbwinja villages; • In Neno District:, in GV Feremu, Feremu, Kambalame and Nkhwali villages 	<ul style="list-style-type: none"> • [LR 9] Support to Sustainable and Green Charcoal Production; • [LR 10] Restoration of Access to Water for Domestic and Drinking Purposes; • [LR 11] Restoration of Livestock Access to Water; • [LR 12] Support to Develop Small-Scale Irrigation; • [LR 13] Support for Fisheries Activities for Affected Communities Around the main reservoir.
Livelihood Restoration Measures for Vulnerable Households	Affected Vulnerable Households.	[LR 14] Assistance for Land-Clearing and/or Preparation of Agricultural Fields after displacement.
		[LR 15] Provision of Small Livestock (Goat or Sheep).
		[LR 16] Support to Develop Beekeeping.

9.2 Individual Livelihood Restoration Measures

9.2.1 Support During the Compensation and Resettlement Process

9.2.1.1 [LR 1] Support to Open a Bank Account

The Project will appoint local financial institutions or banks to manage the payment of compensation to the affected persons (see Section 10.2.2.1).

As indicated in Section 4.2.11, less than 7% of the affected households interviewed declared that at least one person in the household had a formal bank account. Therefore, to ensure all affected persons will be able to receive their compensation, MHPL Social Team will work with the local financial institutions or banks to help the households who do not have a bank account to open one.

A national ID Card is needed to open a bank account. The GoM PIU will support affected persons who do not have a national ID Card to obtain one.

During the census of the persons affected by this RAP, the list of affected persons without a bank account has been established. Before the signature of the Compensation Agreements with the affected persons, MHPL Social Team will:

- Collect the necessary documents and deliver them to the bank(s), which will handle the compensation payment,
- Deliver the documents of their bank account to the affected persons and explain to them how to access their compensation.

All costs of opening a bank account will be borne by the Project.

The monitoring indicators will be:

- The number of affected persons without a bank account (disaggregated by gender) before the compensation process,
- The number of households with a bank account created with the assistance of MHPL Social Team,
- The number of joint bank accounts, under the name of both spouses, created with the assistance of MHPL Social Team, and
- The number of households with a bank account created that received the documents of their bank account from MHPL Social Team.

9.2.1.2 [LR 2] Training for Sustainable Management of Compensation

The cash compensation provided to households will be an important sum of money in relation to the household's normal earnings. To ensure that compensation money is managed by the households in a sustainable manner, the Banks managing the payment of compensation or an NGO hired by the Project will perform a series of financial management trainings, which affected households will be encouraged to attend. The aim is to support affected people with independent financial advice to help them invest their compensation in such a way as to improve their long-term well-being rather than contribute to a household spending the compensation money in an unplanned and unproductive way.

The trainings will be carried out in each affected village ahead of the payment of compensations, in 2 stages:

- To understand gender-differentiated views, expectations and constraints, the NGO (or the Banks) will organise a first series of women-only and men-only seminars. Specific seminars led by a woman will be offered not only to the female heads of female-headed households, but also to the female spouses of men-headed households, in order to ensure that they can express their concerns and constraints without any gender bias.

- A second series of seminars will then be organised, with spouses of both genders invited to attend.

These seminars will include topics such as (i) how to save money, (ii) how to obtain loans, (iii) how to manage wisely family expenses, (iv) how to productively invest in compensation money and (v) how to use livelihood restoration support to diversify their economic activities.

The monitoring indicators will be:

- The number of female and male members of affected households attending separately the first series of trainings, disaggregated by village.
- The number of female and male members of affected households attending together the first series of trainings, disaggregated by village.

9.2.1.3 [LR 3] Transitional Support

Rain-fed crop farming is the main source of subsistence in the affected communities. Most local farmers are limited to rain-fed practices and only have one harvest of staple crops at the end of the rainy season. They live on this harvest for most of the year. The months of the end of the rainy season are known as the 'hunger months' as the stock of the previous harvest are being exhausted before the new harvest is available. This food insecurity period is widespread across the Project area, and could be exacerbated by climatic events, such as extreme drought or cyclones. The difficulties due to these 'hunger months' will add up to the other difficulties experienced during the displacement. Therefore, a transitional support package will be provided during the first rainy season after displacement. This transitional support will be a staple food basket provided in-kind during 6 months to all affected households residing in the affected villages. Non-resident affected households will not be eligible to this measure.

The size and composition (maize, cassava) of the food basket will be tailored to fit local preferences and the size of the affected households.

9.2.2 Support to Existing Farming Activities

9.2.2.1 [LR 4] In-kind Provision of Agricultural Inputs to Restore Crop Production

This Livelihood Restoration Measure [LR 4] will be provided to the affected households residing in the affected villages who have replacement land. To help these affected households restore their subsistence crop production, the displacement will be scheduled as much as possible before the start of the rainy season. To assist the affected households to restarting their crop farming cycle on their new farming fields, essential agricultural inputs such as seeds and fertilisers will be provided. According to the interviews conducted with local farmers, obtaining seeds and fertilisers is a high cost. These inputs are distributed through subsidised programmes (Farm Input Subsidy Program) but are not always available to all households in the Project.

The provision of inputs will be done in-kind to ensure it effectively supports the transition to new plots. The objective is to mitigate disruptions due to displacement, such as potential changes in soil fertility, leading to lower yield. The objective is to maintain (or improve) yields while producers become used to their new plots. Providing the inputs in kind will help prevent the misuse of the inputs, such as reselling, ensuring they are utilised to restore or possibly enhance agricultural productivity on new plots.

Improved maize and pigeon peas seeds¹² or other seeds, along with essential fertilisers like Urea and NPK, will be distributed to the displaced households. The quantity of these inputs provided to each household will be determined based on the main staple food cultivated by almost all affected households.

¹² Maize is the main staple food, and Pigeon Peas are mostly intercropped with maize in the project area. Improved maize seeds can be obtained from private firms such as SeedCo for instance <https://seedcogroup.com/mw/>

A minimum package will be considered, made of 10 kg of improved maize seeds, 100 kg of NPK and 50 kg of Urea, corresponding to 0.5 ha of maize, according to the surveys performed amongst local farmers.

MHPL Social Team will deliver the inputs after compensation payments, once the affected households have obtained their replacement land (either through the provision of in-kind compensation, or after they have bought their replacement land themselves if they opt for cash compensation).

The monitoring indicators will be:

- The volume of agricultural input;
- The volume of inputs effectively provided in kind to the affected household; and
- The number of households that effectively receive the agricultural inputs, disaggregated by the gender of the household's head and by village.

9.2.2.2 [LR 5] Provision of One Bicycle per Affected Household

Lack of transportation often leads to a lack of access to basic goods and services, as well as opportunities to improve rural livelihoods. The lack of means of transportation is one of the main constraints limiting the affected households' access to markets. Given the importance of transportation to ensure easier access to livelihood improvement opportunities, the Project will provide one bike to each affected household.

Offering bicycles to tackle rural mobility issues is an approach already implemented in Malawi (USAID, 2023), with some NGO already distributing bicycles in rural areas as a way to help rural communities improve their livelihoods. The Mpatamanga Project will be able to build upon this existing well-developed market to improve rural mobility for the affected households.

One bicycle will be provided in-kind to each affected household, after they have signed their receipt of compensation payment. It will help them access local markets to sell their surplus of crops.

The monitoring indicators will be:

- The number of bicycles procured by MHPL, and
- The number of affected households that received a bicycle, disaggregated by the gender of the household's head and village.

9.2.3 Support to Develop Alternative Livelihood Activities

9.2.3.1 [LR 6] Support to Development of Off-Farm Economic Activities

Access to credit is limited in the Project area. This is limiting the investment opportunities in off-farm activities for the affected households in rural areas. To unlock investment possibilities, the Project will support the establishment of small micro-credit schemes aimed at helping the households to develop alternative off-farm sources of income. This support to the development of off-farm alternative sources of income will include two main activities: (i) offering access to micro-credit schemes to the affected households and (ii) training and assistance to establish a business plan and start alternative off-farm activities.

This livelihood Restoration Measure [LR 6] will be offered to affected households. It means that the members of working age in each affected household will be considered eligible, either individually or collectively. The household can choose to have one person receiving this support: it can be the head of household, or his/her spouse or one of their children of working age. The support to develop off-farm activities can also be delivered to the household as a whole if several persons of working age in the household wish to work together to develop off-farm activities.

A Micro-Credit Scheme

MHPL will establish a MoU with one or more micro-credit institutions (s) already working in the Project-affected areas. It will define the maximum interest rate applied and the conditions of the

microloans. MHPL will provide the initial funds and ensure the loans for the micro-credit institutions.

The amount of the microloans to be offered to the affected households and insured by MHPL will be 1,000 USD. Micro-credits will only be signed after a business plan is submitted by the affected households (see next step below) and validated by the micro-credit institution.

MHPL will inform each affected household of their eligibility to this measure individually during the presentation of the compensation packages. After the compensation agreement is signed, MHPL will organise information meetings with affected households in each affected GV and a selection of villages before compensations are paid, to disclose how the micro-credit scheme will operate.

The monitoring indicators will be:

- The number of Memoranda of Understanding or Agreements signed between MHPL and the micro-credit institutions,
- The number of information sessions organised in the affected area, and the number of affected persons attending, disaggregated by gender and village, and
- The number of micro-loans obtained by affected persons, disaggregated by gender and village, and the loan rates.
- Average amount of microcredit per affected household disaggregated by gender and village, and
- Total amounts of loans provided to affected households by the micro-credit institutions, and the total amount insured by MHPL.

B Training on Business Plans and Assistance to Start New Activities

An NGO will be recruited by MHPL to assist the affected households who wish to develop non-land-based activities. The NGO will identify with the members of these households the activity they want to develop and establish with them a training and business plan. The activities chosen will vary, they could be as varied as hairdresser, carpenter, petty shops, tailor, stock and sale of agricultural commodities or any other off-farm activities

Households that are already engaged in small business activities (such as petty trade or transportation activities) will be assisted by the NGO to develop these existing activities with the micro-credit scheme. This could be done through purchase of supplies, vehicles or materials, assistance for marketing or access to markets or business management training.

Households that are not engaged in business activities, and who wish to develop such activities will be supported by the NGO as well. The business activities envisaged by the affected households will be reviewed by the NGO, which will assist the affected households to set up a business development plan. This plan will ensure that the business activities planned by the affected households are feasible and sustainable.

The NGO will provide support to the affected households in 3 stages:

- Initial individual support session to identify the off-farm activities chosen and validate their plans.
- Second support session to establish the business plan to obtain the micro-credit scheme, and
- The third support session is when the micro-credit is signed to start the activities.

The monitoring indicators will be:

- Number of support sessions provided by NGO to affected households, disaggregated by gender of the household's head and village, and
- Number of business plans prepared and submitted to the micro-credit institutions, disaggregated by activity category, gender of the household's head and village, and
- Categories and number of off-farm activities effectively started by the affected households, disaggregated by activity category, gender of the household's head and village.

9.2.3.2 [LR 7] Preferential Hiring and Skills Training

Another off-farm activity option for the affected households will be the employment opportunities provided by the Project. The members of working age of the affected families could benefit from employment opportunities on the project during construction. Their employability could be limited by low education levels (see Section 4.2.6) and the lack of skills. In each of the affected households, one nominated person of working age will be eligible for this Livelihood Restoration activity [LR 7]. For instance, the affected households can choose to nominate a daughter or a son instead of the household's head. The following measures will be implemented to assist the nominated members of working age of the affected families who wish to develop wage-based livelihood:

- Amongst the local employment targets specified in the EPC contracts, the members of working age of Project-affected households will have priority in terms of employment on unskilled jobs by the EPC contractor during construction,
- MHPL will prioritise the nominated members of working age Project-affected households for the Skills training and vocational training to be implemented as part of the Local Area Development Plan,
- A programme of skills training will be developed by the EPC contractor for the members of working age of the affected households.

The monitoring indicators will be:

- Number of members of the affected household of working age who received skill trainings, disaggregated by gender and village, and
- Number of members of the affected household of working age employed by the EPC, disaggregated by gender and village and by duration of contract (short-term or long-term)

9.3 Collective Livelihood Restoration Measures

The following collective livelihood restoration measure applies to all affected villages, including those affected by the main works RAP.

[LR 8] Collective support to improve agricultural production, one measure possible per village, to be chosen amongst the three measures below:

- Farmer Field Schools, trainings on improved fallow and demonstration plots, OR
- Support for the development of small agro-processing units, OR
- Support for the development of micro-businesses producing agricultural inputs.

These measures are described in the next paragraphs.

9.3.1 Farmer Field Schools, Training on Improved Fallow and Demonstration Plots

The livelihood restoration measure [LR 4] above addresses short-term issues regarding the restoration of productivity on the new land after displacement. This provision of fertilisers can act as a temporary substitute for structural soil fertility. But another approach has to be defined for the long term, especially considering that most producers rely on vouchers to purchase fertilisers (the Farm Input Subsidy Program).

The 'Farmer Field School' (FFS) has been promoted as an approach for educating farmers on making adaptive farming decisions. It is a technique developed by the Food and Agriculture Organisation (FAO) that enables learning in the field, under real conditions, thereby limiting biases that result from imposing theoretical practices without considering the local context. In Malawi, the Farmer Field School (FFS) approach has been used to enhance food security within the context of adaptation to climate change (Van den Berg et al., 2023). Examples of projects or

programmes that have used this approach in Malawi are the FAO KULIMA program¹³ between 2017 and 2022 (FAO, 2022) funded by the European Union or the Sustainable Agricultural Production Programmes (SAPP) funded by the International Fund for Agricultural Development (IFAD, 2023). The Sustainable Agricultural Production Programmes did implement the Farmers' Field School approach in Balaka and Blantyre districts. Both programmes involved the District Agriculture Extension Service Systems (DAESS).

An NGO with experience in supporting small-scale farmers will implement the 'Farmer Field School' approach in collaboration with the District Agriculture Extension Services. The objective is to identify and disseminate efficient and sustainable farming techniques to maximise yields in the Group Villages affected by the Project land acquisition. Agricultural practices resilient to climate change will also be developed.

One of the main recognised methods to restore fertility is the "improved fallow" approach. It has been recognised by both the scientific community¹⁴ and specialised agencies (such as the World Bank¹⁵ or the FAO¹⁶). It has already been introduced in southern Malawi¹⁷. The "improved fallow" approach involves cultivating leguminous plants such as Mucuna for at least 15 months, allowing them to fix atmospheric nitrogen and enhance soil fertility, before planting maize or other crops. Although it requires increasing the area cultivated to rotate between fallow and staple crops cultivation, the improved fallow approach yields higher returns without extensive reliance on external input supplies. It makes the farming system more autonomous but also more sustainable in the long run. It will lay the groundwork for the long-term resilience of the farming systems at the resettlement sites. As leguminous are already farmed in the affected areas, this approach would rely on a change in field management practices by the farmers.

The Farmer Field School approach will be defined by the NGO selected. The expected activities are outlined below. They are expected to be implemented over a period of 4 to 5 years.

- Selection of farmers who would join the Farmer Field School as facilitators. At least one farmer affected by the Project land acquisition should be selected in each village affected, with a maximum of 25 farmers in each Farmer Field School. Selection can be done through a lottery to avoid biases and conflicts if necessary. The selection of farmers should be gender sensitive, with an equal distribution of male and female farmers selected.
- Selection of demonstration plots in each Group Village, considering factors such as the geographical representation of villages, the representation of affected individuals, as well as accessibility, in order to facilitate the implementation of trials.
- In each Group Village, decide the trial activities to be implemented on the demonstration plots with the farmers and the District Agriculture Extension Services. The NGO will develop protocols outlining the methodology, implementation plan, and monitoring framework for the trials.
- Procurement of necessary resources, equipment, and inputs required for conducting the trials by the Farmer Field School on the demonstration plots.
- Capacity building and training of farmers, and implementation of the demonstration plots, with technical support starting the first year after displacement.
- Engage participants in participatory monitoring and evaluation processes to gather feedback and insights.
- The farmers participating in the Farmer Field School share results in each affected village.

The monitoring indicators will be:

¹³ See for instance <https://www.fao.org/newsroom/story/Agriculture-outperforms-imagination/>

¹⁴ See for instance (Maithya et al., 2007; Ochire-Boadu et al., 2020; Partey et al., 2017)

¹⁵ See for instance (World Bank, 2007)

¹⁶ See for instance (Consultative Group on International Agricultural Research Science Council (CGIAR) FAO, 2006)

¹⁷ See (Akinnifesi et al., 2009)

- Number of farmers selected and trained in the Farmers Field School activities, disaggregated by gender and village, to be documented annually, and
- Number of demonstration plots established,
- Tracking of farmers trained and seeing if their long-term yields increase.

9.3.2 Support to Development of Small Agro-Processing Units

There are a few agricultural processing units in the local villages, such as grain mills. Small mills or grinding machines to produce maize flour for instance, do not always exist in all villages. These units are mostly privately owned and managed, and villagers must pay fees to their owners to use them. To process the maize of other crops and make flour, the villagers often must travel long distances.

This measure aims to support the development of small agro-processing units such as grain mills. The processing of agricultural products not only adds value to the raw material but also facilitates transportation and/or prolongs the shelf life of food items, thus reducing losses.

To ensure processing units are established in a sustainable manner, a demand-driven approach will be followed. One project holder will be identified per village rather than imposing any specific activity. A call for 'expression of interest' will be launched in each village to identify the villagers who wish to develop such units, using a small grant provided by the Project. The villagers will be supported to prepare a business plan and the most sustainable project will be selected.

Those who express their interest will receive support to (i) strengthen their management skills and (ii) develop a simplified business plan. The winners will receive a small grant to acquire equipment (up to USD3,000 maximum), but will need to provide a contribution (10%) to ensure that motivated individuals participate. The villagers selected will receive technical support for the operation and maintenance of the equipment during the first two years.

This measure will be implemented with the NGO recruited for the Farmer Field School Approach.

The monitoring indicators will be:

- Number of farmers expressing their interest in receiving a small grant to establish an agricultural processing unit or grain mill in their village, disaggregated by gender and village,
- Number of affected villages where an agricultural processing unit or grain mill is established,
- Number of 'customers' using the units developed in each village.

9.3.3 Support to Development of Micro-Businesses Producing Agricultural Inputs

Access to quality inputs, such as organic pesticides, fertilisers, and seeds, is essential for sustainable agricultural production. The general low organic matter content of the soil in most places in the Project area requires producers to amend their plots with fertilisers. Unfortunately, access to inputs remains problematic. Most farmers do not purchase inputs (organic fertilisers, pesticides) because the cost, burdened by transportation, is often too high. Furthermore, sometimes there is simply no supply available. Similarly, the presence of pest insects such as the armyworm causes significant losses for crops in general and for maize in particular.

Compost is the result of a biological process (composting) that allows for the valorisation of certain organic matter "deposits." During composting, this organic matter is decomposed under the action of bacteria. Quality compost is a stabilized product rich in humic substances, a significant portion of which will be immediately assimilated by plants. The addition of organic matter (via compost) offers multiple benefits.

The addition of organic matter (in the form of compost) helps to mitigate the effects of droughts and heavy rains, thus enhancing resilience to climate change. Organic matter can be likened to a glue that gives the soil a crumbly structure, with aggregates and clumps. Compost helps to

improve soil by increasing moisture retention capacity (reducing leaching and evaporation) and releasing water during dry periods (Lefèvre et al., 2017) and reducing erosion risks (Bot & Benites, 2005).

As part of the Farmer Field Schools approach, the Project will support the development of bio-inputs production at the village level. This will be done as part of the demonstration plots and could involve making compost from animal waste or bio-pesticides from wild flora (like the Neem tree), rich in azadirachtin.

In addition to testing the approach through the demonstration plots and the Farmer Field Schools, the demand-driven approach described to support the development of grain mills in villages will be replicated to support the production of bio-inputs:

- MHPL will identify and support one project holder per village through a simplified call for 'expression of interest' to start this activity,
- Those who express their interest will receive support to (i) strengthen their management skills and (ii) develop a simplified business plan.
- The winners will receive a small grant to acquire equipment (up to USD3,000 maximum) but will need to provide a contribution (10%) to ensure that motivated individuals participate. They will also receive technical support for the operation and maintenance during the first two years.

This measure will be implemented with the NGO recruited for the Farmer Field School Approach.

The monitoring indicators will be:

- Number of farmers expressing their interest in receiving a small grant to develop agricultural bio-inputs, disaggregated by gender and village,
- Number of affected villages where bio-inputs projects are developed.

9.4 Collective Livelihood Restoration Measures for the Main Reservoir and Main Works RAP

The measures [LR 9] to [LR 13] in the next paragraphs target the villages affected by the main dam and the main works, to address the impacts from the loss of access or restriction of access to natural resources (see Section 5.8):

- In Blantyre District:
 - In GVH Kaliati, Lisangwi, Inosi, Chilaulo, Chaswanthaka, Mpindo, Divala and Mbwinja villages,
 - In GVH Mzigala, Mzigala and Mwazilinga villages,
 - In GVH Namputu, Chimphanda, Baluwa, Chikira, Namputu, Kwapita and Chinkwinya villages,
- In Neno District:
 - In GVH Feremu, July, Feremu, Andivuta, Kambalame and Nkhwali villages,
 - In GVH Nsalawatha, Petulo and Jonathan villages, and
 - In GVH Ngwenyama, Nkoka, Liyenda villages.

9.4.1.1 [LR 9] Support to Sustainable and Green Charcoal Production

Charcoal is one important source of cash income for the affected households in the main works and main reservoir areas. The very high demand from cities makes it the quickest source of cash income for most households in the main works area.

As indicated in Section 5.8, at the village level, it is likely that the reduction of areas available to produce charcoal will increase pressure on natural resources outside of the Project land requirements. As there are no defined boundaries between villages or Group Villages, it is difficult to estimate precisely which village is likely to be more affected than other.

As currently practised, charcoal making is not sustainable because:

- In most villages, there is no or very limited management of wood lots,
- The 'good' tree species which allow for production of good quality charcoal are becoming increasingly scarce and charcoal makers are now also using saplings, coppices and digging up tree stumps to make charcoal.
- The current charcoal production techniques (earth kiln) are considered unproductive with an efficiency limited at 10-15% of the wood volumes consumed.

The National Charcoal Strategy (Government of Malawi, 2017), through its Third Pillar, promotes sustainable wood production. This entails support for cultivation of fast-growing tree species and/or alternative feedstock suitable for charcoal and commercial firewood production. In alignment with the third pillar of the National Charcoal Strategy, MHPL will support the development of sustainable and green charcoal production in the six group villages riverine to the main reservoir and regulating reservoir (in Blantyre District, GVH Kaliati, GVH Namputu, and GVH Mzigala; and in Neno District: GVH Feremu, GVH Nsalawatha and GVH Ngwenyama).

Several initiatives and research projects on this issue have already been implemented and tested in Malawi. For instance, the Malawi University of Business and Applied Sciences has developed a pilot project of commercialisation of bamboo for firewood and charcoal production (UNDP 2022), with the support of the United Nations Development Programme (UNDP). A partner with similar experience will be selected by MHPL to develop a training and pilot program in the 6 GVH around the main reservoir and regulating reservoir.

The Partner selected will define a detailed programme. The training programme could be organised around two main themes:

- Sustainable woodlot management practices, and
- Improved tree varieties for charcoal production.

The Partner selected by MHPL will develop and implement a woodlot management training programme, with the following activities:

- Assessment of existing woodlot management practices in the 6 GVH
- Development of training modules to be administered in the affected group villages and villages,
- Training of local farmers on the best woodlot management techniques from seedling production, plantation, and maintenance up to harvesting techniques.

The Partner selected by MHPL will support the dissemination of improved tree varieties for charcoal production through the following activities:

- Assessment of tree varieties appropriate for supporting climate resilience in the project area,
- Setting up of trial stands for appropriate seeds and setting up of orchards to grow and disseminate improved varieties.

The Partner will establish demonstration plots in the 6 GVH to demonstrate woodlot management practices with improved tree species. Some practices of "improved fallow" applied to agroforestry could be disseminated. Some examples inspired by the traditional slash-and-burn cultivation method but incorporating the concept of "improved fallow" are available (Peltier et al., 2010). Practices involving rotation of crop cultivation and tree planting over time on the same plot of land could be demonstrated.

The Partner will also explain how to produce sustainable charcoal as a legal activity. They will support the registration of sustainable charcoal makers and the branding of their products so that their sustainable charcoal products can be easily identified by customers.

Therefore, the Partner implementing this Livelihood Restoration activity [LR 9] will ensure the training and support they will provide are distributed equally between both genders. They will ensure that half of the villagers receiving their support are women.

The monitoring indicators will be:

- Number of farmers trained on sustainable Charcoal techniques, disaggregated by gender and village, and
- Number of demonstration plots established.

9.4.1.2 [LR 10] Restoration of Access to Water for Domestic and Drinking Purposes

As indicated in Section 2.2.6, access to the regulating reservoir will not be allowed for safety reasons. Mpindo, Divala and Mbwinja villages in Blantyre District and Nkhwali village in Neno District will no longer be able to access the Shire River. Restriction of access to the main reservoir banks will be limited to 500 m upstream of the main dam and 500 m downstream of the tailrace of Tedzani HPP. During operation, the villages around the main reservoir may, however, see their access to the Shire River hindered by the development of aquatic weed or an increase in the population of crocodiles or hippos.

All the villages around the main works area use the Shire River to fetch water for domestic purposes (see Section 4.2.8), including for drinking. This is not their only water source, as most villages also have boreholes and wells, and they also use the tributaries to the Shire River.

MHPL will ensure access to water for domestic purposes for the villages around the main reservoir, and the regulating reservoir will be maintained throughout construction and operation. The approach will include the following activities:

- Inventory of domestic water sources and water needs in each village before the start of construction;
- Identification village by village (i) of the dependency on the Shire River for domestic uses (i.e. if other water sources are available and used or not), (ii) of risks of reduced accessibility to the reservoir during operation (based on the results of the 2024 ESIA assessment on the risks of human-animal conflicts (crocodiles and hippos) and (ii) of the need of provision of additional water sources for domestic purposes. The need will be assessed considering the national Water Policy (Ministry of Water and Sanitation, 2022) (for instance, one borehole fitted with a hand pump for 250 people);
- Through a participatory process in each village, the identification of the preferred option to maintain access to water for domestic purposes. As the villages vary in size and in distance from the reservoir, a range of technical solutions may be necessary. They may involve boreholes, wells, construction and development of safe access to the river or its tributaries; and
- Construction of the solutions chosen in each village.

These activities will be done in the villages affected by the regulating reservoir (Mpindo, Divala and Mbwinja villages in Blantyre District and Nkhwali village in Neno District) before the start of the main construction. They will be done before the impoundment of the main reservoir in the other villages affected by the main reservoir.

The monitoring indicators will be:

- Availability of the inventory of domestic water sources in each village, and the number of alternative solutions needed; and
- Number of alternative accesses to water for domestic purposes established, disaggregated by village.

9.4.1.3 [LR 11] Restoration of Livestock Access to Water

This measure will be the same as the measure [LR 10] above, but will focus on access to water for livestock. Livestock farming is a key activity for some affected households. The restriction of access to the regulating reservoir and the potential hindered access to some areas of the main reservoir need to be mitigated to avoid impacts on the livestock farmers' livelihoods.

The approach will be the same as the measure [LR 10] above, but the technical solution may differ, as they will be focused on access to water for the livestock.

Alternative accesses to water for livestock will be developed before the main construction through a participatory process in the villages affected by the regulating reservoir (Mpindo, Divala and Mbwinja villages in Blantyre District and Nkhwali village in Neno District).

Around the main reservoir, it will be necessary to assess if the cattle can access the reservoir banks using delineated secured accesses, or if the cattle need to stay away from the reservoir to protect the water quality. The solutions will be assessed through a participatory process during construction to be operational at the impoundment of the main reservoir.

The solutions to be developed may include the construction of drinking troughs fed by boreholes or wells, or by systems abstracting water from the regulating reservoir.

The monitoring indicator will be the number of alternative accesses to water for livestock established, disaggregated by village.

9.4.1.4 [LR 12] Support to Develop Small-Scale Irrigation

The land acquisition will reduce the amount of farming land available in the villages affected by the main works. Therefore, it is necessary to define an approach to improve the agricultural productivity in the remaining land. The livelihoods of the affected households are at stake, as well as the food security of the local communities.

Access to water is the key issue for farmers in the villages affected by the main reservoir and the main works. Developing small-scale irrigation systems will ensure a long-term and sustainable improvement of the agricultural productivity in the affected villages. The technical solutions will be defined with the affected communities around the main reservoir and main works through a participatory process.

The small-scale irrigation system will need to be robust and simple. Given the size of the communities and the scattered settlement patterns, no irrigation canals will be developed, as they require important maintenance and careful management of collective water rights. The technical solutions may be different from one village to another, based on the topography, distance from the river, or number of farmers. They can include simple watering of crops by hand, as is currently done by some farmers along the banks of the Shire River.

Boreholes or wells could be developed. In the 2024 ESIA, the Project has committed to reservoir 2 m³ per second of the main reservoir water for purposes other than hydropower generation. This volume of water could be used to feed the small-scale irrigation systems, through small and simple water abstraction systems.

During the construction period, MHPL will select an NGO to define the small-scale irrigation systems with the villages affected by the main reservoir and main works. A feasibility study for the small-scale irrigation systems will be prepared to validate the solutions envisaged. The solutions will then be established to be operational as soon as technically feasible after displacement.

The monitoring indicators will be:

- Availability of the small-scale irrigation systems feasibility study;
- Number of small-scale irrigation systems established in the villages affected by the main reservoir and the main works, disaggregated by village; and
- Number of farmers benefitting from the small-scale irrigation systems, disaggregated by gender and village.

9.4.1.5 [LR 13] Support for Fisheries Activities for Affected Communities Around the Main Reservoir

With the change from a lotic to a lentic ecosystem, the main reservoir will create a potential for increased fishing activities. This would happen after impoundment of the main reservoir, at the start of the operation. The fish population could increase, and fish yields could increase, creating opportunities to develop fishing as a means to improve food security in the riverine communities and to diversify income sources for the fishers.

The Project will support the development of fisheries activities in the villages affected by the main reservoir and the main dam. This support needs to be prepared during the construction period, to be implemented and produce results from the start of operation. This period will coincide with the demobilisation of construction workers, and will take place after the Livelihood Restoration Measures [LR 4] to [LR 9] defined above are implemented and have produced results.

The Project support to the development of fisheries activities in villages affected by the main reservoir and main works will include the following activities:

- During construction, and prior to impoundment of the main reservoir:
 - MPHL will retain the services of specialised expert(s) to undertake a reservoir Fisheries Feasibility study,
 - MHPL will then develop an initial Reservoir Fisheries Management Plan to cover the first 2 years of operation. This initial plan will describe and analyse the proposed options for fishery development, including analysis of suitable species, and the feasibility of aquaculture. It will identify appropriate species and provide an estimate of sustainable yields; identify pest and disease control requirements; establish fishing rights, licences and practices to limit over-exploitation. It will also identify supply chain requirements.
 - MHPL will then consult, receive and consolidate comments on the draft plan from relevant government agencies and riparian communities, and consider them in the revision to this plan.
- During the first 4 years of operation, after impoundment of the main reservoir:
 - MHPL will undertake reservoir fish monitoring surveys on a quarterly basis for the first two years after reservoir filling, possibly reducing to biannual surveys for the following 3 years, depending on results from the first two years. These surveys will assess catch per unit effort (CPUE) and fish yields in different parts of the reservoir.
 - Local Artisanal fishers will be trained in appropriate fishing techniques to minimise fish mortality and optimise sustainable yields. Training requirements will be specified in the Reservoir Fisheries Management Plan.
 - MHPL will also provide in-kind support (such as fishnets or other fishing or fish processing equipment) in each of the riparian villages for the fishers trained.
 - MHPL will update the Reservoir Fisheries Management Plan as necessary.

To avoid experienced commercial fishers coming from other areas and competing with the local fishers, only villages from the riverine villages affected by the Project main reservoir and main works will be allowed to fish in the main reservoir during the first 10 years after impoundment. This restriction will be widely disseminated to the broad public before impoundment of the main reservoir.

The monitoring indicators will be:

- Availability of the Reservoir Fisheries Feasibility study and the Reservoir Fisheries Management Plan before operation,
- Number and results of the reservoir fisheries surveys performed,
- Number of fishers trained, disaggregated by gender and village, and
- Number of fishers who received in-kind support (equipment), disaggregated by gender and village.

9.4.2 Livelihood Restoration for Vulnerable Households

9.4.2.1 [LR 14] Assistance for Land-Clearing and/or Preparation of Agricultural Fields

Assistance with land-clearing and/or preparation of agricultural fields after displacement will be provided to vulnerable households. According to interviews performed with farmers, land

preparation requires approximately 12 working days per acre on average for maize cultivated on rain-fed fields. The Project will pay for the vulnerable household the work of one daily worker ('ganyu') for 15 days to clear land to develop agricultural activities after displacement.

The monitoring indicator will be the number of 'ganyu' workdays provided by the Project to the vulnerable households to help them prepare the farming activities on their new plot after displacement, disaggregated by the gender of the household head and village.

9.4.2.2 [LR 15] Provision of Small Livestock (Goat or Sheep)

Livestock is often used in the Project area as a security: it is really used as livestock which can be sold when needed to quickly obtain cash to address shocks or issues. The Project will support the vulnerable households by providing one small ruminant (goat or sheep) to affected households upon their displacement.

Small ruminants will be provided because they are more robust than cattle. Providing large ruminants (cattle) will require more technical support and more resources from the vulnerable households to care for them, both in terms of nutrition and health, as these animals are much more sensitive to diseases.

The Project will select small ruminant breeding males adapted to extensive farming systems such as those practised in the Project area, demonstrating better disease resistance and heat tolerance.

The monitoring indicator will be the number of vulnerable households that receive a small ruminant, disaggregated by the gender of the household's head and village.

9.4.2.3 [LR 16] Support to Develop Beekeeping

Several projects in Malawi have used the development of Beekeeping as a way to provide a sustainable income source¹⁸. It can also contribute to food security in the households who produce honey.

MHPL will contract an NGO with experience in beekeeping development to implement the following approach:

- Provide beekeeping training to affected vulnerable households, including on health and safety principles, and on how to treat bee stings,
- Provide a start-up package of beekeeping materials (2 wooden beehives, 3000 bees and one queen bee per beehive, Personal Protective Equipment (PPE) per beneficiary, Honey extractor, 20 Glass bottles (1 litre) as containers for storage),
- Oversee the installation of beehives in suitable areas by vulnerable households,
- Support the vulnerable households with their first honey harvest and conduct training on marketing and selling the products,
- Identify markets to sell honey and link the buyers with the beekeepers.

The monitoring indicators will be:

- Number of vulnerable households trained on beekeeping, disaggregated by gender of household's head and village,
- Number of start-up packages of beekeeping materials provided,
- Number of vulnerable households obtaining an income with their products, disaggregated by the gender of the household's head and village.

¹⁸ See for instance (FAO et al., 2023)

10 Implementation Arrangements

The principles of the Implementation Arrangement for this RAP are those defined in the RPF (SLR Consulting, 2024a).

10.1 Principles

The proposed MHSP is being developed by Mpatamanga Hydro Power Limited (MHPL). On 24th August 2022, the Government of Malawi signed an agreement to progress the development of the Mpatamanga Project as a Public Private Partnership (PPP). This agreement was signed with a private sector consortium comprised of *Electricité de France International* (fully owned by Electricité de France (EDF) a French multinational electric utility company owned by the French Government) and SN Malawi BV whose shareholders are TotalEnergies (a French publicly listed company), BII (British Government owned) and Norfund (Norwegian government owned).

The GoM has established a Steering Committee, a Task Force Committee and a Project Implementation Unit to support the development of the Mpatamanga Project.

The joint EDFI-SN Malawi BV Consortium has developed MHPL as the Project Company that will lead the development of the Project, working in close coordination with the GoM PIU and the IFC. In the future, it is expected that the GoM (represented by EGENCO) and IFC will become MHPL shareholders. During the development phase, MHPL is also supported by the developers through the following groups for the development phase:

- A Technical working group;
- An Environmental and Social Working Group;
- A Finance working group; and
- A Legal working group.

The specific roles and responsibilities of the MHPL and the GoM will be described in an Implementation Agreement to be signed before Financial Close and the Environmental and Social Agreement, along with other project and financing agreements. The main principles of this Implementation Agreement related to the land acquisition, compensation and resettlement process are outlined below.

- The land acquisition and compensation process is managed jointly by MHPL and the GoM;
- All compensation (in cash or in-kind) will be paid by the GoM;
- The compensations will comply with the principle of full replacement cost;
- the GoM will develop the resettlement assets (land titling plan, levelling, access roads, lighting, water supply, replacement houses), as this development is necessary for the provision of in-kind compensation (i.e. replacement land and replacement housing), and the community assets and structures to be rebuilt (such as schools, boreholes). The GoM, through the Ministry of Energy, delegated in July 2024 to MHPL, acting as Owner's Engineer, the management of the construction of the resettlement sites, the replacement housing and the public infrastructures affected by the Project. This includes: planning, designing, procurement of construction contractor(s), and supervision of the construction works; and
- The livelihood restoration programme will be funded and implemented by MHPL.

The land needed for the Project will be acquired by the Government. Individual title rights will then be transferred to each household that will reside on the developed resettlement sites as a result of future phases of resettlement, as well as for those PAPs that opted for assisted self-relocation outside of the three resettlement sites.

10.2 Roles and Responsibilities

10.2.1 Project Organisation

As explained above, during the development phase of the project, MHPL and the GoM PIU share the responsibilities for the implementation of the E&S Activities. The next paragraphs outline the distribution of their responsibilities.

10.2.1.1 MHPL

During the phased RAP development and implementation, including for this RAP, MHPL will mobilise a Environmental and Social Management Unit (ESMU). Team members relevant to the RAP activities are referenced in Table 38 below.

Table 38: MHPL Resources Mobilised for the RAP Development and Implementation

Persons/teams	Roles and responsibilities
E&S Manager	Manages MHPL E&S team and resources
Social Lead	Manages MHPL Social Team Reports to MHPL E&S Manager.
Resettlement and livelihood restoration team	<ul style="list-style-type: none"> • Resettlement and livelihoods restoration coordinator • Resettlement officer • Livelihoods Programs Officer
Stakeholder and Community Programs Team	Responsible for the public disclosure of information about the RAP, the consultation and engagement with affected persons and the management of grievances. <ul style="list-style-type: none"> • Stakeholder and Community Programs Coordinator • Grievances Redress Mechanism Officer • Seven (7) Community Liaison Officers
Other social resources in MHPL E&S team	<ul style="list-style-type: none"> • Gender and Social inclusion specialist • Local Employment and Labor Specialist • Local Development Specialist
Resettlement Infrastructure Team	Responsible for the design and planning of resettlement sites, including housing, roads, water supply, and electricity.
Project Land Team	Manages the database of affected persons and assets and of the compensation program.

During the development of this RAP, MHPL is responsible for the following:

- Supervision of the RAP Consultant and coordination between the RAP workstream, MHPL Project Management team and MHPL technical team to jointly design and schedule strategies for land acquisition and resettlement;
- Collaborate with GoM entities involved in RAP preparation and implementation;
- Ensure appropriate sensitisation of relevant stakeholders regarding the RAP processes. In so doing they will conduct a process of informed consultation and participation in accordance with good practice for the planning and implementation of the land acquisition and resettlement processes for each component requiring land take for the Project;
- In coordination with the GoM PIU and the RAP Consultant, set out and sensitise the communities on the cut-off date and disclosure of the asset valuation and survey valuation outcomes; and
- Financing of the RAP development and planning of livelihood restoration activities.

During the implementation of this RAP, MHPL responsibilities will include:

- With the GoM PIU, co-signing the compensation agreements with the affected persons on behalf of the Project;

- With the GoM PIU, management of stakeholder engagement and grievance redress processes and activities. This will include updating the Stakeholder Engagement Plans (SEP) and Grievance Redress Management (GRM) Procedure information included in the RAP, and ensuring they are integrated with the Project SEP and GRM;
- Assisting the affected persons who do not have a bank account to open one;
- Contracting and coordinating the activities of the witness NGO and any psycho-social support services provider appointed to provide additional third-party support to affected persons;
- Where the dossiers of affected persons are incomplete, in coordination with the GoM PIU and MoL, meetings will be held with the affected persons to obtain pending information. Such information may include photographs, sketches, signatures or gaps in the census and/or asset inventory. This information should then be shared with the MoL Valuation Department to allow them to update and correct the Compensation Schedule where appropriate;
- Monitoring the process of compensation payments (including regular audits);
- Providing transitional support to resettled persons and implementing livelihood restoration activities, supervising technical partners recruited for the livelihood restoration activities (NGOs or other organisations);
- Once the GoM PIU provides confirmation that compensation agreements have been duly executed in terms of cash compensation and that in-kind compensation has been provided, MHPL will authorise the start of works in the areas where all compensations have been paid, and where resettlement has occurred by issuing a notice granting permission for the construction contractor to proceed. It is anticipated that the maximum time to obtain such notice from the GoM PIU would be 2 weeks after payment of compensations, to ensure there is no delay in the Contractors' access to land;
- Planning, designing, procurement of construction contractor(s), and supervision of the construction works for the resettlement sites and in-kind compensation, as delegated by the GoM PIU;
- Funding the implementation of livelihood restoration activities; and
- Performing a close-out report when resettlement activities have been completed.

10.2.1.2 Government of Malawi

For the development of the MHSP, the GoM has established a Project Steering Committee, a Task Force Committee and a Project Implementation Unit (PIU, under the Ministry of Energy). The GoM PIU team that actively collaborates with MHPL in the development of the Mpatamanga project on a day-to-day basis is the PIU. This organisation is illustrated in Figure 43.

During the development of this RAP, the GoM is responsible to:

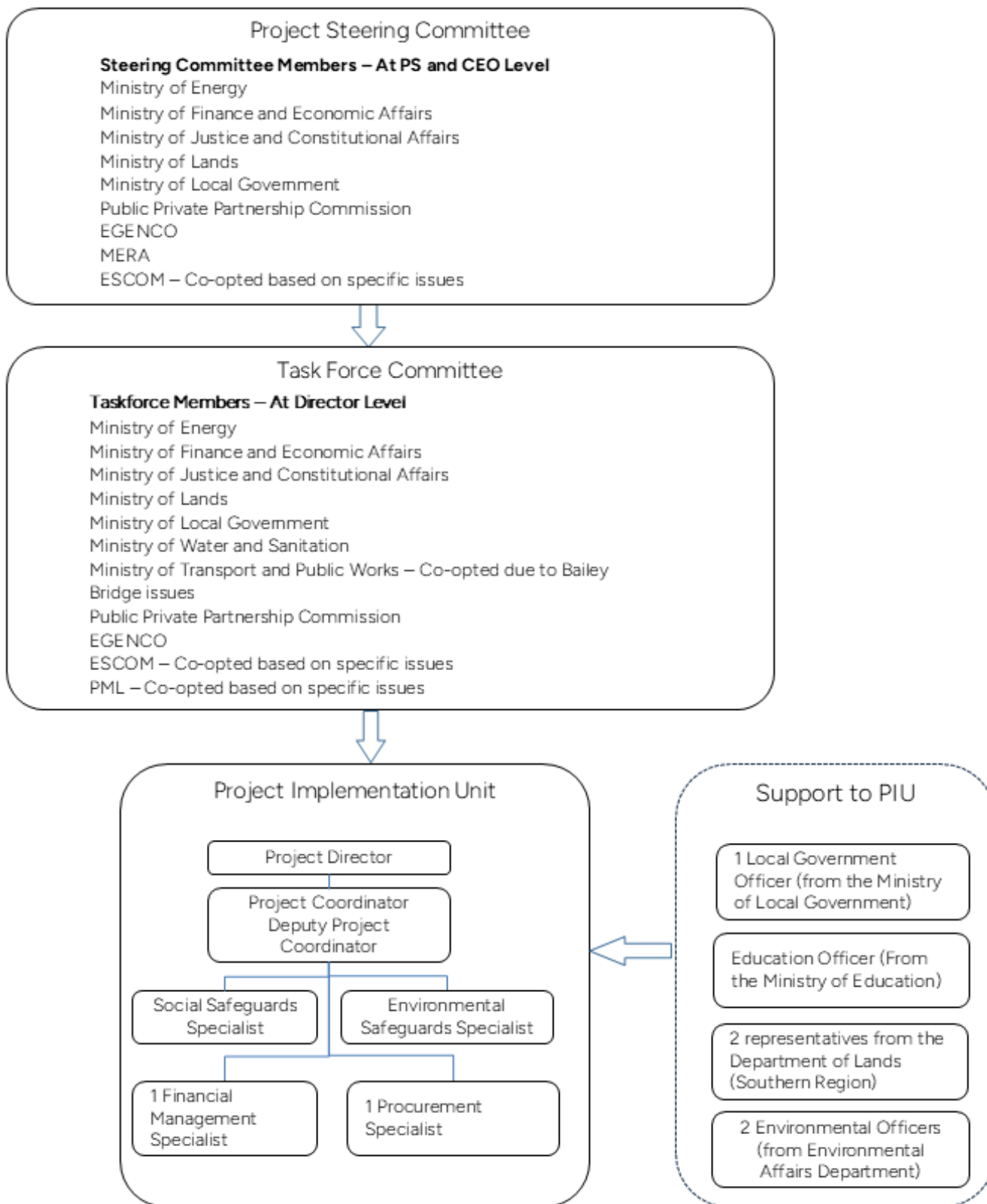
- Coordinate the Project-related activities of the various GoM entities involved in the RAPs preparation;
- Ensure the funds and resources (vehicles, relevant equipment, accommodation) necessary for the activities to be performed by the various GoM entities involved in the RAP preparation are mobilised and allocated in a timely manner;
- Ensure appropriate sensitisation of relevant stakeholders regarding the RAP processes. In so doing, they will collaborate with MHPL and RAP Consultant to conduct a process of informed consultation and participation in accordance with good practice for the planning and implementation of the land acquisition and resettlement processes for each component requiring land take for the Project;
- In coordination with MHPL and the RAP Consultant, set out and sensitise the communities on the cut-off date and disclosure of the asset valuation and survey valuation outcomes; and

- Manage the planning of formal regulatory requirements related to land acquisition and resettlement in a timely manner such as the gazettelement of land acquisition and issuance of notices to vacate.

During the implementation of this RAP, the GoM will be responsible to:

- Support affected persons who do not have a national ID card to obtain one in order for them to open a bank account to receive their compensation;
- Ensure the GoM co-signs the compensation agreements with the affected persons (for both in-kind and cash compensation, as well as livelihood restoration measures) and MHPL. The signature from GoM will be executed through the relevant Ministries at the District Commissioner's office (the District), Land Officer;
- With MHPL, manage stakeholder engagement and grievance redress processes and activities. This will include updating the Stakeholder Engagement Plan (SEP) and Grievance Redress Management (GRM) procedure information included in the RAP, and ensuring that the RAP principles and processes are integrated with the Project SEP and GRM;
- Ensure Customary Land for the Project are registered as necessary by the Ministry of Lands;
- Ensure the funds necessary for the activities to be performed by the various GoM entities involved in the RAP implementation are mobilised and allocated in a timely manner;
- Finance the compensations for the Project's land acquisition, in compliance with the principle of full Replacement cost as defined in IFC PS5 and WB ESS5 and AfDB OS5. After compensation has been provided to the affected persons, ensure each affected person or household receives a notice to vacate the land within 3 months of receiving the notice;
- After this 3-month period, ensure that the compensation agreements have been duly executed in terms of cash compensation and that in-kind compensation has been provided before the affected persons vacate their land;
- Document the areas which have been vacated by the affected persons and provide a notice to MHPL for the areas where these activities have been completed; and
- Scheduling the timing of the relocation to minimise impacts on farming activities.

Figure 43: MHSP GoM PIU Structure



A Ministry of Energy

The Ministry of Energy is lead implementation agency on behalf of the GoM and is housing the GoM PIU.

The Ministry of Energy will make a written request to the Ministry of Lands, Housing and Urban Development on the intention of acquisition of the land necessary for the Project (Notice of intention to Acquire, as per section 5 of the Land Acquisition Act 2017). This request will initiate the legal land acquisition process.

The Ministry of Energy, through the GoM PIU, will fund all GoM entities supporting the project in RAP preparation and implementation.

The Ministry of Energy will submit the final approved compensation schedules (prepared by the RAP Consultant and verified and approved by the Department of Lands) to the Ministry of Finance for funding.

The Ministry of Energy will also be responsible (through the PIU) for the relocation of one School in Blantyre District, for the construction of a new school in Neno District, and for the relocation of the drinking water supply systems to be flooded by the Project, which is part of the RAPs followed by the Main Works RAP.

Once compensations have been paid, the Ministry of Energy will provide land rights to MHPL on behalf of the GoM.

B EGENCO

Electricity Generation Company (EGENCO) was established in 2016 with the mandate of generating electricity in Malawi. EGENCO will own 30% of the Project Company after the development phase, on behalf of the GoM. After 30 years of the build-own-operate-transfer (BOOT) agreement between MHPL and the GoM, EGENCO will fully own, operate and maintain the MHSP. EGENCO will not have any specific role in the Project land acquisition and compensation process.

C Ministry of Finance

The Ministry of Finance has the overall responsibility to allocate the GoM funds necessary for the Project-related activities. This includes:

- The funds for the land acquisition and payment of compensations (cash and in-kind) will be allocated to the Ministry of Energy, which will then pay compensation to affected persons; and
- The funds are necessary for the GoM PIU activities.

D Ministry of Lands

The Ministry of Lands will initiate the legal land acquisition process and will support the identification of the persons and assets affected and the assessment of the compensation to be paid to the affected persons in compliance with the applicable international standard (IFC PS5 and WB ESS5) and the legal framework. This will be undertaken by the Department of Estates and Valuation.

When the Land acquisition process has been completed, the Ministry of Lands will transfer the acquired land into the public land category, after which land use rights will be granted to the Project (as per section 12 of the Land Acquisition Act 2017). For this RAP, the land will then be allocated to the households that will reside on the developed resettlement sites as a result of future phases of resettlement.

During this RAP development, through its Survey Department and Department of Estates and Valuation, the Ministry of Lands was/will be responsible for the following activities:

- The Ministry of Lands will review and approve the survey of affected land plots undertaken by the RAP Consultant;

- The Ministry of Lands will review and approve the inventory of affected assets undertaken by the RAP Consultant, using a registered independent valuer;
- The Ministry of Lands will review and approve the valuation methodology and valuation of affected assets (draft compensation schedule) prepared by the RAP Consultant;
- The Ministry of Lands will approve the layout of the resettlement sites to be developed and provide approvals as necessary for their development; and
- The Ministry of Lands will review and endorse the draft RAPs.

During this RAP implementation, the Ministry of Lands was/will be responsible of the following activities:

- The Department of Valuation will verify the compensation schedule prepared by the RAP Consultant;
- Together with MHPL and the GoM PIU and the RAP consultant, the Department of Valuation will:
 - Disclose the individual compensation agreements to the affected persons;
 - Sign the compensation agreements with affected persons;
- The Ministry of Lands will then send the final compensation schedule to the Ministry of Energy; and
- The Department of Valuation will maintain the compensation schedules, to incorporate corrections if and when necessary.

E Ministry of Education

It is envisaged to relocate the Mpatseabwile Primary school in Chaswanthaka village in the Blantyre District side of the Project. Safety risks for teachers and pupils have been identified, as the access road to the main dam site is just next to this school. Therefore, the schools should be relocated before the start of the main construction works. The area where the new school will be located is part of the Chaswanthaka resettlement site and has been acquired as part of the early works phase 1 RAP. A new school is also envisaged to be built in the Neno District side of the Project, and the land for this new school is included in the area acquired for the Kambalame resettlement site.

The relocation of the Mpatseabwile Primary school and the construction of the new school in the Kambalame resettlement site will be the responsibility of the GoM, through the Ministry of Energy.

The Ministry of Education will be consulted to validate the school plans with District Councils.

The Ministry of Energy (through the PIU) will fund the school construction and will delegate to MHPL to:

- Prepare the school's plans and tender documents,
- Tender the construction of the schools in a timely manner (i.e. to have the school relocated before the start of the early works),
- Supervise the schools' construction.

F Ministry for Water and Sanitation - District Water Office

New drinking water systems will need to be established on the resettlement sites. This will be the responsibility of the GoM through the Ministry of Energy, and will be delegated to MHPL.

The District Water Office will approve the water supply systems on the resettlement sites and the replacement of the ones flooded in the main reservoir.

G Ministry of Justice

During the preparation of the phased RAPs, the Ministry of Justice will be responsible for gazetting the Notice to Acquire Land (section 5 of the Land Acquisition Act 2017), as part of the legal land acquisition process.

During the implementation of the phased RAPs, the Ministry of Justice will be responsible for the gazetting of land acquisition, transfer from customary land to public land and issuance of 3 months' notice to vacate the land.

H Department of Museums and Monuments

For projects such as the Mpatamanga Project, the Department of Museums and Monuments (DoMM) of the Ministry of Culture usually prepares two separate reports as per the regulatory requirements: (i) a "Graves Impact Assessment" and (ii) a "Cultural Heritage Impact Assessment".

For this Main Works RAP, 3 lone graveyards and a Bwalo (meeting place in Nkhwali) will be impacted (see Section 5.8.1.1). These sites hold varying degrees of cultural, spiritual, and social significance for local communities and require appropriate mitigation measures under the DoMM's Cultural Heritage Management Plan (CHMP) and Grave Relocation Action Plan (GRAP), where applicable.

I Department of Environment (MEPA)

The Department of Environment has reviewed and approved the ESIA, which includes the Resettlement Policy Framework as an appendix. The Department of Environment does not have any responsibility in the preparation or implementation of the phased RAP, including this main works RAP.

J District Local Government (DC office, District Councils)

The Local Government line functionaries will play a fundamental role in assisting to develop and monitor the land acquisition process. Specifically, this will include the following activities:

- Ensure notifications of all Traditional Authorities (TAs) within the affected Traditional Land Management Area that resettlement processes are being undertaken;
- Support and advise concerned and affected Land Committees during the land acquisition process;
- Assist in land adjudication particularly in disputes between multiple Traditional Land Management Areas;
- Participate in the Project dispute settling process through the GRM;
- Work with the GoM PIU and MHPL E&S Management Unit to oversee the compensation payments and land reallocation for the displaced households;
- Work with the Ministry of Lands, Housing and Urban Development - Department of Lands and Valuation as well as the Department of Surveys to oversee the land transfer process and facilitate land registration for all new allocated land for communities and issue title deeds to those that have opted for in kind compensation for land; and
- Together with the TAs, provide assistance in the identification of opportunistic settlement after the cut-off dates.

K Traditional Authorities (TAs)

The Traditional Authorities will act in concert with the District Local Government to carry out and give effect to the following:

- Notification of affected Group Village Land Committees and Village Land Committees that land acquisition and resettlement processes are being undertaken;
- Together with the Village Land Committees, plan for the allocation of alternative customary land to the affected households;
- Counselling and guidance to the directly affected community members;
- Assistance in identification of Project land encroachments after the cut-off dates, and the facilitation of stop work orders for such cases as identified by any of those responsible for assisting in this effort (such as MHPL, District Government, EPCs and their sub-contractors);

- Provide District offices and personnel (including the Community Development Officer, if available) to assist in the GRM processes;
- Active participation in the GRM, including serving in an advisory role to the Project Grievance Redress System;
- Participate in the resolution of matters concerning cultural traditions and rituals; and
- Advise the Ministry of Lands, Housing and Urban Development on issues regarding land acquisition and transfer within the Traditional Land Management Areas under their jurisdiction.

L District and Customary Land Tribunals and Customary Land Committee (CLC)

The Customary Land (Development) Act (2022) and Customary Land Regulations (2018) have recently established Land Tribunals at the District and TA level, as well as Customary Land Committees at the Groups Village Headman level. Their role is to administer the customary land and resolve disputes over customary land.

At the time of writing, the implementation of these recent regulations is in a pilot phase in some Districts. They have not yet been implemented in the Project area. Therefore, no Customary Land Tribunal or Customary Land Committee exists in the Project area.

Should they be established during the course of the RAP preparation and implementation, the relevant Customary Land Tribunals and Customary Land Committees would be gradually involved in the management and resolution of disputes over customary land.

10.2.1.3 RAP Consultant

A RAP Consultant was recruited to prepare the Resettlement Policy Framework and the phased RAPs under the supervision of MHPL E&S Management Unit. The RAP Consultant is responsible for the following tasks for each of the phased RAP, including this Main Works RAP:

- Develop the RAP in compliance with GoM legal framework on land acquisition and resettlement, World Bank and IFC standards for land acquisition and involuntary resettlement;
- Advise MHPL Technical team in the avoidance and minimisation of impacts;
- Work with the Traditional Authorities and Customary Authorities to identify affected households;
- Perform the census of affected persons and undertake a quantitative socioeconomic survey;
- Identify vulnerable households and groups and provide recommendations in terms of representation, engagement and livelihood restoration options;
- Using a registered independent valuer, perform an inventory of affected assets, perform market surveys to update and establish compensation rates aligned with international standards, and share the results with the MoL Valuation Department for review and approval;
- Using a registered independent valuer, undertake the valuation of affected assets and prepare the draft compensation schedule, and share the results with the MoL Valuation Department;
- Together with MHPL and the GoM, engage the Resettlement Working Groups (see section 10.2.1.4 below);
- Draft individual Compensation Agreements for affected persons;
- In coordination with MHPL and the GoM, set out and sensitise the communities on the cut-off date and disclosure of the asset valuation and survey valuation outcomes;
- Support MHPL in Stakeholder Engagement and in the management of grievances related to compensation and resettlement;
- Analysis and reporting of census, socio-economic, land and asset data collected, and management of databases prior to their transition and handover to MHPL;
- Draft and submit the RAP to MHPL and its development partners for approval; and

- Provide other technical services as requested by MHPL.

10.2.1.4 Resettlement Working Groups (RWGs)

For this RAP and the other phased RAPs, Resettlement Working Groups (RWGs) will be established by the Project to consult collectively with affected households. They will be used as a forum to ensure that the principle of informed consultation and participation is incorporated into key aspects of the RAP processes.

The RWGs will be organised with a two-tier structure:

- The first Tier of the RWGs will be established at the Group Village level. It will include Group Village Heads, Village Heads, and representatives for Project-Affected People (PAP) who will be elected by and amongst them; and
- The second Tier of the RWGs is established at the District level, and will include District Council representatives, relevant Traditional Authorities (TAs), and other relevant stakeholders.

Separate meetings will be held with first-tier and second-tier RWGs members to enable first-tier RWGs members to freely express their opinions and recommendations during the RWGs meetings regarding the resettlement processes.

A First Tier RWG – Group Village Level

The Project has already established Group Village Grievance Redress Committees (GVGRCs) (see Section 12). The Project's regular community meetings, held since July 2022 are organised at the same group village level. To avoid creating a new parallel information stream, and ensure key messages are disseminated in a consistent manner, the first tier of the RWGs will be maintained at the same group village level. The 1st Tier RWG will be a sub-committee of the Group Village Grievance Redress Committees.

Therefore, to establish the Group Village level RWG, representatives of the affected households, elected by and amongst the affected households themselves, will be invited to join RWGG sub-committees that will be established within the Group Village Grievance Redress Committees (GVGRC) structures. These RWG sub-committees will allow the Project to interact with representatives of affected persons to discuss specific technical issues related to the land acquisition, compensation and resettlement process (eligibility, entitlement matrix, valuation, compensation options, livelihood restoration).

The Project will continue to primarily use the regular Group Village community meetings and quarterly broader stakeholder meetings to disseminate Project update information regarding land acquisition and resettlement matters. Topic-specific information education communication (IEC) materials will be developed as needed, and regular updates will be included in the Project's quarterly newsletter. Meetings with the first-tier RWG will be used to consult with the affected households and collect their feedback on some specific issues (for instance, physical resettlement, identification of vulnerable groups).

Specific village-specific working groups will be established as/when needed after the census of each phased RAP to discuss some issues relevant only to one given village. For instance, this will be the case to discuss physical resettlement and host sites relevant only to Kambalame, Chaswanthaka and Mpindo villages.

B Second Tier RWG – District Level

The District-level RWG was established in Blantyre District in March 2025. Its members are:

- From the MHPL Environmental and Social Management Unit:
 - The Environmental and Social Manager;
 - The Social Lead;
 - The Consultation and Stakeholder Management Coordinator;
- The GoM PIU Social Specialist

- One District Council representative (District Commissioner or Director of Planning or Director of Administration);
- One District Land Officer;
- One District Social Welfare Officer (to represent Project-affected groups identified as vulnerable);
- One representative from a reputable and established Civil Society Organisation (CSO) currently active in the District; and
- Traditional Authority from each of the affected TA areas in the District.

The Blantyre district RWG was established in March 2025 and the Neno District RWG was established in June 2025.

10.2.1.5 Contractors

Contractors will be mobilised by the MHSP for the preparation of the resettlement sites and development of in-kind replacement housing. They will be supervised by MHPL E&S Management Unit to ensure the resettlement sites and the replacement housing are developed and delivered in a timely manner.

Other contractors will be mobilised as needed by the MHPL E&S Management unit to implement or support the implementation of livelihood restoration measures and third-party services (psycho-social support and others).

The GoM will mobilise relevant GoM agencies (MEPA, NWRA, MoL and DoMM) to monitor the contractors engaged for the preparation of the resettlement sites and development of in kid replacement housing.

10.2.2 Other Entities

10.2.2.1 Local Banks

The GoM PIU and MHPL will jointly appoint local banks to manage the payment of compensation to the affected persons. A Memorandum of Understanding (MoU) that has been agreed between the GoM and MHPL will be signed between the GoM PIU on behalf of the Ministry of Energy and the selected banks to define the arrangements for transferring and paying individual compensation amounts to the affected persons from the Ministry of Energy through the Financial Institutions. The GoM will cover any fees for opening a bank account.

These financial institutions will be responsible for the payment to affected persons, using the compensation funds received from the Ministry of Energy.

They will open a bank account for the affected persons who do not have one, in coordination with the MHPL E&S Management Unit. They will use the list of affected persons coming from the RAP database to establish their own list of affected persons for whom they need to make provision for an account to be opened. As part of the service they render, the bank will provide financial literacy training to affected persons, including on how to use a bank account. Furthermore, the appointed financial institution will integrate any gender and social measures, as documented in the MoU payment agreement, into the service they offer.

The financial institutions will then make the necessary payments in line with the approved Compensation and Payment Schedules. Taking confidentiality into account, they will provide periodic reports of tracked payments to the GoM and MHPL ESMU, which will include account activity and status. This will assist the GoM PIU and MHPL to monitor Project E&S risks.

10.2.2.2 Witness NGO

A witness NGO is recruited by MHPL to act as an independent observer in the implementation of the phased RAPs. This witness NGO will observe the payment process, the management and resolution of grievances, and all aspects of the RAP implementation. The witness NGO will prepare quarterly independent observer reports.

10.2.3 Lenders and Investors

The Lenders will monitor the performance of the Project. They will approve the RPF and the phased RAPs (before payment of compensations is initiated), as well as internal and external monitoring reports developed during the implementation of the phased RAP (see section 14.1). They will also approve the internal close-out report and the external completion audit (see section 14.2).

11 Information Disclosure, Consultation and Participation

The Mpatamanga Hydropower Storage Project development began in 2016. The affected communities have been consulted upon and engaged since 2017. This section summarises the engagement activities undertaken since the early stages of the Project, and then describes the recent ones.

- Section 11.1 presents first the affected communities' consultations and stakeholder engagement activities undertaken by the Project in the early stages of the Project (2016-2022). It is important to note that most affected villages along the S137 road in Blantyre District were not engaged directly until 2023;
- Section 11.2 outlines the information and engagement activities conducted since MHPL is developing the Project and during the preparation of the RPF (2023-2025);
- Section 11.3 describes the engagement with and consultation of the communities affected by this main works RAP during the preparation of this RAP; and
- Finally, the plan for the future engagement activities with affected persons and communities during this RAP implementation is given in section 11.4.

11.1 From 2016 to 2022

The MHSP development began in 2016, accompanied by various environmental and social studies and stakeholder engagement activities through 2021. At this stage, only one dam was envisaged (the current main dam). The regulating dam was not yet considered. A Resettlement Action Plan (RAP) was drafted for the reservoir and dam area but was never finalised or implemented. These engagements occurred before resettlement site selection started in 2022.

11.1.1 Between 2016 and 2017

Between 2016 and 2017, AGRI-PRO and CENOR conducted stakeholder engagement as part of a preliminary ESIA, including consultations with various local and governmental stakeholders. They performed a socioeconomic survey of 39 households (25 in Kambalame and 14 in Chaswanthaka). An informed draft resettlement plan, and one public meeting were held in 2017 (Agri-Pro, 2018). These activities all focused on the main reservoir and main dam area.

11.1.1.2 Between 2018 and 2019

As part of the 2019 Draft RAP Framework (Multiconsult, 2019), the following consultation activities were performed by the Project Consultants:

- In January and February 2019:
 - The Blantyre and Mwanza Districts commissioners were met, to present the Project;
 - The Kunthembwe Traditional Authority Chief was met to present the Project; and
 - One meeting with villagers in Chaswanthaka village was held.
- In July 2019:
 - Meetings with Blantyre and Neno District officers;
 - Meeting in Kaliati and Chaswanthaka GV with villages heads from Kaliati, Chilaulo, Mpindo, Inosi, Lisangwi and Chaswanthaka villages; and
 - Socioeconomic surveys were performed in Chaswanthaka, Kambalame and Chikira villages. A total of 121 households were surveyed in these villages.

11.1.1.3 Between 2020 and 2022

A Draft ESIA and Start of the Resettlement Data Collection

In 2020 and 2021, a new draft ESIA was prepared by Mott MacDonald (Mott MacDonald, 2021). This new ESIA was needed, because the project definition had changed to add a regulating dam downstream of the main dam. The census and surveys of affected households were initiated for the main reservoir area. However, they were not completed. The preparation of the RAP stopped, and the data collected was not analysed. As during the previous engagement activities, the surveys and consultations were focusing on the reservoir and dam development area. The resettlement sites had not yet been selected. The consultation activities related to the resettlement process performed during this period are summarised in Table 39 below.

Table 39: Summary of Consultations Performed during the 2020-2021 Field Investigations

Period	Meetings or Consultation Activities
August 2020	Meetings with Neno and Blantyre DCs, TA Kunthembwe and TA Mlauli, and village heads from six villages.
September 2020	Community consultations for ESIA baseline data in multiple villages, supported by development assistants. Ten FGDs were held based on demographics and livelihoods.
November 2020	Sensitisation meetings announced the start of resettlement surveys in Chaswanthaka, Namputu, and Kambalame.
November 2020 to March 2021	Socioeconomic and land surveys were conducted among 519 households in Blantyre and Neno Districts, identifying economic and physical displacement.

B Feedback From Research Done by NGOs on the Project

Between October 2020 and 2022, NGOs gathered concerns from communities in Kambalame (in Feremu GV), Chaswanthaka (in Kaliati GV), and Chikira (in Namputu GV). The main concerns reported were as follows¹⁹:

- Lack of clear project information and timeline.
- Uncertainty around eligibility and entitlements.
- Confusion about land acquisition and compensation, with some households halting cultivation in 2021.

These concerns were raised by two NGOs (the Center for Human Rights and Rehabilitation and the International Accountability Project), 2022a, 2022b) who reported them to the Lenders and GoM. The Ministry of Energy responded, and developed a structured stakeholder engagement programme, and initiated the preparation of a comprehensive E&S Safeguards documents package, including a RPF.

11.1.2 Selection of the Kambalame and Chaswanthaka Resettlement Sites

Two resettlement sites were identified in September 2022 by the regional commissioner for land, in coordination with district land officers, the Department of Museum and Monuments. During this selection, engagements involved local leaders, such as village chiefs and village development committees. One site is located in Kambalame village (Neno District), and the other is in Chaswanthaka village (Blantyre District). The RPF (SLR Consulting, 2024a) provides the background of the selection of these sites, and a summary is given in section 8.1.1.

¹⁹ Sources: (International Accountability Project et al., 2021; Center for Human Rights and Rehabilitation & International Accountability Project, 2022a, 2022b)

11.2 From 2023 to 2025

11.2.1 Monthly Engagement by MHSP and Setting up of Grievance Committees

MHPL was established in July 2022. Since then, MHPL and the GoM PIU have regularly engaged with affected communities through (MHPL 2023):

- Monthly community meetings: Conducted in each of the GVs;
- Quarterly stakeholder meetings: Hosted in Blantyre and Lilongwe and including National and regional government ministries, departments, and agencies (MDAs); DCs (Project-affected districts and potentially project affected districts); national, regional and district NGOs; non-community-based PAPs; Public, Private and PPP entities and programmes; other Hydro Power schemes in the Project area; and
- Weekly presence of MHPL Grievance Officer and Community Liaison Officers (CLOs) in directly affected GVs to collect feedback submitted via MHSP Suggestion boxes;

A community outreach programme was launched to reach those unable to attend meetings. Project impacts and resettlement information are shared via newsletters, brochures, and visual presentations.

11.2.2 Preparation of the RPF and ESIA

11.2.2.1 RPF Community Sensitisation Meetings

Community sensitisation meetings were held from 30 August to 5 September 2023 in a number of villages. The Project status, paused land acquisition, and upcoming environmental and social studies were explained. Seven meetings were held, with participant numbers listed in Table 40 below. These meetings included the villages affected by the main works RAP.

Table 40: Community Sensitisation Meetings at the Start of the Resettlement Policy Framework

District	TA	GV	Villages	Participants	Female	Male
Blantyre	Kunthembwe	Kaliati and Chaswanthaka	(1) Chaswanthaka, Mpindo, Inosi, Lisangwi	65	36	29
			(2) Kaliati, Divala, Mbwinja, Nyada	93	57	36
		Namputu	Namputu, Chikira, Kwapita, Mwazilinga, Chipphanda, Chinkwinya	74	38	36
		Gwadani	Gwadani, Chisembwere, Chitsotso, Chetabulo, Laison, Kapelewela, Mabuleni, Ntenje, Chiotha, Moffat, Zapelewela, Gilbert, Chikong'a, Kanyanda, Simoni, Njanji	146	98	48
Neno	Mlauli	Feremu	Kambalame, Feremu, Jana, Nkhwali, July	81	42	39
		Nsalawatha	Kazunga, Jonathan, Nsalawatha, Dailo, Chifunga	127	75	52
	Symon	Ngwenyama	Ngwenyama, Chitsotso, Mtingala, Pajo, Mbemba, Nkoka, Joseph, Liyenda	126	84	42
Total				712	430	282

11.2.2.2 ESIA Scoping Meetings

Scoping meetings were held in November 2023 in most communities previously engaged, excluding Gwadani GV, to share updates on the Project update and the upcoming ESIA. Traditional leaders and affected ranch owners were also consulted. Details are provided in the 2024 ESIA report (SLR Consulting, 2024b). These scoping meetings included the villages affected by the main works RAP.

11.2.2.3 Engagement During ESIA and RPF Surveys

Between September and June 2024, ESIA and RPF surveys engaged affected communities, including the villages that are part of the Main Works RAP, as follows:

- Qualitative social surveys involved 471 participants in FGDs and interviews, plus 7 institutional meetings; and
- Quantitative socioeconomic household surveys covered 422 households.

Project updates, grievance procedures, and resettlement information were shared through newsletters, brochures, and contact cards.

11.2.2.4 ESIA Disclosure Meetings – July 2024

Disclosure meetings were held in July 2024 to present the ESIA results, updated project status, and plans for land acquisition and resettlement. These engagements included villages affected by the main works RAP. Full details are in the ESIA (SLR Consulting, 2024b).

11.2.2.5 RPF Disclosure Meetings - September 2024

The draft RPF was made available online in early September 2024, accompanied by summaries in Chichewa and English. From 17–28 September, 24 village meetings, 6 FGDs with women and vulnerable groups, and 2 DC meetings were held. These engagements included all the villages affected by the main works RAP. Details are given in the RPF (SLR Consulting, 2024a).

11.2.3 Selection of the Mpindo Resettlement Site

Between June and July 2024, initial fieldwork identified three potential resettlement sites for the households who would be physically displaced from Mpindo village, with support from local chiefs. These sites were further assessed in August and September 2024 with community leaders, MHSP, and government representatives. In June and October 2024, FGDs and meetings were held to address resettlement site options with potentially affected households in Mpindo village. This is summarised in Table 41 below.

Table 41: Meetings in Mpindo village for the identification of the Mpindo Resettlement site

Village	FGD or Meeting	Participants	Men	Women
Mpindo	FGD	16	0	16
	FGD	11	11	0
	Village level Meeting	20+	-	-
	Meeting with Mpindo Chief	-	-	-
	FGD	13	13	0
	FGD	13	0	13

11.2.4 Consultations During the Preparation of the Conceptual Layout of the Resettlement Sites

Between September and December 2024, to prepare for the development of the Chaswanthaka, Mpindo and Kambalame resettlement sites, the MHSP undertook consultations with the affected

households to be physically displaced in Chaswanthaka, Mpindo and Kambalame villages to prepare the conceptual layouts of the resettlement sites. Focus Group Discussions (FGDs) with the households who would be physically displaced in Kambalame, Chaswanthaka and Mpindo were conducted in October and November 2024, as indicated in Table 42 below.

Table 42: Engagements for the Conceptual Layout of the Resettlement Sites

Date	Stakeholder	Method	People met		
			Total	Female	Male
08/10/2024	Blantyre District Council	FGD	13	5	8
09/10/2024	Chaswanthaka Village Chief	KII	3	2	1
10/10/2024	Chaswanthaka PAPs (male)	FGD	15	0	15
10/10/2024	Chaswanthaka PAPs (female)	FGD	29	29	0
11/10/2024	Mpindo Village Chief	KII	5	2	3
12/10/2024	Mpindo PAPs (male)	FGD	14	0	14
12/10/2024	Mpindo PAPs (female)	FGD	13	13	0
14/10/2024	Kambalame Village Chief	KII	2	1	1
15/10/2024	Kambalame PAPs (male)	FGD	26	0	26
15/10/2024	Kambalame PAPs (female)	FGD	28	28	0
16/10/2024	Blantyre DC – Education officers	FGD	3	0	3
17/10/2024	Blantyre DC – Water & Sanitation officers	FGD	7	2	5
17/10/2024	Neno District Council and Education officer	FGD	9	1	8
25/11/2024	Blantyre District Council	FGD	13	6	7
26/11/2024	Chaswanthaka Village Chief and PAPs	FGD	27	12	15
26/11/2024	Mpindo Village Chief and PAPs	FGD	39	23	16
27/11/2024	Neno District Council	FGD	11	2	9
28/11/2024	Kambalame Village Chief and PAPs	FGD	38	18	20
28/11/2024	Visit to Thanthwe 2 Primary School in Chigumula	Site visit with the school principal			

The purpose was to understand the needs and preferences of the affected households for the development of the resettlement sites. This informed the development of concept designs for the replacement houses and homesteads, as well as the conceptual layout of each resettlement site (SLR Consulting, 2025b).

A Layout of the Resettlement Sites

Participants reported prioritising living close to their families and maintaining their current settlement patterns to avoid conflict, preferring homesteads spaced about 50-100 m apart and arranged in family clusters with room for future houses for their children. They emphasised the need for convenient access to roads, water points, and fields near homes for women’s safety. They also stressed that strong, durable houses were more important than specific locations.

To accommodate the PAPs’ preferences, plots were located, where possible, in relatively flatter areas within the resettlement sites. The layout for the Mpindo resettlement site was specifically informed by the preferences of the PAPs in terms of the need for separation between their three family groups. Therefore, the conceptual layout of Mpindo resettlement site was split into three separate clusters, on relatively level ground.

Indicative borehole locations were also noted for each resettlement site, as well as the potential for creating community spaces, guided by the preferences communicated by the PAPs for community areas. Additionally, two schools in walking distance of the resettlement sites will be constructed (one in Kambalame resettlement site, and one other at the junction between Chaswanthaka and Mpindo resettlement sites).

B Replacement Housing Design

In terms of the layout of the houses, participants expressed a strong preference for low-maintenance, durable and rain-proof housing materials, favouring cement floors, and

preferred roofs made from iron sheets. To prevent termite damage, door and window frames should be metal, with doors that include secure locks and windows that have security bars, varying in size to optimise ventilation and light. Participants also wished to avoid front doors facing their neighbours. Internally, bedrooms should be clustered together for privacy, with a veranda for social gatherings. Kitchens should be detached but close to the main house and well-ventilated. Latrines should be placed a few metres away from the main house, built of brick with privacy screens and small high-level openings, while bathrooms should be adjacent, include handwashing facilities, and channel wastewater to nearby trees or gardens.

To reflect PAP preferences and concerns, the conceptual house designs specify that buildings will be anchored on a stone wall foundation, leveraging the site's rocky terrain. The floor plan embraces a courtyard layout, using the structures themselves as a natural barrier to shield the inner spaces from harsh winds and environmental conditions, creating a protected, secure and private area. The courtyard ends are walled, with access at one end, providing additional security. Plaster and paint are applied internally and externally to the main living spaces, for aesthetic relevance to the local context. The ceiling and roof material and design absorb radiant heat during the summer and retains warmth in the winter, maintaining stable year-round thermal comfort, with the corrugated roofing sheets safeguarding the structure from rain. The kitchen includes ground-level ventilation and is fully open on the front side to further enable the dissipation of smoke. The bathroom has a waterproof floor with a drain point and a hand basin, connected to a soakaway.

11.2.5 Engagement for the Early Works Phase 1 RAP

Chaswanthaka and Mpindo villages which are part of this RAP were also engaged during the consultations for the Early Works Phase 1 RAP. These consultations were conducted during the preparation of the early works phase 1 RAP. A summary of the engagements is listed in Table 43. Further engagement continued with the households affected by the early works Phase 1 RAP, during the preparation of the main works RAP. The compensations for the early works phase 1 RAP were paid in August–September 2025.

Table 43: Summary of the Community sensitisation meeting at the start of the Early Works Phase 1 RAP

Date and time	Village	Scope of meeting
22/01/2025	TA Kunthembwe	RAP engagement with village chiefs (Mpindo, Chaswanthaka, Inosi, Lisangwi, TA Kunthembwe).
29/01/2025 pm	Chaswanthaka	To announce the start of the early works phase 1 RAP. To explain the demarcation process, census, the asset inventory, the valuation method, and the cut-off date.
30/01/2025 am	Mpindo	To announce the start of the early works phase 1 RAP. To explain the demarcation process, census, the asset inventory, the valuation method, and the cut-off date.
11/02/2025 am	Mpindo	To announce the cut-off date and to explain the next steps of the early works phase 1 RAP process, PAP ID cards, compensation process, valuation methodology and GRM.
11/02/2025 pm	Chaswanthaka	To announce the cut-off date and to explain the next steps of the early works phase 1 RAP process, PAP ID cards, compensation process, valuation methodology and GRM.

The meeting minutes of the above meetings can be found in Annexe 3 and Annexe 4 of the Early Works RAP phase 1, which was disclosed in July 2025.

11.3 In 2025, during the Preparation of this RAP

At the beginning of the preparation of this RAP, one community sensitisation meeting was held before the start of the census in each group village. This allowed the villages within that particular Group Village to be informed about the upcoming census, how the process would work regarding

asset inventories, and what the demarcation process meant. This engagement enabled community members to raise any concerns and questions before the census began. Annexe 5 provides the minutes, registers, key messages, and materials shared during the sensitisation meetings for all the GVs in the main works RAP area.

After the surveys were completed in a Group Village, a close-out meeting was also held. During these close-out meetings, the cut-off date for the GV was announced, and the printed version of the asset inventory for each PAP was distributed. This allowed the PAPs to check and verify their affected assets registered as per the printed asset inventory form. Annexe 6 contains the minutes, registers, key messages, and materials from the closure meetings.

Table 44 provides a summary of the community sensitisation and close-out meetings. The main concerns raised largely focussed on clarity of procedures for relocation, compensation, and asset verification. They are summarised below:

- The PAPs asked for a clear explanation of the sequence and timing of the RAP activities, including expected timelines for compensation payments, so they could plan their availability.
- They also requested explanation on what was permitted to do on their lands after the cut-off date, more specifically, if they were allowed to cut the trees which had been enumerated during the asset inventory survey.
- Several participants requested a clear explanation of the delineation of the affected lands.
- Some concerns about the period between registration and payment were expressed.
- Farmers requested assurance that crops already planted could be harvested before compensation is finalised.
- In Neno District, some PAP requested some clarification on the alignment of the new section of the S137 road to be built.
- Several people highlighted practical challenges such as delays in obtaining ID cards.

These questions were answered and clarifications were provided during the meetings. In particular, it was explained that the Project will support the PAP without an ID card to obtain one.

In parallel with the RAP activities, the Project's regular stakeholder engagement with the community and PAPs ensured they remained well-informed throughout the RAP preparation process. This ongoing dialogue also allowed the community and PAPs to ask questions and receive clarifications throughout the RAP surveys. It will continue during the RAP implementation and as the Project progresses.

Table 44: Summary of the Community Meeting Dates During this RAP

District	TA	GV	Village	Community Sensitisation	Close-out
Blantyre	TA Kunthembwe	Chaswanthaka	Divala	10 April 2025	30 April 2025
			Mbwinja		
			Chaswanthaka ²⁰	09 August 2025	09 September 2025
			Mpindo		
Neno	TA Mlauli	Feremu	Kambalame	01 May 2025	29 May 2025
			Nkhwali		
			Feremu	22 May 2025	

11.4 Consultations During the Implementation of this RAP

This RAP will be publicly disclosed on MHSP website after it has been finalised and approved, and a Guide on Land Acquisition and Compensation (GLAC) summarising the RAP will be disclosed to the affected communities.

Table 45 lists the stakeholder engagement activities to be undertaken during the implementation of this RAP.

²⁰ Chaswanthaka village is included in both this RAP and the Early Works Phase 2 RAP, so the community sensitisation and close-out meeting dates are the same for both RAP.

Table 45: List of Engagements for the Implementation of this RAP

#	Activity	Responsible entity	Stakeholders Targeted	Frequency and Timing
1	Identification of Financial Institutions and/or Banks for payment of compensation to PAPs and signature of a tripartite Memorandum of Understanding for PAP compensation payment	MHPL and Min. Of Energy	Financial Institutions or Banks	Before the signature of compensation agreements
2	Individual disclosure of the draft individual compensation schedules to affected households.	MHPL Min. of Lands	GoM PIU RAP consultant with registered valuers and surveyors	Once, February 2026
3	Set up of RWG Tier 1 – (group village level)	GVHs, VHs, and PAPs representatives who will be elected by and amongst them	Affected households	After the individual disclosure of compensation agreements
4	Signature of Compensation Agreements with PAP	MHPL and GoM PIU	Affected households	To start in February 2026
5	Financial Management training provided to PAP	NGO recruited by MHPL	Affected households	After the signature of the Compensation agreements
6	Open bank accounts for PAPs	MHPL with the Financial Institutions or Banks	PAPs	After the disclosure
7	Announcement to PAP that compensation payment is available in their bank account	MHPL and GoM PIU	Affected households	Once, in the first quarter of 2026
8	Engagement with physically displaced PAPs in Chaswanthaka and Mpindo for the allotment of their replacement plots on the resettlement sites	MHPL and GoM PIU	Affected households physically displaced in Chaswanthaka and Mpindo	During the development of the resettlement sites in the first half of 2026
9	Engagement with physically displaced PAPs entitled to assisted self-relocation and their villages' chiefs to identify replacement land	MHPL and GoM PIU	Affected households that are physically displaced are entitled to assisted self-relocation	During the compensation process, in the first half of 2026
10	Gazetting of land acquisition and transfer from customary land to public land	Ministry of Justice	General Public	After payment is done
11	Announcement of the date of the displacement	MHPL and GoM PIU	Affected households	At least two weeks prior to displacement
12	Regular engagement in the livelihood restoration activities	MHPL (with livelihood restoration services providers)	Affected households and affected villages	As per the livelihood restoration activities schedule, throughout the implementation of the livelihood restoration activities implementation
13	Meetings to report on the progress of the resettlement and livelihood restoration activities	MHPL and GoM PIU	First-Tier RWG (Group village level)+ Affected households	Quarterly during the duration of the construction period.

11.4.1 Specific Considerations for Engagement with Vulnerable Groups

11.4.1.1 Gender

As indicated in section 6.3.3 the following measures will be implemented to address gender specific risks during the land acquisition, compensation and resettlement process:

- MHPL has recruited a Gender-Based Violence (GBV) service provider to manage potential cases of GBV, provide support to victims; and
- The Group Village Grievance Redress Committees have been trained on GBV, and on potential gender-related risks for the compensation process (such as land grabbing by men or misuse of households' compensation by men).

The following activities will also be performed during the implementation of this main works RAP:

- To ensure women participate in the compensation process and are aware of the compensation provided to the households, the individual disclosure of the compensation packages will be done during one meeting with both spouses and all adult members of the households (including daughters and sons);
- The Project will ensure that both spouses are informed of the household's entitlements, compensation amount and payment process during individual meetings; and
- Training on the sustainable management of received compensation will be provided to affected households. This training will include women-only sessions, as well as sessions where both spouses will participate together.

11.4.1.2 Vulnerable Households

The vulnerable households affected by this main works RAP have been identified. During the RAP implementation, MHPL CLOs will organise a FGD with the affected vulnerable households in Chaswanthaka and Mpindo villages to present the land acquisition, compensation and resettlement process.

12 Grievance Redress Mechanism

The MHSP Grievance Redress Mechanism (GRM) is defined in the Project Stakeholder Engagement Plan (MHPL 2023). RAP-related grievances will be managed through this Project GRM.

The Project aims to address all grievances received, whether from real or perceived issues. The Project seeks to foster trust in the GRM process and its outcomes. It will, therefore, communicate the Project GRM in an understandable manner to affected stakeholder groups. Confidentiality will be respected, and the Project will take all reasonable steps to protect parties to the process from any retaliation due to the complainant's decision to use the Project GRM to resolve a grievance.

Grievances could arise about any aspect of the Project, including but not limited to the following:

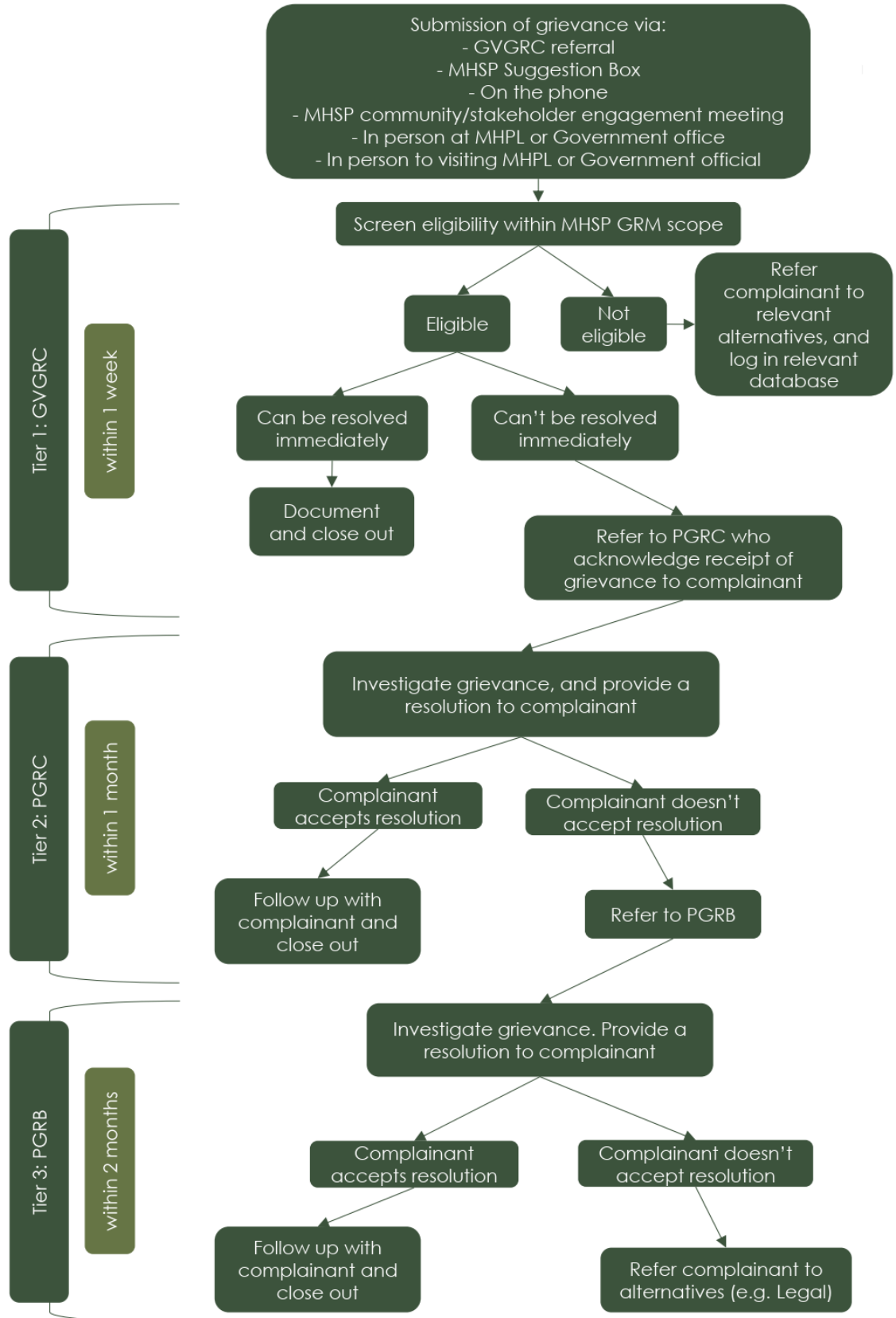
- Measurement of land and other assets for communities that are to be directly affected;
- Changes in access to natural resources, e.g., rivers, forests etc;
- Potential impacts on farming, fishing, and other livelihoods;
- Proposed compensation and other support measures;
- Proposed resettlement sites and housing options;
- Changes in water and air quality;
- Impacts on cultural or religious sites;
- Confusing or insufficient information about the Project; and
- Potential impacts to roads, schools, or other infrastructure.

Any person or group can make a complaint, and the issue will be handled respectfully. A grievance can be defined as an actual or perceived problem that might give grounds for a complaint.

12.1 Grievances Management Process

The Project GRM has the objective of helping third parties to avoid resorting to the judicial system for as many grievances as possible. This mechanism includes three successive tiers of extra-judicial amicable grievance review and resolution: (i) the first is the GV Grievance Redress Committee, (ii) the second is the Project Grievance Redress Committee and (iii) the third is a Grievance Review Board. The next sections describe these three tiers. Notably, complainants can resort to the judicial channels at any time. The three-tier process does not deter them from doing so. Figure 44 visually presents the MHSP GRM process as a flowchart.

Figure 44: MHSP GRM Flowchart



12.1.1 First Tier – Group Village Grievance Redress Committees

Group Village Grievance Redress Committees (GVGRCs) are formed under the Project at a Group Village (GV) level in directly impacted communities near Project infrastructure. These act as the first tier of grievance redress to resolve grievances that may emanate at the community level. The GVGRC members appoint a chairperson and a secretary. The committees consist of the following members:

- Village Development Committee (VDC) representative (or equivalent);
- GV Head Representative;
- Natural Resources Management Committee (NRMC) member;
- Child Protection Officer;
- Community Policing representative;
- Women's representative;
- Youth representative;
- Project-Affected Person (PAP) – male;
- Project-Affected Person (PAP) – female;
- Extension worker (representative of District Council); and
- Religious organisations' representative/s (from religious group/s active within the community).

GVGRC roles and responsibilities include, but are not limited to:

- 'Channel' or 'Access Point' for receipt of Project-related feedback from affected communities;
- Receive and screen community queries, concerns, complaints and grievances per the screening processes outlined in the MHSP GRM. This includes:
 - Referring all incidents and emergencies, and GBV and sexual exploitation and abuse (SEA) issues immediately to the nominated pathways;
 - Referring grievances that are not within the jurisdiction of the Committee and/or the MHSP GRM to the appropriate authority;
- Address community queries and potential grievances immediately where possible, using information documented in MHSP Frequently Asked Questions (FAQs);
- Record grievances in an MHSP Grievance Registration form when requested by a Complainant;
- Sensitise affected communities about the MHSP GRM and the GVGRC roles and responsibilities related to the GRM;
- As required, assist in the investigation and resolution of grievances related to the MHSP;
- Participate in MHSP Grievance Review Board (GRB) meetings, only as required and only those members whose community role is relevant to the specific category of grievance being reviewed; and
- Distribute official MHSP GRM contact cards and other official GRM awareness-raising materials, as required. e.g. Project Newsletters, Project Brochures.

The GVGRC Chairperson's role and responsibilities are:

- To compile two weekly logs: i) a Community Feedback Log; ii) a Grievance Log that summarises information provided immediately by GVGRC members to address community queries and potential grievances;
- To meet weekly with MHSP Grievance Officers and/or Community Liaison Officers to:
 - To provide MHSP weekly community feedback and grievance logs;
 - To provide completed MHSP grievance redress forms; and

- To open the Suggestion Boxes and provide the completed forms or other feedback to the MHPL Grievance Officer and/or MHPL Community Liaison Officer to take and screen.

At the time of writing, the Project as thus far established 21 GVGRCs across Blantyre and Neno districts. The committees are organised at group village level, and in some instances, coverage extending to sub-committees in specific areas where project impacts or community representation needs are broader. The 21 GVGRCs are listed in Table 46 below.

Table 46: GVGRC Established

District	TA	GVGRCs per GVH	RAP phases				
			early works phase 1 RAP	early works phase 2 RAP	main works RAP (This RAP)	main reservoir RAP	Transmis sion Lines RAP
Blantyre	TA Kuntaja	GVH Nkata GRC		■			
		GVH Solomononi GRC		■			
		GVH Kuntaja GRC	GV not directly affected by the Project's land acquisition, but located close to Project activities				
	TA Kunthembwe	GVH Standi GRC	GV not directly affected by the Project's land acquisition, but located close to Project activities				
		GVH Mvundula GRC	GV not directly affected by the Project's land acquisition, but located close to Project activities				
		GVH Chikumbu GRC		■			
		GVH Mbanda GRC		■			
		GVH Mchenga GRC		■			
		GVH Kadikira GRC		■		■	
		GVH Makunje GRC		■			
		GVH Kunthembwe GRC		■			
		GVH Gwadani GRC		■			
		GVH Namputu				■	
		GVH Kaliati GRC		■			
		GVH Chaswanthaka GRC		■	■	■	
M'bwinja sub-committee			■				
GVH Majora GRC					■		
Neno	TA Symon	GVH Ngwenyama GRC				■	■
	TA Mlauli	GVH Nsalawatha GRC				■	■
		GVH Felemu GRC			■		■
		Nkhwali sub-committee			■		

GVGRCs must address community queries and potential grievances immediately where possible. GVGRCs meet with MHSP Grievance Officers and CLOs weekly, so initial screening and attempted resolution of grievances should occur within a week.

Grievances are referred from the GVGRC to the Project Grievance Redress Committee (PGRC) if:

- It is beyond GVGRC authority or jurisdiction
- It cannot be resolved at community level
- It is sensitive, urgent, or involves incidents/emergencies; or
- The complainant requests escalation.

The GVGRC Chairperson is responsible for meeting with MHSP Grievance Officers and CLOs, who formally take over once the GVGRC refers the case.

12.1.2 Second Tier – Project Grievance Redress Committee

The Project Grievance Redress Committee (PGRC) comprises key members from the GoM Project Implementation Unit (PIU) and Mpatamanga Hydro Power Limited (MHPL), alongside community representatives.

The PGRC's composition includes:

- Social Safeguards Specialist – Ministry of Energy PIU;
- Environmental Safeguards Specialist - Ministry of Energy PIU;
- Mpatamanga Hydropower Storage Project Desk Officer - Ministry of Energy PIU;
- Regional Lands Desk Officer for MPHPP – Ministry of Lands PIU;
- Malawi Environment Protection Agency Desk Officer for MPHPP – PIU;
- Environmental and Social Coordinator – MHPL;
- Consultation and Stakeholder Management Coordinator – MHPL;
- Environmental Lead – MHPL;
- Community Liaison Officers – MHPL;
- Chairperson GVGRC (from the GV where the grievance originates – if needed);
- Secretary Village Level Committee (from the GV where the grievance originates – if needed); and
- A Committee member as needed (from the GV where the grievance originates – if needed).

The roles and responsibilities of the PGRC are as follows:

- Reviewing grievances submitted through the established channels;
- Participating in investigations and assessing findings;
- Identifying resolution and mediation measures;
- Resolving and addressing grievances referred from the community level;
- Assigning grievances to the Responsible Parties for resolution;
- Communicating resolutions to complainants formally and verbally;
- Referring unresolved grievances to the PGRC;
- Building the capacity of GVGRC on the GRM and crosscutting issues;
- Reporting all complaints/grievances handled at the community and project levels to the PGRC; and
- Documenting the status and resolution of complaints.

MHPL and PIU convene weekly (online and in-person where possible) to discuss grievances and decide on necessary actions. The PIU and MHPL members of the PGRC hold weekly meetings to:

- Receive reports from the CLO on recorded grievances;
- Review grievances referred to the committee for resolution; and
- Co-opt other members based on the grievances under consideration.

The PGRC meeting procedures are outlined below:

- **Chairperson:** The Social Safeguards Specialist chairs the committee. They preside over meetings, ensures proper conduct, and administers rules and regulations. In the chairperson's absence, an interim chairperson presides;
- **Secretary:** The Consultation and Stakeholder Management Coordinator serves as the committee secretary. With the CLO's assistance, they call meetings, take minutes, circulate signed minutes, and file them;
- **Quorum:** Two-thirds of committee members eligible to attend constitute a quorum;
- **Transparency and Accountability:** The committee enforces these principles in all its affairs;

- Complainant Attendance: Depending on the case, complainants or their representatives may be requested to attend hearing sessions but may be excused during other meetings; and
- Updates on Grievances: Regular updates on grievances referred to Responsible Parties are provided to track progress on resolution.

Grievances received will be acknowledged within 7 days. The action(s) to be taken to address the grievance raised will be communicated to the complainant within 30 days of receipt. The PGRC holds weekly meetings, with regular updates needing to be provided responsible parties in order to track progress. Unresolved grievances at PGRC level escalate to the Project Grievance Review Board (PGRB) if the PGRC can't find a resolution acceptable to the complainant or the resolution requires higher authority or review, or if additional expert or senior oversight is needed.

12.1.3 Third Tier – Project Grievance Review Board

The Project Grievance Review Board (PGRB) is instituted at Project level as a referral for all unresolved grievances between the Project and the aggrieved person or individual. The PGRB members have appointed Co-Chairpersons to ensure that both the GoM and MHPL are represented. The membership is shown in Table 47 and also listed below:

- District Commissioners (Blantyre, Balaka, Neno – depending on which district the grievance emanates from);
- Director of Administration (Blantyre, Balaka, Neno – depending on which district the grievance emanates from);
- Director of Planning and Development (Blantyre, Balaka, Neno – depending on which district the grievance emanates from); and
- District Lands Officer (Blantyre, Balaka, Neno – depending on which district the grievance emanates from).

Other council members as required:

- Project Coordinator – PIU;
- Deputy Project Coordinator – PIU;
- E&S Manager – MHPL;
- Managing Director – MHPL;
- HSSE Manager – MHPL; and
- Others as may be required.

Table 47: Membership of the Project Grievance Review Board

Membership	Standing Member or Occasional Member	Comment
GoM PIU Project Coordinator or Deputy Project Coordinator, representing the GoM leadership of the MHSP.	Standing Member.	--
MHPL General Manager, representing MHPL company leadership.	Standing Member.	--
The MHPL E&S Manager, representing the MHPL E&S leadership.	Standing Member.	--
District Commissioner.	Standing Member; dependent on whether the issue is relevant to his/her district.	The relevant District Commissioner will be invited to attend the relevant GRB meetings.
Community Leader.	Occasional Member; dependent on if the issue is relevant to his/her community.	A Community Leader or equivalent nominated by the complainant as his representative. Could be TA/GVH/VH.
District-level Chairperson of NGOs.	Occasional Member; dependent on whether the issue is relevant to his/her district.	This position is a formal position recognised by the District Government as representing NGOs within the District.
GVGRC Chairperson.	Occasional Member; dependent on whether the issue is relevant to his/her GV.	Chair of the relevant GVGRC.

The Community Leader and GVGRC Chairperson positions could vary each time the PGRB meets, depending on the relevance and location of the grievances and the requirements of the Complainant. It is essential that these persons are agreed to by the Complainant as persons who can represent their interests on a fair and neutral basis.

The roles and responsibilities of the PGRB are as follows:

- Review the evidence collected to date, as well as the resolutions and/or additional actions previously proposed but rejected by the Complainant. The PGRB then determines if further reasonable action is possible;
- If the PGRB recommends additional actions, the resolution is presented to the Complainant. If the Complainant agrees, the solution is implemented and the grievance is closed out;
- If no further reasonable action is possible, the PGRB shall authorise the close-out of the grievance. A close-out letter is then sent to the Complainant explaining the decision and providing the associated rationale. In addition, the District Commissioner, the TA and the MHPL Grievance Officer, as relevant, meet with the Complainant and/or his/her/their representative and explain the PGRB's decision as well as the fact that there is no further recourse within the MHSP GRM and that the Complainant has the right to refer the grievance to other non-judicial and judicial channels;
- The MHPL Consultation and Stakeholder Engagement Coordinator is responsible for informing the Complainant of the outcome of the PGRB findings. This should be provided in writing and signed by the PGRB members;
- Where feasible, the PGRB process will be efficient and not drawn out. It is expected that the review process should take no longer than two months, except in very complex circumstances [this does not mean that all resolutions will be made by then, but rather that the PGRB will make a decision within this timeframe];

- The PGRB will make recommendations for the resolution of a grievance to be implemented by the Responsible Party/ies, where the grievance has been deemed legitimate (i.e., related to and/or caused by the MHSP);
- In cases where the grievance has been deemed not legitimate (i.e. not related to and/or caused by the MHSP), OR it has not been possible to contact the Complainant after two months following receipt of a complaint and efforts to trace his/her whereabouts have been unsuccessful, these will be deemed “conditionally resolved” after authorisation for close out by the PGRB ; and
- The MHPL Consultation and Stakeholder Engagement Coordinator is responsible for ensuring that the PGRB recommendations are carried out, documented and the Complainant is fully informed of the outcomes.

The PGRB meeting procedures are as follows:

- The PGRB shall elect two Co-Chairpersons;
- The Co-Chairpersons of the committee shall preside over and maintain due and proper conduct of meetings and ensure that the rules and regulations that the committee sets for its operations are properly administered at all times. In the absence of the chairperson, an interim chairperson will preside over the meeting;
- The committee secretary will be responsible for calling meetings, taking minutes, circulating the duly signed copy of such minutes, and filing the minutes. It is the responsibility of the MHPL Consultation and Stakeholder Engagement Coordinator to coordinate the PGRB process and to ensure minutes/records of their deliberations and decisions are fully documented;
- The quorum at any meeting of the committee shall be two-thirds of the members of the committee eligible to attend the meeting;
- The committee shall always enforce transparency and accountability in the conduct of its affairs;
- Depending on the nature of the case, the complainant with grievances, or their representatives, shall be requested to attend hearing sessions, but may be excused during other consultation meetings, as the committee deems necessary. The MHPL Consultation and Stakeholder Engagement Coordinator will engage with the Complainant, MHPL and PIU to identify and agree a Community Leader and GVGR Chairperson to participate in the PGRB. The Community Leader and GVGR Chairperson positions could vary each time the PGRB meets, depending on the relevance and location of the grievances and also the requirements of the Complainant. It is essential that these persons are agreed to by the Complainant as persons who are able to represent their interests on a fair and neutral basis;
- The PGRB may draw on and engage relevant “subject matter experts” to help investigate and/or resolve grievances where required, e.g. Regional or District Government representatives, Contractors, Environmental experts. Such experts may be from government agencies or may be external parties;
- The Complainant shall have access to the information used by the PGRB to review the complaint and shall be invited to participate/engage with the PGRB is required; and
- Updates on all grievances shall be provided to keep track of progress on grievance resolution.

The PGRB will meet when complaints or groups of complaints remain unresolved after initial handling by the MHPL E&S Team and the responsible parties. Meetings will be scheduled on an as-needed basis, ensuring that the PGRB is only engaged for cases requiring further resolution efforts.

The PGRB's primary meeting venue will be online, allowing for ease of access and flexibility. However, if deemed necessary and agreed upon by the committee, meetings can also be held in the village where the grievance originated, at the PIU offices in Lilongwe, or at the MHPL offices in Blantyre. This flexibility in meeting location accommodates the needs of all parties involved.

The PGRB review process should take no longer than two months. While the resolution of complex cases may be longer, the review decision must still be made within this timeframe. Once a decision is reached, the PGRB will communicate its resolutions to the complainants and provide feedback to the PGRC within seven working days.

12.2 Access Points for Raising a Grievance

The Project GRM considers communities' literacy levels and focusses on in-person interaction with complainants using Chichewa, and/or other relevant local languages, in addition to English; to ensure that processes, decisions, and outcomes are clearly understood.

There are a number of "channels", or access points, which can be used by community members and other stakeholders to submit feedback – questions, comments, concerns and/or complaints – regarding the Project. These are summarised in Table 48 below.

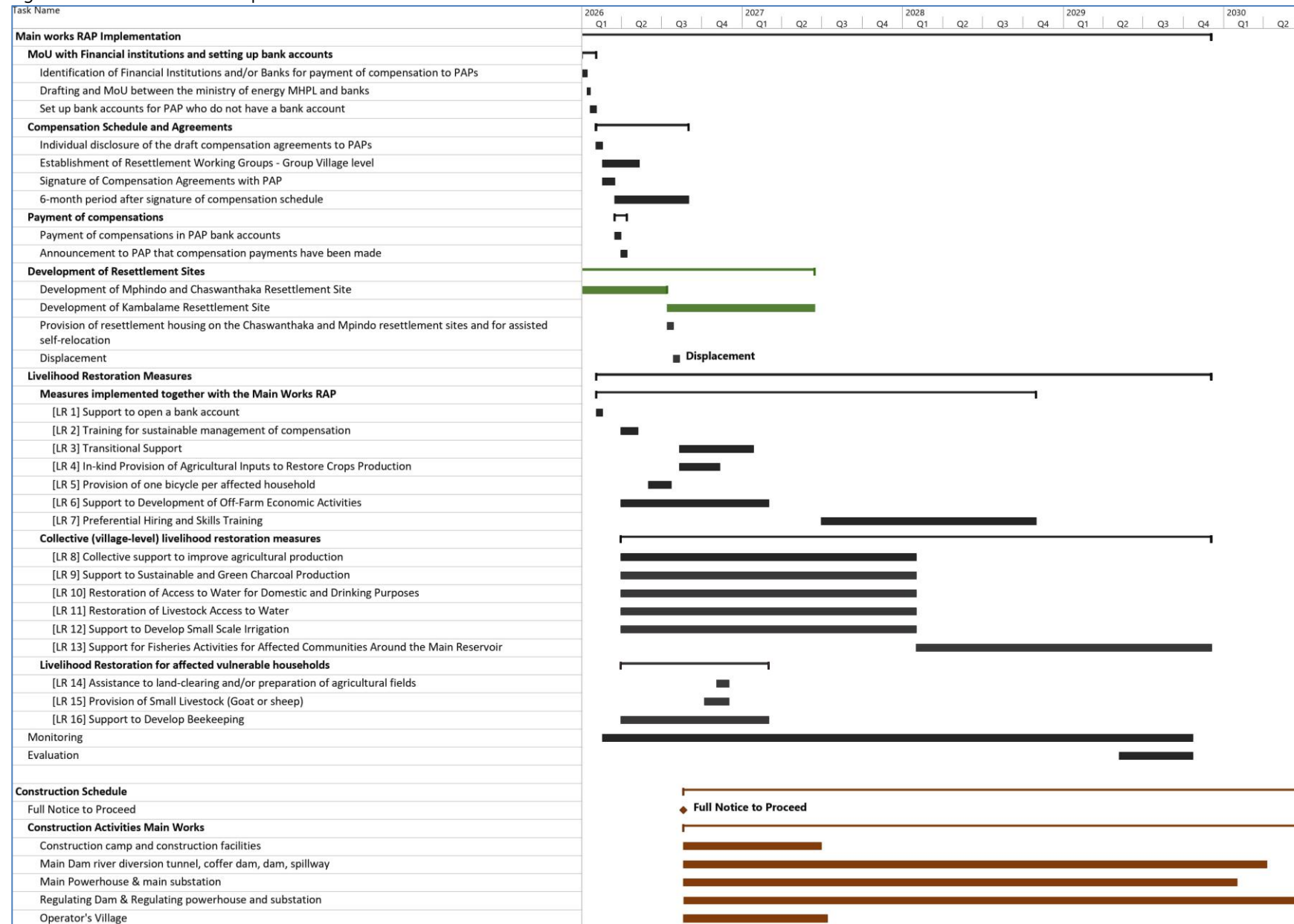
Table 48: GRM Access Points

Modality	Access Point
In person:	<p>To a GoM PIU or MHPL representative; e.g. during their visits to local communities. At regular MHSP stakeholder engagement meetings; for example MHSP Monthly Community Engagement Meetings and Quarterly Stakeholder Engagement Meetings. At the GoM PIU (Ministry of Energy office in Lilongwe) or MHPL (Blantyre + Site offices): Ministry of Energy, 2nd floor, Capital House, City Centre, Lilongwe 3. MHPL Addresses: <u>Headquarters</u>: 16, 17 and 18 on the First Floor, Almira Complex at Plot Number BC1114, Mandala, Blantyre. <u>Site Office</u>: S137, near main dam site, Blantyre District. To Village focal points; specifically, members of the Group Village Grievance Redress Committees (GVGRCs).</p>
By phone (call, SMS, WhatsApp):	<p><u>To GoM PIU</u>: +265 1 770 688. <u>To MHPL</u>: 4265 (Toll Free Number) or 0886 595 369 (Airtel) or 0886 595 369 (TNM). To members of the Group Village Grievance Redress Committees (GVGRCs).</p>
In writing:	<p>By placing a completed GRM Form or written letter in an MHSP Suggestion Box. These are currently located in directly impacted villages in Blantyre and Neno Districts. Each Box is held by a GVGRC member however, boxes are opened by MHPL Grievance Officers for reasons of confidentiality. By email to the GoM or MHPL: <ul style="list-style-type: none"> • GoM Email: info@energy.gov.mw • MHPL Email: info@mpatamangahydro.com By mail to the GoM or MHPL: <ul style="list-style-type: none"> • GoM Postal Address: Ministry of Energy, Private Bag 309, Lilongwe 3, MALAWI. • MHPL Postal Address: P.O. Box 886 Blantyre, MALAWI. Via the GoM or MHPL websites: <ul style="list-style-type: none"> • GoM website: www.energy.gov.mw • MHPL website: www.mpatamangahydro.com • To Village focal points and/or other members of Project GVGRCs. </p>

13 Implementation Schedule

The implementation schedule of this Main Works RAP is shown in Figure 45 on the next page.

Figure 45: Main Works RAP Implementation Schedule



14 Monitoring and Evaluation

The objective of the RAP implementation is to ensure that the affected people's standard of living and livelihoods at least remain at their pre-Project level and preferably improve. Monitoring and evaluation are the means of documenting the success in achieving this objective.

Monitoring is the measurement through time that indicates the movement toward the objective or away from it, to provide the raw data to provide feedback on progress made and allows identifying problems as early as possible in order to facilitate timely adjustment of rehousing and livelihood restoration measures. The objectives are to:

- Ensure that the standard of living of PAPs is restored or improved;
- Ascertain whether activities are progressing as per schedule, i.e., the timelines are being met;
- Assess whether the compensation and rehabilitation measures are sufficient; and
- Identify problems or potential issues and formulate corrective actions to rapidly mitigate them;

Evaluation is putting this data to use and interpreting it to conclude whether the objectives are achieved, and the RAP activities can be considered completed. The evaluation will also include an assessment against the achievement of the objectives of the Lenders' policies on involuntary resettlement.

The proposed monitoring and evaluation approach is as follows:

- Monitoring activities (internal and external monitoring, see Section 14.1) will document the progress of the activities; and
- Evaluation activities will be performed when all mitigation measures have been substantially completed (see Section 14.2).

14.1 Monitoring

14.1.1 Internal Monitoring

Internal monitoring will be carried out routinely by the MHSP Social team during the implementation of the main works RAP.

Indicators for internal monitoring will be those related to process, immediate outputs and impacts – number of surveyed affected land parcels, number of compensations in process, number of compensations paid, compensation payments in process and paid, livelihood restoration programs underway, grievances by type and time for resolution. This information will be collected by the MHPL Social Team.

The monthly reports prepared as part of the Project's overall internal E&S reporting will include a section on the implementation of RAPs. In addition, quarterly internal RAP monitoring reports will be prepared from the start of the main works RAP implementation until the completion report. They will contain:

- Accomplishments to-date;
- Number of compensation agreements signed;
- Number and amount of compensation paid;
- Number and nature of livelihood restoration activities conducted, and number of affected people participating in these activities;
- Number and nature of resettlement assistance activities conducted, and number of affected people participating in these activities;
- Objectives attained and not attained during the period;

- Problems encountered;
- Number of grievances lodged, by type, location and gender of complainant, and number resolved; and
- Suggested options for corrective measures.

An interim internal evaluation will be undertaken after delivery of compensations and livelihood packages. It will include a socioeconomic survey to monitor outcomes of compensation and livelihood restoration prior to detect if corrective actions are necessary.

Monitoring indicators are outlined in Table 49 below. They are divided into three components:

- Input (or process) monitoring, which measures the services, resources, or goods that contribute to achieving outputs and, ultimately, desired outcomes;
- Output (or performance) monitoring measures the direct measurable results of the inputs; and
- Outcome (or impact) monitoring defines the extent to which the Project inputs and outputs are achieving or are likely to achieve the objectives of the RAP.

Table 49: RAP Monitoring Indicators for the main works RAP

Indicators categories	Indicators	Source	Frequency / Schedule
Input	Overall spending of the RAP budget.	MHSP and PIU Financial records	Internal monitoring (monthly and quarterly)
	Distribution of spending by: - Cash compensation; - Resettlement assistances; - Consultation and engagement with PAP and other stakeholders; - Vulnerable people assistance; - Livelihood restoration activities; - General implementation & overheads.	MHPL and PIU Financial records + RAP database	Internal monitoring (monthly and quarterly)
	Number of staff mobilised, full-time/part-time, in-house or outsourced, disaggregated by gender, responsibility and title.	MHPL and PIU Human Resources	Internal monitoring (monthly and quarterly)
	Number of PAP for each category of the entitlement matrix, disaggregated by gender.	RAP database	Internal monitoring (monthly and quarterly)
Output	Number and amount of compensation agreements signed.	RAP database	Internal monitoring (monthly and quarterly)
	Number and financial sum of compensations paid.	RAP database	Internal monitoring (monthly and quarterly)
	Number of people having received resettlement assistance and the financial amount spent for this purpose.	RAP database	Internal monitoring (monthly and quarterly)
	Number and nature of livelihood restoration activities conducted and number of PAPs participating to these activities.	RAP database	Internal monitoring (monthly and quarterly)
Outcome	Number of grievances opened throughout the whole implementation period.	Grievances management system	Internal monitoring (monthly and quarterly)
	Number of unresolved open grievances.	Grievances management system	Internal monitoring (monthly and quarterly)
	The number of grievances closed throughout the whole implementation period and the average time from opening.	Grievances management system	Internal monitoring (monthly and quarterly)
	Average time necessary to close grievances, from the moment they are received and lodged.	Grievances management system	Internal monitoring (monthly and quarterly)
	Satisfaction of PAP regarding the compensation.	Socioeconomic survey	Internal monitoring post-compensation survey Completion audit report
	Levels of income and standards of living of PAP and % of PAP with their livelihoods and level of income restores and/or improved.	Socioeconomic survey	Internal monitoring post-compensation survey

Indicators categories	Indicators	Source	Frequency / Schedule
			Completion audit report
	Types of livelihoods and income sources of the PAPs.	Socioeconomic survey	Internal monitoring post-compensation survey Completion audit report

14.1.2 Independent Monitoring by a Witness NGO

A witness NGO contracted by MHPL will act as an independent observer in the main works RAP, preparation, and implementation process. The purpose of external monitoring by the witness NGO is to confirm the findings of internal monitoring procedures and ensure that the Project is compliant with the processes and standards defined in the RPF (SLR Consulting, 2024a) and this RAP. External monitoring activities of the witness NGO will include:

- Reviewing and verifying internal monitoring reports;
- Reviewing the census, asset inventory and socio-economic survey of PAPs;
- Reviewing the effectiveness and compliance of compensation procedures through direct observation of compensation payments and interviews with samples of affected households;
- Reviewing the effectiveness and compliance of the grievance mechanism;
- Performing quarterly site visits and consultations with PAPs, community leaders and local authorities; and
- Preparation of quarterly independent monitoring reports and submission to Mpatamanga Project Management (MHPL and PIU) and Lenders.

The witness NGO will prepare quarterly independent monitoring reports. Should any gaps in the implementation process or noncompliance with Lenders’ policies be identified, the Witness NGO will propose time-bound corrective actions. The content and structure of the independent monitoring reports are outlined below:

- Progress on recommendations and actions made in the past independent monitoring reports;
- Summary of quarterly site visits performed during the reporting period and of consultations with PAPs, community leaders and local authorities;
- Confirmation of the findings of internal monitoring procedures;
- through a review of the progress of the census, asset inventory and socio-economic survey of PAPs, grievances database;
- using results of panel surveys (visiting the same households during each monitoring period);
- Review of the effectiveness and compliance of compensation procedures;
- Results of direct observation of compensation payments;
- Using interviews with samples of affected households, review whether entitlements were delivered and implemented on time for all categories of PAPs, including women, vulnerable households and other relevant groups;
- Review in-kind compensation provided (i.e. on the resettlement sites and through assisted self-relocation);
- Review the implementation of livelihood restoration activities;
- Review the effectiveness and compliance of the grievance mechanism;
- Review of the resolution of a cross-section of grievances;
- Review grievance records for evidence of any significant noncompliance;

- Conclusion on compliance with the RPF and this RAP principles and Lenders involuntary resettlement policies:
 - Description of key findings and an assessment of project compliance and performance;
 - Assessment of the implementation of recommendations and corrective actions made previously;
 - Ranking of observed non-compliances (critical, major, minor); and
 - Recommendations and corrective actions with a ranking of their priority.

14.2 Evaluation

14.2.1 Internal Evaluation – Close-Out Report

When all mitigation measures have been substantially completed on this RAP, at least two years after payment of compensation, and no longer than 3 years after displacement of affected persons, the MHPL Social Team will prepare an internal Close-out Report.

The Internal Close-out Report will include the following elements:

- Summary of all activities undertaken to implement the phased RAP;
- Number of people physically and economically affected by Project Component and entitlement category as per the Entitlement Matrix (See Section 6.3);
- Satisfaction of PAPs regarding the compensation, resettlement and livelihood restoration processes;
- Number and type of grievances received and resolved;
- Number and type of new economic activities started by affected households thanks to Livelihood Restoration activities; and
- Income levels and standards of living of affected households, in comparison with the baseline conditions documented in the Phased RAP.

The internal close-out report for this main works RAP will conclude on the completion of activities and achievement of objectives for this RAP.

14.2.2 Independent Evaluation - Completion Audit

Following each Internal Close-out report, an Independent Completion Audit will be performed by an independent consultant appointed by MHPL and the Lenders.

For the main works RAP, this Independent Completion Audit will include a review of mitigation measures implemented, a comparison of implementation measures against agreed objectives and a conclusion as to whether the monitoring process can be ended, or if additional corrective actions have to be implemented to meet objectives not yet achieved.

As part of the Completion Audit, a sample of affected households will be asked to take part in a socioeconomic survey and a satisfaction survey. The sample surveyed will include all households physically displaced, at least half of the affected vulnerable households economically displaced and 10% of all other categories. This sample will also be distributed across affected villages. The sample could be increased if and as needed, in case gaps or issues are noted during the monitoring of the RAP implementation.

As for the internal close-out reports, the main works RAP Independent Completion Audit will be undertaken at least one year after payment of compensation, and no longer than 2 years after displacement of affected persons.

The Completion Audit will be publicly disclosed on MHPL website.

14.3 Schedule of Monitoring and Evaluation

Table 50 presents the schedule of monitoring and reporting activities²¹.

Table 50: Schedule of Monitoring and Reporting Activities

Monitoring and evaluation activities	Reporting	Frequency / Schedule
Internal monitoring	Monitoring of RAPs implementation from MHPL Social Team to the Mpatamanga Hydropower Storage Project Management (MHPL and PIU).	Monthly during phased RAP implementation, until completion report (at least two years after payment of compensation, and no longer than 3 years after displacement of affected persons).
	Quarterly RAP implementation monitoring reports, to Mpatamanga Hydropower Storage Project Management (MHPL and PIU) and Lenders.	Quarterly during RAP implementation, until completion report (at least two years after payment of compensation, and no longer than 3 years after displacement of affected persons).
External monitoring	Quarterly monitoring reports from the witness NGO to Mpatamanga Hydropower Storage Project Management (MHPL and PIU) and Lenders.	Quarterly, during RAP implementation, until the completion report (at least two years after payment of compensation, and no longer than 3 years after displacement of affected persons).
Internal Close-out report	One RAP close-out report from MHPL Social Team unit to Lenders.	at least one year after payment of compensation and no longer than 3 years after displacement of affected persons.
Independent Completion audit	One RAP completion audit report from an independent consultant to Mpatamanga Hydropower Storage Project Management (MHPL and PIU) and Lenders.	After submission of the internal close-out reports to the Lenders. (at least one year after payment of compensation and no longer than 3 years after displacement of affected persons)

²¹ The overall reporting requirement of the Project are defined in the 2024 Environmental and Social Management and Monitoring Plan. The results of the RAP monitoring and reporting activities will be included:

- In the ESHS Performance reports in Chichewa and in English disclosed on the Project website, six-monthly during construction and during the first three years of operation and then annually, and
- In the E&S Compliance reports to be submitted to the Lenders six-monthly during construction and during the first three years of operation and then annually.

15 Funding and Budget

15.1 Funding

The GoM will fund the following activities of this main works RAP:

- Payment of all compensations in cash as explained in Section 7.1;
- Development of the resettlement sites (MHPL acting as Owner Engineer for the GOM); and
- Implementation costs for the Government-funded Activities include disclosure of the compensation principles and schedules, payment of compensation, and the Government PIU participation in stakeholder engagement, grievances management and monitoring.

MHPL will fund the following activities for this RAP:

- Psychosocial support;
- All livelihood restoration measures defined in Section 9;
- Establishment and operation of the Resettlement Working Groups (first-tier and second-tier);
- Monitoring and Evaluation activities, as defined in Section 14; and
- Implementation costs for the activities funded by MHPL, as well as MHPL participation in the disclosure of the compensation principles and schedules, payment of compensation participation to stakeholder engagement, and grievances management.

15.2 Budget

The estimated budget for the implementation of this main works RAP is provided in Table 51 next page²². The total budget for the implementation of the main works RAP is estimated to MWK 14,197,824,000 (or USD 8,190,000). This budget includes contingencies. The development of the resettlement sites is not included in this estimate.

²² At the time of compiling the estimated budget, the exchange rate between the MWK and the USD was 1,734 MWK per 1 USD, as of 13 January 2026, according to data from the Reserve Bank of Malawi <https://www.rbm.mw/Statistics/MajorRates>

Table 51: Estimated Budget for the main works RAP

Items		Cost in MWK	Cost in USD	Funding
Compensations		MWK 9,211,904,000	USD 5,312,500	
	Compensation for Land	MWK 5,965,311,251	USD 3,440,200	GOM
	Compensation for Trees	MWK 1,196,772,550	USD 690,200	GOM
	Compensation for Structures	MWK 484,380,207	USD 279,400	GOM
	Allowance for loss of business revenue	MWK 20,745,000	USD 12,000	GOM
	Moving Allowances	MWK 12,000,000	USD 7,000	GOM
	Disturbance Allowances	MWK 1,529,292,946	USD 882,000	GOM
	Allowance for loss of employment revenue	MWK 3,402,009	USD 2,000	GOM
Resettlement Assistance		MWK 104,050,000	USD 60,000	
	Psychosocial Support	MWK 104,050,000	USD 60,000	MHPL
	Development of resettlement sites and in-kind compensation on resettlement sites	Separate budget		GOM
	Assisted self-relocation	Part of the budget for the development of the resettlement sites		GOM
Livelihood Restoration		MWK 3,312,560,000	USD 1,910,290	
Individual (household-level) Livelihood Restoration Measures	[LR 1] Support to open a bank account	MWK 28,180,000	USD 16,250	MHPL
	[LR 2] Training for sustainable management of compensation	MWK 86,710,000	USD 50,000	MHPL
	[LR 3] Transitional Support	MWK 338,140,000	USD 195,000	MHPL
	[LR 4] In-kind Provision of Agricultural Inputs to Restore Crops Production	MWK 8,680,000	USD 5,000	MHPL
	[LR 5] Provision of one bicycle per affected household	MWK 112,720,000	USD 65,000	MHPL
	[LR 6] Support to Development of Off-Farm Economic Activities	MWK 282,650,000	USD 163,000	MHPL
	[LR 7] Preferential Hiring and Skills Training	no cost, will be part of the EPC contract		MHPL
Collective (village-level) livelihood restoration Measures	[LR 8] Collective support to improve agricultural production, one measure possible per village	MWK 242,770,000	USD 140,000	MHPL
	[LR 9] Support to sustainable and green charcoal production	MWK 242,770,000	USD 140,000	
	[LR 10] Restoration of access to water for domestic purposes	MWK 606,910,000	USD 350,000	
	[LR 11] Restoration of livestock access to water	MWK 303,460,000	USD 175,000	
	[LR 12] Support to develop small-scale irrigation	MWK 346,810,000	USD 200,000	
Livelihood Restoration Measures for Vulnerable Households	[LR 13] Support to fisheries activities for affected communities around the Main Reservoir	MWK 485,530,000	USD 280,000	MHPL
	[LR 14] Assistance to land-clearing and/or preparation of agricultural fields	MWK 8,740,000	USD 5,040	
	[LR 15] Provision of Small Livestock (Goat or sheep)	MWK 72,830,000	USD 42,000	
	[LR 16] Support to Develop Beekeeping	MWK 145,660,000	USD 84,000	
Grievances Management		MWK 381,500,000	USD 220,000	GOM
	Resettlement Working Groups (second Tier - District Level)	MWK 34,690,000	USD 20,000	GOM
	Group Village Grievance Redress Committees and First tier Resettlement working groups	MWK 346,810,000	USD 200,000	GOM
	Project Grievance Redress Committee and Grievance Review Board	Covered by MHPL and PIU teams costs		GOM / MHPL
Implementing Costs				
	Implementing Agency / PIU	GoM PIU internal budget		GOM
	MHPL E&S Management Unit for the RAPs	MHPL internal budget		MHPL
	Consultants and third parties support MHPL in the implementation of the Main Works RAP	Covered by MHPL development cost		MHPL
	GoM PIU implementation costs	Covered by the PIU operational costs		GOM
Monitoring and Evaluation		MWK 216,760,000	USD 125,000	
	Internal Monitoring	Budget included in MHPL Social Team		MHPL
	External Monitoring - Witness NGO	MWK 130,060,000	USD 75,000	MHPL
	Internal close-out reports	Budget included in MHPL Social Team		MHPL
	Independent completion audit	MWK 86,710,000	USD 50,000	MHPL
TOTAL (without contingencies)		MWK 13,226,774,000	USD 7,630,000	
Contingencies				
	Contingencies on GoM Budget (10%)	MWK 971,050,000	USD 560,000	GOM
	Contingencies on MHPL budget	Covered in the overall MHPL contingencies budget, including construction		MHPL
TOTAL WITH CONTINGENCIES		MWK 14,197,824,000	USD 8,190,000	



Mpatamanga Hydro Power Limited (MHPL)
16, 17 and 18 on First Floor, Almira Complex at Plot Number BC1114
Mandala, Blantyre

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