



SOKOTO STATE
FRAMEWORK FOR RESPONSIBLE AND INCLUSIVE LAND-INTENSIVE
AGRICULTURE
(FRILIA)
VALUATION AND COMPENSATION TOOLKIT

**Lead Agency: SOKOTO STATE MINISTRY OF LANDS AND PHYSICAL
PLANNING**

Contact info: +234 802 745 5393

Email address: admin@sicl.sk.gov.ng

Issued pursuant to Sokoto State Executive Order No. 1 of 2024 on the Establishment, Adoption and Implementation of the Framework for Responsible and Inclusive Land-Intensive Agricultural Investment (FRILIA), issued on 28th December, 2024.

Table of Contents

1. Introduction
2. Applicable FRILIA Principles and International Good Practice
3. Legal Framework and Existing Sokoto State Practice
4. Valuation and Compensation Process
5. Valuation
 - a. 5.1 Valuation Process Overview
 - b. 5.2 Assets Subject to Valuation
 - c. 5.3 Basis of Value and Valuation Approaches
6. Compensation
 - a. 6.1 Forms of Compensation
 - b. 6.2 Eligibility
 - c. 6.3 Entitlement Matrix
 - d. 6.4 Payment of Compensation
 - e. 6.5 Livelihood Restoration
7. Disclosure, Sign-off and Grievances
8. Monitoring and Evaluation

Template 1: Market Survey Report · Template 2: Valuation Reporting Template · Template 3: Compensation Schedule · Template 4: Schedule of Updated Compensation Rates

Acronyms and Abbreviations

Acronym	Meaning
ESVARBON	Estate Surveyors and Valuers Registration Board of Nigeria
FAO	Food and Agriculture Organization of the United Nations
FPIC	Free, Prior and Informed Consent
FRILIA	Framework for Responsible and Inclusive Land Intensive Agriculture
GRM	Grievance Redress Mechanism
IAP	Investment Approval Process
IPMS	International Property Measurement Standards
IVS	International Valuation Standards
LGA	Local Government Area / Authority
LUA	Land Use Act
MDAs	Ministries, Departments and Agencies
NIESV	Nigerian Institution of Estate Surveyors and Valuers
NVS	Nigerian Valuation Standards
PAPs	Project Affected Persons
RAP	Resettlement Action Plan
SICL	Sokoto State Investment Company Limited
SSG	Sokoto State Government
VGGT	Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security

1. Introduction

FRILIA promotes sustainable agricultural development while protecting the rights of everyone who uses land. A critical part of this is making sure that valuation and compensation are carried out fairly, transparently and inclusively. This toolkit guides government agencies, investors, valuers and local communities through the valuation of land and assets, and the compensation of people affected by land access, easement and involuntary resettlement for FRILIA projects in Sokoto State.

The toolkit provides a structured approach to valuing land, assets and resources and to deciding compensation for each category of affected person and community. It draws on good practice and lessons from other contexts, reflects local realities and international standards, and emphasises engagement with affected communities throughout.

This toolkit is a companion to the **Sokoto State FRILIA Land Access, Easement and Involuntary Resettlement Management Toolkit**, which covers resettlement screening, the RAP study, the cut-off date, eligibility, disclosure and the RAP process. Valuation and compensation principles apply wherever land is acquired or access restricted for a FRILIA project, whether the acquisition is voluntary or involuntary. Where land is acquired through a documented willing buyer–willing seller agreement, the State's titling processes also apply, and anyone who uses the land but is not a party to the agreement must still be compensated under this toolkit.

1.1 Objectives of this toolkit

1. **Guide valuation:** provide clear methods for accurate and fair valuation of land, assets and resources affected by agricultural projects.
2. **Standardise compensation:** establish consistent procedures for determining entitlements for each category of Project Affected Person (PAP).
3. **Set a minimum standard:** set the minimum legally permissible and implementable performance standards for land acquisition for agricultural projects in Sokoto State.
4. **Promote stakeholder engagement:** encourage active participation of affected communities in valuation and compensation, building transparency and trust.
5. **Clarify the legal framework:** explain the relevant laws and standards so that valuation complies with national law, State practice and international standards.
6. **Address equity and inclusion:** ensure that marginalised and vulnerable groups receive appropriate support and entitlements.
7. **Facilitate dispute resolution:** provide ways to prevent and resolve grievances about valuation and compensation.
8. **Provide a compliance checklist:** give SICL and the Ministry of Lands and Physical Planning a single reference for checking the compliance of valuation and compensation.

2. Applicable FRILIA Principles and International Good Practice

The following FRILIA principles apply to this toolkit:

- A range of investment and production models should be considered, including alternatives to large-scale transfer of land (Principle 1.4).
- Investments should safeguard against dispossession of legitimate tenure rights holders (Principle 2.1).
- Existing legitimate rights, including customary and informal rights and rights to common property resources, should be systematically and impartially identified (Principle 2.2).
- Rights should be protected through grievance redress mechanisms that provide accessible and affordable procedures for third-party settlement of disputes, including disputes arising from displacement or resettlement (Principle 2.3).
- Compensation standards are to be disclosed and applied consistently (Principle 3.1).
- Economic and social impacts of land acquisition or loss of access to natural resources shall be identified and addressed, including for people who may lack full legal rights to the assets or resources they use or occupy (Principle 3.2).
- Adequate compensation will be provided to purchase replacement assets of equivalent value and to meet necessary transitional expenses before land is taken or access restricted (Principle 3.3).
- Supplemental livelihood improvement or restoration measures will be provided if the taking of land causes loss of income-generating opportunities (Principle 3.4).
- Public infrastructure and community services that may be adversely affected will be replaced or restored (Principle 3.5).
- Displaced persons with land-based livelihoods should be offered an option for replacement land unless equivalent land is not available (Principle 3.6).
- Principles specific to compensation, resettlement and livelihood restoration (Principle 3.7).
- Investments must be preceded by independent assessments of potential positive and negative impacts on tenure rights, food security, livelihoods and the environment (Principle 4.2).
- Potential adverse impacts on physical cultural property should be taken into account and, as warranted, adequate measures provided to avoid, minimise or mitigate them (Principle 4.3).

These principles draw on the FAO Voluntary Guidelines on the Responsible Governance of Tenure (VGGT) and the World Bank Environmental and Social Framework (ESS5).

Sources of land for investors. Agribusiness investors may acquire rights to land directly from rights holders or from government. A direct acquisition must be on a willing seller–willing buyer basis so that involuntary resettlement does not arise, but the valuation and compensation guidance in this toolkit still applies.

Land that government leases or sells to investors falls into two categories: land recently acquired from individuals or communities, through compulsory acquisition or voluntary transfer; and land that government has owned or controlled for a long time. In the second case, unless the land is entirely vacant and unused throughout the year, current users, including seasonal users such as

pastoralists, may hold legitimate if informal tenure rights under FRILIA Principles 1.1, 1.3, 2.1 and 2.2 and the VGGT, and must be compensated and resettled where they are displaced.

The VGGT provides that governments should use expropriation only for a public purpose clearly and narrowly defined by law. Involuntary displacement usually causes serious harm to affected people and long-running, costly conflict. **Under FRILIA, the Sokoto State Government shall refrain from using its revocation power to acquire land for private investment, and shall acquire such land only after obtaining the FPIC of the affected community.**

Where the Sokoto State Government previously acquired land under the Land Use Act without paying compensation, and former rights holders still use it, those users are entitled to compensation and resettlement under this toolkit if the land is now provided to an investor. The Sokoto State Government will agree with the investor which party pays.

3. Legal Framework and Existing Sokoto State Practice

3.1 Statutory framework

Valuation and compensation for involuntarily acquired land in Nigeria are regulated by law. The principal law is the **Land Use Act 1978 (Cap. L5, LFN 2004)**, whose provisions are preserved by section 315(5) of the Constitution. Under section 28, the Governor may revoke a right of occupancy for overriding public interest. Section 29 sets the statutory compensation payable:

- **Land:** an amount equal to the rent, if any, paid by the occupier during the year in which the right was revoked.
- **Buildings, installations and improvements:** their replacement cost, less any depreciation, together with interest for any delay; or, for reclamation works, their proven cost.
- **Crops:** an amount equal to their value as prescribed by the appropriate officer.

Under section 33, where a residential building is affected, the State may offer resettlement in lieu of cash compensation. Under section 30, disputes about the amount of compensation are referred to the Land Use and Allocation Committee. Section 44 of the Constitution separately guarantees that no property may be compulsorily acquired except under a law that provides for prompt payment of compensation and gives the affected person a right of access to the courts to determine the amount.

Valuation practice is regulated by the **Estate Surveyors and Valuers Registration Board of Nigeria (ESVARBON)**, established by the Estate Surveyors and Valuers (Registration, etc.) Act (Cap. E13, LFN 2004). Only registered estate surveyors and valuers may conduct valuations under this toolkit, in line with the Nigerian Valuation Standards (the "Green Book"), which incorporate the International Valuation Standards. Other applicable laws and policies are listed in Annex 2 of the Land Access, Easement and Involuntary Resettlement Management Toolkit.

3.2 Existing Sokoto State Government practice

The Sokoto State Government applies the Land Use Act and applicable State land laws, together with elements of good practice. It practises land-for-land compensation where practicable, pays for economic trees, crops and structures based on the State's schedule of rates, involves affected stakeholders in consultation, and provides a grievance redress mechanism for its acquisitions.

3.3 Why FRILIA goes further

The statutory minimum does not meet the FRILIA principles in several respects:

Issue	Statutory Minimum (Land Use Act)	FRILIA Standard
Bare land	No compensation beyond rent paid in the year of revocation	Replacement land of equivalent productive value, or cash at market value
Buildings and structures	Replacement cost less depreciation	Full replacement cost with no deduction for depreciation, plus transaction costs
Crops and trees	Value prescribed by the appropriate officer (schedule of rates, often out of date)	Current market value, established by an independent market survey
Users without a recognised right	Generally not compensated	Compensated for assets and assisted to restore livelihoods
Livelihoods	Not covered	Livelihood restoration and improvement required
Timing	Compensation may follow revocation	Compensation paid, and replacement assets provided, before land is taken or access restricted

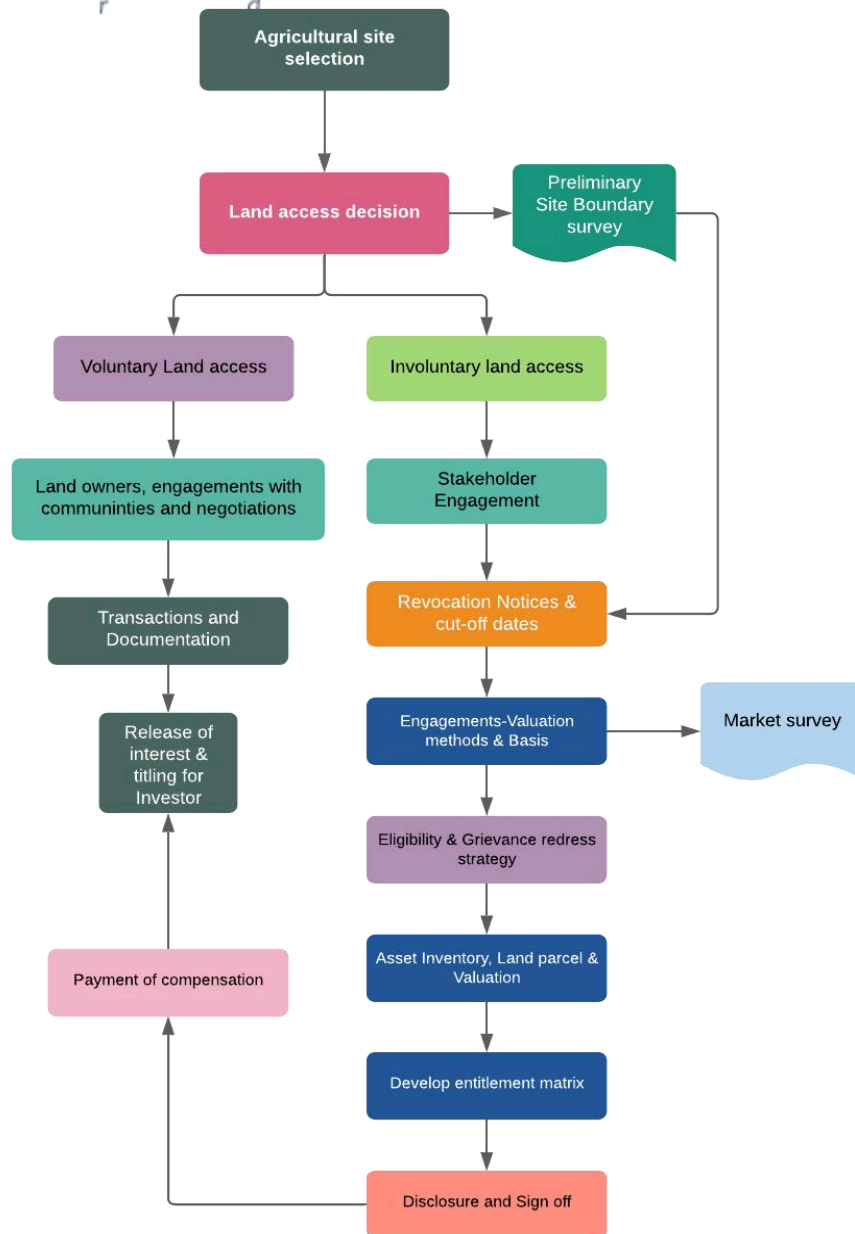
All FRILIA projects must therefore meet the statutory minimum **and** the FRILIA standards in this toolkit, whether the acquisition is voluntary or involuntary. Where the two differ, the higher standard applies.

4. Valuation and Compensation Process

Figure 1 shows the valuation and compensation process for FRILIA projects in Sokoto State. After site selection, the land access decision determines whether land will be acquired voluntarily or involuntarily. Under FRILIA, the voluntary route is strongly preferred.

Figure 1: Process map for valuation and compensation

Figure 2: Process Map of Valuation and Compensation



Both routes end with payment of compensation before the investor's interest is released and title issued. On the voluntary route, users who are not party to the sale or lease, such as tenants or sharecroppers, are still identified and compensated using the steps on the right.

Table 1: Valuation and compensation steps aligned with the Sokoto State FRILIA Investment Approval Process

IAP Stage	Valuation and Compensation Activities
Stage 1: Initial Inquiries and Know Your Customer	Preliminary site boundary survey; initial land access decision
Stage 2: Stakeholder Engagement (FPIC)	Engagement on valuation methods and basis; community decision on whether to make land available
Stage 3: ESIA and Risk Management	Cut-off date; market survey; asset inventory and land parcel survey; valuation; entitlement matrix
Stage 4: Negotiation and Signing of Fair Agreements	Disclosure of valuations and entitlements; sign-off by PAPs; compensation terms written into final agreements
Implementation and Aftercare	Payment of compensation before land is taken; release of interest and titling; monitoring

5. Valuation

5.1 Valuation Process Overview

This toolkit guides registered estate valuers in carrying out FRILIA-compliant valuations, setting out the bases, methods and premises for arriving at fair value. Valuation follows four steps:

Step 1: Preparation and Planning	Step 2: Asset Identification	Step 3: Valuation Methodology	Step 4: Valuation Report
Stakeholder engagement: explain the valuation process and its significance to affected communities, local leaders and other stakeholders	Land survey: identify the boundaries and extent of affected land parcels (see the Land Access Toolkit, Template 2)	Valuation approach: choose the appropriate method for each type of asset	Compile findings: document the process, methods, data and compensation entitlement for each asset
Objectives: define the goals of the valuation, including identifying all affected assets and ensuring	Asset inventory: compile an inventory of all residential, commercial, agricultural and communal assets (see	Replacement cost: for structures and agricultural assets, determine full replacement cost	Recommendations: suggest measures to address disputes or grievances that may arise during implementation

Step 1: Preparation and Planning	Step 2: Asset Identification	Step 3: Valuation Methodology	Step 4: Valuation Report
comprehensive data collection	the Land Access Toolkit, Template 3)		

5.2 Assets Subject to Valuation

Holders and occupiers of all categories of assets are eligible to take part in the valuation and compensation process. Assets that may be valued include:

- Residential, commercial, agricultural, communal and recreational assets
- Uncompleted developments at different stages of completion
- Temporary structures used for agricultural, residential or commercial purposes
- Makeshift or uncompleted structures used as permanent or temporary homes
- Undeveloped plots and fallow agricultural land
- Cultivated farmland, including irrigated (fadama) plots
- Water bodies, including fishing traps and nets
- Grazing land, livestock routes and watering points
- Game and forest reserves
- Ancillary facilities such as boreholes, wells, barns, granaries and outdoor cooking facilities
- Cultural assets, shrines and other communal interests
- Graves (communal, individual and family)
- Livestock, fishing and poultry business assets
- Categorised trees, crops and other plantations of economic value
- Government and privately owned utility assets

5.3 Basis of Value and Valuation Approaches

Basis of value. The basis of valuation is **full replacement cost**: the current market value of each asset plus transaction costs, sufficient to replace the lost asset in its existing condition. Market value is the estimated amount for which an asset would exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction, after proper marketing, where each party acted knowledgeably, prudently and without compulsion.

No depreciation. For compensation under FRILIA, **assets must not be depreciated for age or state of repair.** The replacement cost of a structure is the cost of building the same structure new, reflecting its stage of completion. This differs from the Land Use Act, which allows depreciation to be deducted.

Market survey. The project must engage an independent registered valuer to carry out a market survey within the project area and prepare a market survey report (Template 1). The survey establishes the main crops and assets in the area and current market prices, and develops replacement value indices per unit, per square metre and/or per linear metre. Where the State

schedule of rates or the federal Harmonised Rates (2005) are lower than current market values, the market values apply, and the updated rates are recorded in Template 4.

The valuer selects the approach, or combination of approaches, that best reflects the value of each type of asset:

Market comparison approach. Values the asset by reference to recent sales or leases of similar assets in the same area, on the principle that a buyer will not pay more than the cost of an equivalent substitute.

1. **Identify comparable transactions:** collect data on recent sales or leases of assets similar in location, size, condition and use.
2. **Adjust for differences:** adjust for differences such as age, condition or particular features.
3. **Establish market value:** calculate the average adjusted value of the comparables.

Best suited to residential, commercial and agricultural land where there is enough market data.

Cost (replacement cost) approach. Values the asset at the current cost of replacing or reproducing it.

1. **Estimate replacement cost:** calculate the cost of building a similar new asset at current prices for materials and labour.
2. **Reflect stage of completion:** for uncompleted structures, value the work actually completed.
3. **Add transaction and transitional costs:** include costs such as transport of materials and approvals.

For FRILIA compensation, no deduction is made for physical deterioration or obsolescence. Best suited to buildings, infrastructure and specialised improvements with few market comparables.

Income approach. Values the asset by its capacity to generate income.

1. **Estimate potential income:** analyse rental income, agricultural produce or business revenue.
2. **Deduct operating expenses:** such as maintenance, management and insurance.
3. **Calculate net income** and apply an appropriate capitalisation rate, reflecting the risk and return of similar investments.

Best suited to income-generating assets such as rented property, commercial premises and agricultural businesses with reliable cash-flow data.

Crops and economic trees. Use the investment yield approach: value the claimant's income from their farms, trees and plantations over the resettlement implementation period (a minimum of three months) and the time needed for a replacement crop or tree to reach equivalent productivity. Where possible, farmers should be allowed to harvest standing crops before land is taken.

The valuation report must cover all identified assets and any issues relating to them, using the format in Template 2.

6. Compensation

Anyone whose assets, or access to assets, are affected by land acquisition or other activities of a FRILIA project is entitled to compensation. This covers both tangible assets (land, buildings, structures, crops and livestock) and intangible losses (access to public services, cultural and community ties, and livelihoods). The form of compensation depends on the type of loss and the eligibility of the affected person. Fair and adequate compensation is a legal requirement and is also essential for maintaining the project's social licence with affected communities.

6.1 Forms of Compensation

1. **Monetary compensation** at full replacement cost: the market value of the asset plus transaction costs (such as transfer and titling costs), sufficient to replace the lost asset in its existing condition without depreciation.
2. **In-kind compensation:** replacement of the affected asset with one of similar or greater size, value and quality, such as replacement land or housing. This is preferred for land-based livelihoods and for assets of special significance, and where cash is not suitable, for example for many vulnerable persons.
3. **Assistance:** additional support, such as relocation, transport and disturbance allowances, transitional support, and training and livelihood programmes, to help affected persons through the transition.

The form of compensation is decided jointly by the project and each affected person, through consultation that also involves relevant government agencies, NGOs and community leaders, and subject to the availability of replacement assets.

6.2 Eligibility

Eligibility follows the criteria and cut-off date in the Land Access, Easement and Involuntary Resettlement Management Toolkit:

- **Holders of a statutory right of occupancy** (granted by the Governor under the Land Use Act) are compensated as landowners.
- **Holders of a customary right of occupancy** (the right of a person lawfully using or occupying land in accordance with customary law, granted by the Local Government) are compensated as landowners.
- **Persons with no recognisable legal right** to the land they occupy or use are compensated as land occupiers for their structures, crops and other assets, and receive resettlement and livelihood assistance, but not compensation for the land itself.

Persons who arrive, or make new improvements, after the cut-off date are not eligible for compensation for those additions.

6.3 Entitlement Matrix

Table 2 sets out the eligible groups, types of loss, the existing statutory and Sokoto State Government (SSG) standard, and the entitlement required under FRILIA. For each project, the investor must prepare a project-specific entitlement matrix using Template 6 of the Land Access Toolkit. Where a PAP falls into more than one category, they receive the entitlements for each category of loss, but only one relocation allowance to move all their assets.

Table 2: Entitlement matrix

S/N	Eligible Group	Type of Loss	Existing Statutory / SSG Standard	Entitlement under FRILIA
1	House owner: holder of a statutory or customary right of occupancy	Land and housing	Replacement cost of structures and improvements less depreciation (LUA s. 29); refund of ground rent paid in the year of revocation; resettlement in lieu of compensation may be offered (LUA s. 33)	Choice among feasible options, including replacement housing with secure tenure or cash compensation. Full replacement cost without depreciation, sufficient to replace lost land and assets in local markets. Relocation allowance: physical help with relocation or a cash amount covering its cost, plus transport. Disturbance allowance: cash related to the disturbance caused
2	Tenant / occupier of rented housing	Rented housing	No compensation	Relocation allowance: cash to cover rent of

S/N	Eligible Group	Type of Loss	Existing Statutory / SSG Standard	Entitlement under FRILIA
				equivalent housing for the remainder of the year, plus transport allowance
3	Agricultural landowner: holder of a statutory or customary right of occupancy	Agricultural land, crops and economic trees	Buildings and improvements at replacement cost less depreciation; proven cost of reclamation works; crops and trees at the value prescribed by the appropriate officer under the State schedule of rates	Replacement land of equivalent productive potential where available; otherwise full replacement cost without depreciation for all agricultural assets (land, buildings, trees, crops), plus all transaction costs. Livelihood restoration as set out in the approved RAP. Relocation and disturbance allowances where relevant
4	Agricultural land user (renting land for cash or in kind)	Loss of crops and of income from agricultural land use	Crops counted and paid at the State schedule of rates	Crops at current market value, plus an allowance for rent of land at a new site, including costs of land clearance,

S/N	Eligible Group	Type of Loss	Existing Statutory / SSG Standard	Entitlement under FRILIA
				improvements and transaction costs
5	Formal workers employed by the land occupier or right holder	Loss of permanent or temporary employment and income	No compensation	Inventory of workers and payment of wages at not less than the applicable national minimum wage for the transition period (as set out in the RAP/ESMP), and for a minimum of three months where re-employment is not feasible
6	Crop cultivators, including sharecroppers, without a right of occupancy	Loss of crops and of farming rights	Crops counted and paid at the State schedule of rates	Full replacement cost of lost crops at market value. Relocation assistance. Inclusion in livelihood restoration
7	Owner of non-habitable physical assets on land (e.g. tool sheds, fences, animal pens, fish ponds, traps)	Immovable structures and assets	No compensation	Full replacement cost without depreciation; possible additional allowance. Disturbance allowance where

S/N	Eligible Group	Type of Loss	Existing Statutory / SSG Standard	Entitlement under FRILIA
				disturbance is caused
8	Owner of movable assets on the land (e.g. kiosks, containers), whether or not they live or work there	Movable assets	No compensation	Relocation assistance: physical help to move the assets or a cash amount covering the cost
9	Families or communities with graves, tombs or shrines	Religious and cultural loss	No specific provision	Culturally acceptable relocation, agreed with the family or custodians, with a cash amount covering all costs, including rites. Where legitimate costs exceed government rates, the project provides a top-up
10	Utility providers (e.g. Kaduna Electric, water authorities, telecoms operators)	Relocation of infrastructure and service disruption	Replacement cost (non-specific)	Physical assistance with, or payment of the full cost of, relocation to the service provider. Emergency support to communities that lose services

S/N	Eligible Group	Type of Loss	Existing Statutory / SSG Standard	Entitlement under FRILIA
11	Government assets (e.g. schools, health centres)	Loss of, or disrupted access to, public services	No specific provision	Rebuilding at an acceptable site, agreed with the relevant government agency, before the existing asset is removed; where not feasible, full replacement cost without depreciation paid to the agency
12	Community infrastructure (e.g. roads, water sources, mosques, churches)	Loss of communal benefits	No specific provision	Rebuilding at an acceptable site, agreed with the community; where not feasible, full replacement cost without depreciation paid to the community leadership or a community trust
13	Users of communal resources (e.g. fishing, grazing, forest products)	Loss of access to communal resources and individual rights to fishing, grazing or hunting	No specific provision	Inclusion in livelihood restoration. Where the community's economy depends on the resource, a restoration programme in a similar location,

S/N	Eligible Group	Type of Loss	Existing Statutory / SSG Standard	Entitlement under FRILIA
				and support for improved practices (e.g. improved fishing or pasture management)
14	Vulnerable persons	Increased hardship from displacement	No specific provision	Additional targeted support, such as help with relocation, priority in livelihood programmes and help to open bank accounts, based on a needs assessment

6.4 Payment of Compensation

- **Timing:** compensation must be paid, and replacement land or housing provided, **before** land is taken or access restricted (FRILIA Principle 3.3).
- **Method:** payment should be made directly into the bank account of each eligible PAP, matched to the name on their valuation and sign-off forms. The project should help PAPs without accounts to open them. Cash payments, where unavoidable, must be witnessed and receipted.
- **Household assets:** where an asset belongs to a household, the project should seek to include both spouses in the sign-off and payment, to protect women's interests.
- **Compensation schedule:** each payment must be recorded in the compensation schedule (Template 3).
- **Delays:** where payment is delayed after sign-off, the valuation should be reviewed for inflation, in line with the requirement of the Land Use Act for interest on delayed compensation.

6.5 Livelihood Restoration

FRILIA requires investors to go beyond cash and in-kind compensation and help affected persons restore, and ideally improve, their livelihoods and standard of living. Each RAP must include a sustainable livelihood restoration and improvement strategy, land-based or non-land-based, that fosters socioeconomic empowerment. The strategy must cover:

- Beneficiaries of the restoration programmes
- Training and capacity building
- Transitional support
- Implementation of the restoration options
- Monitoring and evaluation of the strategy

Examples of programmes are given in Table 3 of the Land Access, Easement and Involuntary Resettlement Management Toolkit.

7. Disclosure, Sign-off and Grievances

Compensation standards must be disclosed and applied consistently (FRILIA Principle 3.1). Enumerated assets, valuation rates and the entitlement matrix must be disclosed to affected persons at State, LGA and community level before sign-off, explaining the types of loss covered, the eligibility criteria and the rates and methods used. Each PAP receives a copy of their valuation form and signs off using the sign-off certificate in Template 7 of the Land Access Toolkit, in keeping with FPIC.

A PAP who disagrees with a valuation may raise a grievance through the project grievance redress mechanism, set out in the **Sokoto State FRILIA Grievance Redress Mechanism Toolkit**. Valuation grievances should be reviewed by an independent registered valuer, with a site re-inspection where needed. Use of the GRM does not affect the right to refer a dispute on the amount of compensation to the Land Use and Allocation Committee under section 30 of the Land Use Act, or to seek redress in court under section 44 of the Constitution. Practical actions to avoid valuation grievances are listed in Annex 3 of the Land Access Toolkit.

8. Monitoring and Evaluation

Monitoring determines whether the parties to an investment are complying with their compensation obligations and assesses the impacts on affected communities and individuals. It involves establishing a baseline of qualitative and quantitative indicators and periodically collecting data on the same indicators for comparison.

There must be an agreed plan to monitor all resettlement, valuation and compensation activities, describing what will be monitored, how and how often data will be collected, by whom, how PAPs will participate, and the institutional and funding arrangements. It may stand alone or form part of the overall project monitoring plan.

Table 3: Examples of monitoring elements for valuation and compensation

S/N	Monitoring Element	What it covers	Example
1	Indicators	Measures of the effectiveness and impact of valuation and compensation	Number and percentage of eligible PAPs fully compensated before land entry; number of

S/N	Monitoring Element	What it covers	Example
			valuation grievances received and resolved; average time from sign-off to payment
2	Frequency	How often monitoring takes place	Monthly during payment; quarterly thereafter
3	Responsible party	Who oversees monitoring	Project Manager / Compensation Officer; Ministry of Lands and Physical Planning
4	Strategies for data collection	How data is collected	Database of PAPs and compensation status; surveys confirming receipt of compensation; bank payment records
5	Reporting strategy	How findings are shared	Quarterly progress reports and dashboards for stakeholders; final report to the RAP completion audit

Templates

Template 1: Market Survey Report

1. Report overview: prepared by; date; location of survey; survey reference number.

2. Introduction: This market survey report determines the current market value of assets affected by the proposed project, in accordance with the FRILIA principles. All holders and occupiers of assets are eligible to take part in the valuation and compensation process.

3. Asset categories surveyed: as listed in Section 5.2 of this toolkit, including residential, commercial, agricultural and communal assets; uncompleted and temporary structures; farmland and fallow land; water bodies; grazing land; ancillary facilities; cultural assets and graves; livestock, fishing and poultry assets; trees and crops; and utility assets.

4. Valuation methodology: the basis of value is full replacement cost: current market value, reconstruction cost of similar new structures reflecting their stage of completion, no depreciation for state of repair, and inclusion of transaction costs. The survey was carried out by independent registered valuers.

5. Detailed findings:

Asset Description	Unit (e.g. m ² , stand, hectare)	Location	Current Market Value per Unit (₦)	Source of Evidence	Remarks
Residential structure (by type)					
Agricultural land (rainfed)					
Agricultural land (irrigated / fadama)					
Temporary structure					
Economic tree (by species and maturity)					
Crop (by type)					
Cultural site / grave relocation					
Water body / fishing asset					
Commercial property					

Asset Description	Unit (e.g. m ² , stand, hectare)	Location	Current Market Value per Unit (₦)	Source of Evidence	Remarks
Other (specify)					

6. Conclusions and recommendations: summary of values and recommendations for compensation rates and stakeholder engagement.

7. Certification: We, the undersigned independent valuers, certify that this market survey was conducted fairly and accurately, and that the findings are true representations of the current market value of the assets surveyed.

Valuer's Name	ESVARBON Registration No.	Signature	Date

Template 2: Valuation Reporting Template

This template reflects the generic valuation reporting format issued by ESVARBON (Cap. E13, LFN 2004) for compliance by valuers nationwide, drawn from the International Valuation Standards and contained in the Nigerian Valuation Standards (the "Green Book").

A. Confirmation of terms of engagement. On accepting a brief from the investor, the registered valuer shall confirm to the client:

1. The client and any other intended users of the report
2. The purpose of the valuation
3. The assets or subject of the valuation
4. The interests to be valued
5. The type of asset and how it is used or classified by the client
6. The basis or bases of value
7. The date of inspection
8. The valuation date
9. Any material involvement, or a statement that there has been none
10. The valuer responsible and, if required, their status
11. The currency adopted
12. Any assumptions, reservations, special instructions or departures from the standards
13. The extent of the valuer's investigations
14. The type and format of the report, as provided in the Green Book and IVS
15. The nature and source of information relied on
16. Any consent to, or restriction on, publication
17. Any restriction on use or distribution, and any limits on liability to parties other than the client

18. Confirmation that the valuation will comply with these standards and, where appropriate, the IVS
19. Confirmation that the valuer has the knowledge, skills and understanding to carry out the valuation competently
20. A statement that compliance may be monitored under ESVARBON's conduct and disciplinary regulations

B. Executive summary: name and address of client (Sokoto State Government / investor); description of land, with location and coordinates (WGS 84 or other approved format); date of valuation; purpose (compensation); basis (full replacement cost); opinion of value; valuer or firm, names, qualifications, registration numbers and contact details.

C. Main report:

Section	Heading	Explanatory Notes
Introduction	Brief / instruction	Client, nature and date of engagement
	Identification and status of valuer	Certification
	Purpose of valuation	Compensation
	Scope of valuation	Extent of the assignment
	Date(s) of inspection	All inspection dates
Factual information	Location	Access, location and neighbourhood maps
	Property description	Description, with aerial photographs where possible
	Construction details	Materials, finishes and exceptional items
	Accommodation details	Measurements according to IPMS (specialised properties may be exempted)
	Site description	GIS coordinates in WGS 84 or the client's format
	Condition	Physical condition, with photographs
	Environmental and planning considerations	Flooding, erosion, contamination and other

Section	Heading	Explanatory Notes
		factors affecting long-term value
	Tenure	Type of interests affected
	Sources of information	References, market survey
	Assumptions	General and special assumptions and any departures from the standards, with reasons
Economic background	Market analysis	Current market conditions, demand and supply, trends and local economic indicators
Valuation	Basis	Full replacement cost, defined per this toolkit and the NVS/IVS
	Approaches / methods	Methods used, defined according to IVS
	Assumptions and limiting conditions	Special assumptions underlying the values
	Conclusion and opinion of value	Date, basis and purpose; confirmation of compliance with the Green Book, IVS and other applicable standards
	Certification	Valuer's seal and ESVARBON stamp, and Financial Reporting Council of Nigeria registration number

Source: adapted from the Nigerian Valuation Template, 2019.

Where a FRILIA project is funded by a development finance institution (such as the World Bank or IFC), the Nigerian Valuation Standards require the valuer to also comply with the compensation requirements of that funder.

Template 3: Compensation Schedule

Project: [project name] LGA / community: [name] Date: [date]

S/N	PAP Name	PAP ID	Parcel ID	Asset Category	Quantity / Size	Rate (₦)	Compensation (₦)	Allowances (₦)	Total (₦)	Sign-off Date	Payment Date	Payment Reference
1												
2												
3												

Prepared by: [name and designation] Verified by (Ministry of Lands and Physical Planning): [name]

Template 4: Schedule of Updated Compensation Rates

This schedule updates the Sokoto State Government's compensation rates to current market values, based on the market survey (Template 1), and is approved by the Ministry of Lands and Physical Planning before use.

Asset	Unit	Existing SSG Rate (₦)	Current Market Rate (₦)	Adopted Rate (₦)	Basis / Evidence
e.g. Mango tree (mature)	per tree				
e.g. Millet / sorghum	per hectare				
e.g. Mud-block house	per m ²				
e.g. Concrete-block house	per m ²				
e.g. Borehole	per unit				

TOOLKITS APPROVAL

The following toolkits:

1. Stakeholder Engagement Toolkit
2. Environmental and Social Risk Management Toolkit
3. Land Access, Easement and Involuntary Resettlement Management Toolkit
4. Global Memorandum of Understanding Toolkit
5. Grievance Redress Mechanism Toolkit
6. Community Needs Assessment and Development Toolkit
7. Out-growers and Food Security Toolkit
8. Stakeholder Engagement Strategy

Having been prepared by the FRILLIA Technical Committee, it has been endorsed by the Chairman of the FRILLIA Steering Committee.

APPROVED BY:



19th November, 2025

His Excellency

**Hon. Idris Muhammad Gobir FBSE
Deputy Governor of Sokoto State
Chairman Steering Committee**