



Lao people's Democratic Republic
Peace Independence Democracy Unity Prosperity

Prime Minister's Office
Science Technology and Environment Agency (STEA)



Technical Guidelines on Compensation and Resettlement in Development Projects

November 2005

Contents

PART I. RESETTLEMENT IN PROJECTS	7
CHAPTER 1. Introduction	7
1.1 Objectives	7
1.2 Principles of Resettlement	7
1.3 Structure of the Guidelines	7
1.4 Acknowledgement	8
CHAPTER 2. Project Process Cycle	9
2.1 Major Steps in Project Process	9
2.1.1 Project Identification	9
2.1.2 Pre-feasibility	9
2.1.3 Feasibility and Detailed Design	10
2.1.4 Implementation	10
2.2 Resettlement in the Project Process	10
2.2.1 Initial Social Assessment	11
2.2.2 Social Assessment	11
2.2.3 Land Acquisition and Compensation Report / Resettlement Plans.....	12
2.2.4 Ethnic Minority Development Plans (EMDPs).....	12
2.3 Project Process and Resettlement Outputs	12
PART II. DOCUMENTATION FOR RESETTLEMENT	13
CHAPTER 3. Initial Social Assessment	13
3.1 Objectives & Scope	13
3.2 Information Required	13
3.3 Project Screening	14
3.4 Gender Issues in Resettlement	16
CHAPTER 4. Social Assessment	18
4.1 Definition and Scope of SA	18
4.1.1 Definition of SA	18
4.1.2 Scope of SA.	19
4.2 Organization of the SA Process	20
CHAPTER 5: Resettlement Plans	23
5.1 Objectives and Scope	23
5.2 Types of Resettlement Plans	23
5.2.1 Land Acquisition and Compensation Report	23
5.2.2 Resettlement Plan (RP)	23
CHAPTER 6: Ethnic Minority Development Plans	26

6.1	Objectives and Scope	26
6.2	Surveys and Information Required	26
6.3	Formulation of Development Alternatives	27
6.4	Documentation / EMDP	27
PART III. RESETTLEMENT PLANNING		28
CHAPTER 7: Surveys for Resettlement Planning		28
7.1	Surveys for Resettlement	28
7.2	Census and Establishment of Cut-Off-Date	28
7.2.1	Census to Establish Cut-off-date and Eligibility for Entitlements	28
7.2.2	Tagging & Photo Documentation	29
7.3	Inventory of Affected Assets	29
7.4	Socio-economic Baseline Survey	29
7.5	Critical Issues in Field Surveys	30
7.5.1	Time and Resources Required for Surveys	30
7.5.2	Is there any need for revision of data in case of delays?	30
7.5.3	Census and Inventory Surveys in Linear Projects	31
7.5.4	Host Population	31
7.6	Organizing for Surveys	31
7.6.1	Format and Questionnaire	31
7.6.2	Staffing	32
7.6.3	Field Operations	32
7.6.4	Coding and Recording	32
7.6.5	Computerized Data management System	32
7.7	Addressing Gender in Data Collection	33
CHAPTER 8: Entitlements		34
8.1	Unit of Entitlement	34
8.1.1	The Individuals	34
8.1.2	Groups or Communities	34
8.1.3	Public Institutions	35
8.2	Establishing Categories of APs	35
8.2.1	Degree of Impacts	35
8.2.2	Categories of APs	36
8.3	Types of Entitlements	37
8.3.1	Compensation	37
8.3.2	Allowances	40
8.3.3	Rehabilitation Assistance	40
8.3.4	Other Assistance (including types of special assistance to vulnerable groups)	41
8.4	Entitlement Matrix	41
8.5	Methodology for Assessment of Compensation	41
8.5.1	Compensation for Land	41
8.5.2	Compensation for Structures	42
8.5.3	Compensation for Crops, Trees and Plants	44
8.5.4	Compensation for Other Fixed Assets	45
8.6	Gender Sensitive Entitlements and Eligibility	45
CHAPTER 9: Economic Rehabilitation		46

9.1	Introduction	46
9.2	Eligibility for Economic Rehabilitation	47
9.3	Issues in Economic Rehabilitation Planning and Implementation	47
9.4	Rehabilitation Strategies and Issues Arising	49
9.4.1	Income Restoration strategies in Rural Setting	50
9.4.2	Income Restoration in Non-Agricultural Sector	51
9.4.3	Entrepreneur Development Training	52
9.4.4	Micro-credit	52
9.5	Institutional requirements	53
9.6	Role of NON-BENEFIT ORGANIZATIONS and Private Sector	53
9.7	Methodology and Steps in Planning for Rehabilitation Assistance	53
CHAPTER 10: Relocation and 'Land-for-Land' Issues		55
10.1	General Approaches for Relocation	55
10.2	Criteria for Relocation and Provision of Replacement Land	56
10.2.1	General Criteria	56
10.2.2	Criteria for Replacement Agriculture Land	56
10.2.3	Criteria for Replacement Residential Land	57
10.3	General Criteria for Relocation for Housing and Shops	58
10.4	General Principles and Procedures in Resettlement Planning	58
10.4.1	Site Selection	59
10.4.2	Standards for Replacement Land	59
10.4.3	Types and Standards for Facilities	60
10.4.4	Specific Issues and Measures in Resettlement Planning	62
10.4.5	Procedures in Planning for Resettlement Sites	63
10.5	Public Participation in Relocation Activities	63
CHAPTER 11: Public Participation & Consultation		65
11.1	Rationale for Community Participation	65
11.2	Consultation and Participation as a Structured Process	65
11.3	Objectives of Public Information and Consultation	65
11.4	The Importance of Consultation and Participation in Resettlement	66
11.5	Public Participation in Project Cycle	67
CHAPTER 12: Grievance Redress		68
12.1	Introduction	68
12.2	Grievance Redress Mechanism	68
12.2.1	Grievance Redress Committees (GRCs)	68
12.2.2	Grievance Redress Procedure	69
12.2.3	Best Practice Procedures	70
CHAPTER 13: Monitoring and Evaluation		71
13.1	Objectives of Monitoring	71
13.2	Supervision & Monitoring	71
13.3	Internal monitoring	73
13.3.1	Monitoring Indicators	73

13.3.2	Monitoring Report	74
13.4	External Monitoring	74
13.5	Post Implementation Evaluation Study	75
CHAPTER 14: Resettlement Cost & Budget		76
14.1	Resettlement Costs	76
14.1.1	Identifying and Reporting Resettlement Costs	76
14.1.2	Estimating Resettlement Costs	77
14.2	Budgeting for Resettlement	78
14.3	Financing for Resettlement	80
14.4	Coordinating Administrative and Financial Responsibilities	81
CHAPTER 15: Implementation Schedule		83
15.1	Critical Issues in Implementation	83
15.2	Pre-Implementation Activities	83
15.3	Resettlement Implementation Activities	84
PART IV. RESETTLEMENT IMPLEMENTATION		87
CHAPTER 16 : Pre-Implementation Arrangements		87
16.1	Institutional Set-up	87
16.1.1	Social and Environment Divisions / RUs	87
16.1.2	GRC	88
16.1.3	Provincial / Local Authorities	89
16.1.4	Private Sector Institutions, Non-benefit organizations & Mass Organizations	89
16.2	Strengthening Resettlement Capacity	89
16.3	Data Management, Documentation Reporting Procedures	90
16.4	Setting-up Implementation Procedures	90
16.4.1	Validation of Impacts and Entitlements	90
16.4.2	Updating of RP	91
16.4.3	Compensation Payment Procedures	91
16.5	Contracting External Monitoring Agency	92
16.6	Legal Covenants (for donor-financed projects)	92
CHAPTER 17: Resettlement Implementation		95
17.1	Sequence of Implementation Activities	95
17.2	Implementation Schedule	95
17.3	Monitoring and Supervision	95
17.4	Flow of Funds	95
PART V. SECTOR-SPECIFIC ISSUES IN RESETTLEMENT		96
CHAPTER 18: Resettlement in Linear Projects		96
18.1	Introduction	96
18.2	Characteristics of Linear Resettlement	96
18.3	Determining the Corridor of Impact	97
18.4	Impact upon Economic Activities and Squatters	100
18.4.1	Informal traders and mobile vendors	100
18.4.2	Squatters and Encroachers	101

18.5	Critical Issues in Linear Projects	102
18.5.1	Coordination and Consultation with Populations	102
18.5.2	Compensation	103
18.5.3	Monitoring and Supervision	103
18.6	Good Practice in Planning and Implementation	103
18.7	Summary of Key Elements	105
CHAPTER 19: Resettlement in Urban Projects		107
19.1	Context of Urban Resettlement	107
19.2	Importance of Initial Planning	107
19.3	Resettlement of Urban Squatters	109
19.4	Marginal Impacts in Urban Linear Projects	110
19.5	Relocation in Urban Projects	111
19.6	Economic Rehabilitation in Urban Projects	112
CHAPTER 20 Vulnerable Groups and Resettlement		115
20.1	Poverty Groups	115
Annex 1-Annex 34		120-187

PART I. RESETTLEMENT IN PROJECTS

CHAPTER 1 Introduction

1.1 Objectives

Specific objectives of these Guidelines are to provide detailed guidance to the project owners, private and public sector, as well as all concerned in addressing social issues in development projects specifically in planning and implementation of resettlement plans, ethnic minority development plans, where necessary. The Guidelines also provide guidance for conducting social assessment in projects with indirect impacts on population within or beyond the project boundaries. The Guidelines explain in detail the processes and procedures necessary for collection of data, surveys and preparation of various documents in accordance with the provisions of Decree 192 on Resettlement and Compensation, herein after called Decree 192. The guidelines cover all phases of project process from project identification to implementation and post-implementation evaluation of resettlement activities on development projects.

In Lao PDR, resettlement procedures and practices are evolving over time and are constantly refined and strengthened as more experience is gained from development projects. In this context, these Guidelines are considered as a moving document. STEA will make every effort to update these Guidelines periodically and issue updated versions as and when necessary.

1.2 Principles of Resettlement

These Guidelines are prepared and issued in accordance with the provisions of the Decree and Implementing Regulations covering objectives and principles of resettlement, entitlements to compensation, allowances and economic rehabilitation, monitoring and evaluation, and implementation arrangements.

1.3 Structure of the Guidelines

These Guidelines are presented in five Parts. Part I contains two chapters. Chapter 1, this chapter, includes introduction and background to the Guidelines. Chapter 2 discusses project process cycle in development projects and resettlement activities that take place in the context of project process cycle. The chapter also describes outputs as required at different stages of project process.

Part II of the Guidelines contains four chapters (Chapter 3 to Chapter 6), each dealing with key outputs required to address social issues in development projects. These chapters describe scope and objectives of the key outputs, and include suggested generic outlines. These are: Initial Social Assessment, Social Assessment, Resettlement Plans, and Ethnic Minority Development Plans (EMDPs).

Part III of the Guidelines focuses on resettlement planning activities and issues arising, and contains 9 chapters (Chapter 7 to Chapter 15), dealing with the key aspects of Resettlement Plans (RPs) and activities required in preparation of RPs, including Surveys for Resettlement

Planning, Entitlements, Economic Rehabilitation, Relocation and Land-for-Land Strategies, Public Participation and Consultation, Grievance Redress Mechanism, Monitoring and Evaluation, Resettlement Cost and Budget, and Resettlement Implementation.

Part IV contains focuses on resettlement implementation issues and contains two chapters (Chapter 16 and 17). Chapter 16 describes pre-implementation arrangements necessary in development projects to ensure efficient resettlement implementation and management. Chapter 17 describes resettlement activities necessary during implementation phase.

Part V contains three chapters focusing upon sector specific issues in resettlement planning and implementation. Chapter 18 covers resettlement issues in linear projects and Chapter 19 describes specific resettlement issues in regard to urban sector projects. Chapter 20 summarizes key issues relating to vulnerable groups, especially the poverty group, and recommended mitigation measures.

1.4 Acknowledgement

These Resettlement Technical Guidelines are prepared in accordance with the provisions of Decree 192 on Compensation and Resettlement, issued on 7 July 2005, and the Implementing Regulations on Compensation and Resettlement issued by the Science Technology and Environment Agency, and the National Policy No. 561 CPI on Environmental and Social Sustainability of the Hydropower Sector in Lao PDR issued on 7 June 2005. The material presented in these Guidelines is generally culled and assembled from several sources. Major among these include the *ADB's Handbook on Involuntary Resettlement*; *ADB's Gender and Resettlement Checklist*, February 2003; *World Bank's Source Book on Resettlement*; *Resettlement Guidelines* prepared under ADB TA 3133-LAO, "Strengthening Social and Environment Management in Lao PDR", July 2000; and *Resettlement Guidelines* prepared under the WB funded "Hydropower Development Strategy for the Lao PDR" in September 2000. Additionally, information presented in these Guidelines is also drawn heavily from several development projects in Lao PDR as well as in neighboring countries. Where relevant, international best practice examples are presented in the Guidelines with an objective of bringing these Guidelines to acceptable international standards, without losing focus on the country-specific context.

CHAPTER 2

Project Process Cycle

2.1 Major Steps in Project Process

All development projects go through a well defined project process cycle beginning from inception to implementation and passing through various phases that include: project identification, pre-feasibility study, feasibility study or preliminary designs, detailed technical design, and implementation. The level of information and details on social, economic, environmental and technical aspects vary from a very general nature at the project identification stage to very detailed and specific at the feasibility and technical design stage. The resettlement planning and implementation activities run parallel to the technical and engineering activities in a project following the same project process cycle. General description of these activities is summarized below.

2.1.1 Project Identification

The first step in planning of a project involves project identification. At this stage only preliminary information on the location and scope of projects is generally available. Very rarely the project owners are in a position to describe specific location or physical boundaries of projects at this stage. At this stage, project owners are required to collect some basic information regarding potential social issues and impacts and make a preliminary assessment of potential environmental and social benefits and impacts of the projects. Following main activities are generally carried out during the project –identification:

- Identifying likely social impacts and issues relevant to the project
- Review & screening of existing data
- Determining the level and amount of information required for subsequent phase in the project
- Establishing the purpose of data collection for resettlement planning, monitoring and evaluation, and preparing terms of References (TORs)

In terms of resettlement considerations the main tasks in this phase include conducting Initial Social Assessment as a basis for preliminary assessment of land acquisition requirements and the need for social impact assessment.

2.1.2 Pre-feasibility

Pre-feasibility is a step forward from project identification and its main purpose is to refine the project objectives, conducting specific technical studies and economic analyses and preparation of preliminary designs. The pre-feasibility gives an account of the scope of the project and resources needed for its implementation. More specific information on the scope of the project and its likely impact areas are generally available during the pre-feasibility stage of projects, although information on precise project boundaries may not be available at this stage. Based on the available information, the pre-feasibility will also determine whether the potential resettlement impacts of the proposed project are likely to be significant. Identification of key stakeholders including project affected persons and groups and beneficiaries is made and a more specific information on the scale and degree of potential social impacts and socio-economic characteristics of project affected persons and groups is collected through field

investigations, surveys and interviews with selected population within and adjoining the project areas. Since the information collection and analysis on social impacts is carried out in parallel to preparation of preliminary design of projects, the exercise also includes assessment of various design options for avoiding or minimizing adverse impact and selection of suitable design option.

2.1.3 Feasibility and Detailed Design

In a project, pre-feasibility and feasibility studies are carried out as a continuous activity refining technical aspects in a project. The project owners or assigned agency conduct detail studies incorporating all the components and aspects of the project. During the feasibility study stage project boundaries are finalized, although these may be further modified after the feasibility studies are completed, if necessary, during the detail technical design stage. Technical aspects in the projects are finalized and preparations for detailed technical designs are made.

In parallel to the feasibility studies and preparation of technical designs, social assessment study, where necessary, is completed. To address resettlement and other social issues during the feasibility stage of project preparation, detailed census and socioeconomic surveys are completed and inventory of affected assets prepared as an essential element of resettlement preparation. Where necessary, additional information on ethnic minority groups are collected. Consultation with stakeholders is carried out throughout the resettlement preparation stage. Based on detailed surveys and field investigations, necessary documents such as the Resettlement Plans, Ethnic minority Development Plans, Social Assessment Reports are prepared and finalized.

Normally government approval for projects is obtained upon completion of the feasibility studies following which detailed engineering designs & bidding documents are prepared.

2.1.4 Implementation

The final stage of the project cycle is the implementation of the project. However, implementation of resettlement activities is given higher priority during the implementation phase of the project. Land acquisition, compensation payment and relocation activities of displaced affected persons (APs) are completed prior to start up of civil works in a project, except in some linear projects where civil works on some sections of the project may begin even when resettlement implementation in other sections is still ongoing. Successful implementation depends upon timely disbursement of resources, efficient institutions and human resources, adequate consultation with and participation of APs in the project process and timely delivery of entitlements plus adequate monitoring of activities.

2.2 Resettlement in the Project Process

Resettlement planning and implementation activities are an integral part of a development project and they run parallel to project planning and implementation activities in the project process cycle. A typical example of stages of project process and resettlement activities/outputs is shown in Figure 1 and summarized in the following sections.

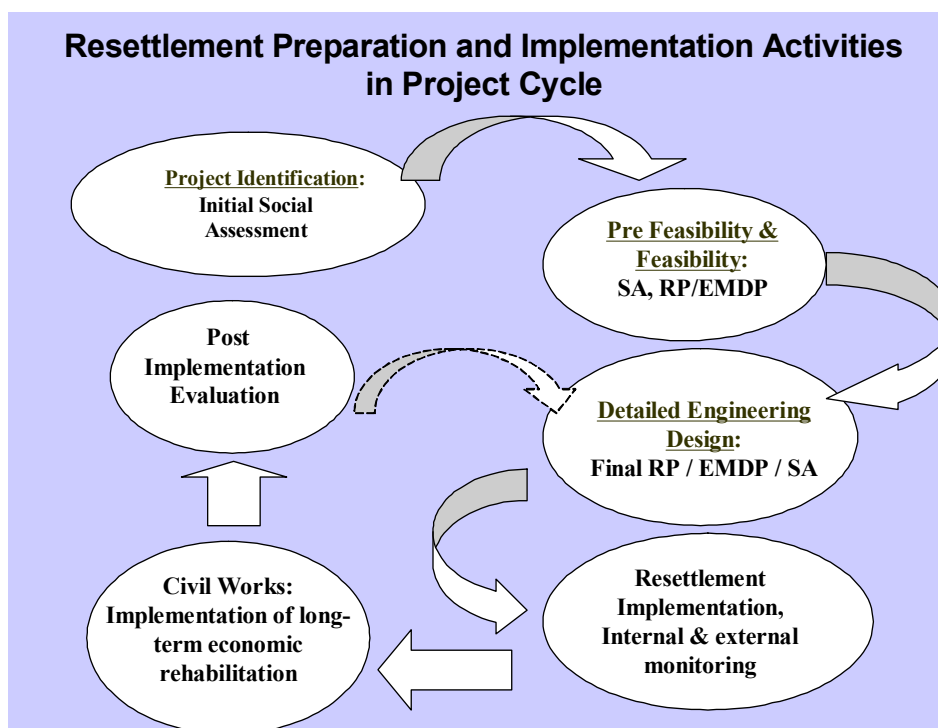


Figure 1: Project Process Cycle and Resettlement Activities

2.2.1 Initial Social Assessment

Initial Social Assessment involving identification of potential social issues and impacts and key stakeholders is undertaken during the project identification stage. The exercise also includes screening of available information for assessment of the types, scale and degree of impacts (including land acquisition impacts) and to determine the need for various documents that may be necessary for project process. Based on the results of the screening exercise, decision is taken on the level of surveys and the types of information required for various documents and necessary TORs for subsequent studies are prepared.

2.2.2 Social Assessment

Based on the recommendations of the screening exercise and where the projects may result in indirect social impacts on population within the project or adjoining areas a detailed social assessment study may be necessary. The Social Assessment (SA) study is conducted during the pre-feasibility phase of the project preparation. Detailed investigations carried out for SA studies include identification of the types and scale of social impacts, stakeholder analysis and institutional analysis. The studies help in formulation of appropriate mitigation measures and instruments necessary to address social issues in the project. Social Assessment generally covers macro level social issues and provides a framework for more detailed investigation and for planning and implementation of mitigation measures to address specific issues.

2.2.3 Land Acquisition and Compensation Report / Resettlement Plans

Land Acquisition and Compensation Reports (LACRs) or Resettlement Plans (RPs), as the case may be, are prepared during the feasibility study stage of project preparation. These documents are prepared based on field surveys covering census of affected people and detailed inventory of affected assets within the project boundaries. Where sufficient information on physical boundaries is not finalized at FS stage, preparation of these documents is still necessary as part of project preparation and for decision on resource allocation.

Normally very few changes in design criteria are made between the FS and detailed design. However, in case of any major change in design parameters effecting project boundaries, corresponding changes in resettlement planning may be necessary and the information provided in these documents is further updated after the detailed designs are ready or during the implementation stage. In case the changes in design parameters are only minor, corresponding changes in the resettlement plans are made during implementation of resettlement activities without any need for revision of these reports.

2.2.4 Ethnic Minority Development Plans (EMDPs)

In case the ISA identifies major impacts on some ethnic minority groups, and further confirmed during the SA studies, warranting the preparation of standalone EMDP, necessary surveys and investigations would be prepared during the feasibility study phase of project preparation. EMDP preparation activities are carried out in parallel to the resettlement planning activities and EMDPs are prepared as an integral part of project preparation.

2.3 Project Process and Resettlement Outputs

Specific resettlement activities and outputs required at various stages of project process cycle are shown in Table 1 below.

Table 1: Project Process and Resettlement Outputs

SN	Stages in a Typical Project	Resettlement Activities/Outputs
1	Project Identification	<ul style="list-style-type: none"> • Conduct Initial Social Assessment • Prepare TOR for Resettlement Plan (RP)/ EMDP/SA as necessary
2	Pre-feasibility	<ul style="list-style-type: none"> ▪ Conduct field surveys (inventories, socio-economic status) ▪ Prepare RP/EMDP/SA as necessary
3	Feasibility	
4	Project Approval	<ul style="list-style-type: none"> ▪ RP and other documents are approved by the relevant line agencies and STEA
5	Detail Technical Design	<ul style="list-style-type: none"> ▪ Adjustment (finalization) of RP and other documents following detailed design with specific project boundaries, if necessary
6	Implementation	<ul style="list-style-type: none"> • Implementation arrangements for RP/SA/EMDP • Monitoring and supervision

PART II. DOCUMENTATION FOR RESETTLEMENT

CHAPTER 3 Initial Social Assessment

3.1 Objectives & Scope

The need to incorporate social dimensions in development projects is emphasized in Decree 192. Information on potential social issues and likely impacts that a project may cause needs to be collected and assessed during the Initial Social Assessment (ISA) stage. ISA is an important exercise that forms the basis for more detailed studies during the project preparation stage.

The major social issues and policies that relate to the ISA include gender, resettlement, ethnic minorities, and other vulnerable groups including the poverty groups. The objective of the ISA is to assess the scope of the relevant social issues in a project and identify the need for further in-depth surveys and documentation requirements during the project preparation. Additionally, ISA should also identify whether or not relevant social issues could be integrated and covered by one consolidated document. If for example, in addition to resettlement, ethnic minority issues are identified in a project, the resettlement plan could be prepared incorporating 'ethnic minority development plan', attached as an appendix to the RP. On the other hand, if a project has minor resettlement issues but affects ethnic minority groups, the document may primarily be an 'Ethnic Minority Development Plan'. Likewise, if the ISA indicates that the project has the potential to correct gender disparities or significant mainstream gender concerns, or is likely to have substantial gender impact, a detailed gender assessment would need to be undertaken during project design to prepare a project-specific gender action plan. Integrating social dimensions into a single document, where possible, will make efficient use of resources during project preparation, especially for surveys and data collection, and implementation.

The need and mechanism for integration of social dimensions will vary depending on the project and should be assessed by a social scientist / resettlement specialist assigned to the project on a case-to-case basis during the ISA stage.

3.2 Information Required

The information collected during the ISA through field visits to selected areas and dialogue with the key stakeholders provides the basis for assessment of the types of information and depth of analysis required and documentation necessary for project processing, professional inputs and the skills required, and for preparation of TOR for succeeding phase of project preparation. To correctly identify the relevant social issues, including the possible social risks that a project may cause, and to assess the type and level of information required, the scope of the ISA should be expanded to include additional information on the degree and scale of likely impacts on vulnerable groups that would enable proposed categorization of projects and in determining the types of documents required. *Annex 1 shows a checklist of information that needs to be collected to address resettlement issues, and a summary form that should be produced after completion of ISA.* The suggested checklist covers the possible social risks that a displaced household may experience due to the project. The 'summary information', as suggested in *Annex 1*, would facilitate downstream decisions on the need for technical assistance and resources for further studies in project preparation. Necessary allocation of

resources – including additional staff – would be necessary for a more active involvement of resettlement specialists during the project preparation and implementation.

Active involvement of a resettlement specialist or a social scientist with experience in resettlement, as member of the project team, is strongly recommended for conducting ISA, and during the project preparation and implementation stage.

3.3 Project Screening

ISA is followed by the screening of information collected to determine the type, degree and scale of impacts and to determine the level of surveys required for subsequent stages of project preparation.

Public Participation

ISA should be carried out using a public consultation and participatory process. Following completion of ISA, project screening should assess whether the project has adequately consulted with the key stakeholders, relevant non-benefit organizations and APs and if they have incorporated the feedback into the project. The feedback from consultation should include suggestions to improve the process as the project moves forward.

Level of Social Impacts

The information collected during the ISA will provide the basis for determining severity of impacts and the level and depth of subsequent field surveys, investigations and documentation (RP / EMDP / SA etc.).

'Significant' and 'Insignificant' Impacts

In general the criteria used to determine the scale of impact i.e. significant or insignificant, is based on the number of people affected in a project. Projects with significant impacts require preparation of a full resettlement plan while in a project with 'insignificant' impacts preparation of a simple resettlement plan, or the Land Acquisition and Compensation Report (LACR), is considered sufficient. However, the threshold based entirely on the number of affected persons does not take into consideration the 'degree' of impacts. In projects affecting a large number of people with only marginal impacts, preparation of a detailed resettlement plan cannot be fully justified. On the other hand, a project may cause severe impact to only a few households due to the entire loss of productive assets, or where assets are affected only partially but the remaining assets are rendered un-viable for continued use, requiring relocation, a simple resettlement plan may not be adequate. *Therefore, the screening criteria should take into consideration not only the scale (number of affected people, vulnerable groups, ethnic minorities, indigenous people) but also the degree (severe or marginal) of impacts.*

Impacts on cultural properties and religious structures

In case of any likely impact on cultural properties and religious structures such as temples, shrines etc., attempt should be made to reconsider design parameters to avoid any impacts on such structures. Consultation with potential APs should also focus on their views upon possible impacts on such structures.

The following set of criteria may be used as a guide to categorize the project along the same line as is done for environmental categories.

Social Category 'S1': Sub-projects with significant impacts on people. These are defined as follows:

- a. 200 persons (40-50 households) or more¹ severely affected due to :
 - >20% loss of productive assets or where the loss is less than 20% but the remaining assets are rendered economically unviable;
 - Displacement due to the loss of land and/or structures
 - Permanent loss of incomes and employment

- b. 200 or more persons (40-50 households) belonging to the following vulnerable groups severely² affected due to the project:
 - ethnic minorities³
 - squatters and those with weaker titles
 - indigenous peoples
 - poverty groups
 - women headed households

*Project categorized as 'S1' will require full Resettlement Plan or a standalone EMDP, as the case may be. In projects with 'S1' category the impacts would be considered **significant**.*

Social Category 'S2': Where the impacts of the sub-project are marginal:

Impacts are marginal⁴ although the number of people affected may be more than 200 in the case of loss of productive assets or for vulnerable groups (ethnic minorities, poverty group, squatters, women-headed households).

*Only a simple resettlement plan or a Land Acquisition and Compensation Report would be required for category 'S2' projects. Impacts in 'S2' category of projects would be considered **Marginal or Insignificant**.*

Social Category 'S3' : Sub-project does not result in acquisition of assets, displacement, loss of incomes and employments, restricted access to community resources, community ties, and restrictions imposed on cultural practices of vulnerable and/or ethnic minority groups.

No further studies on resettlement issues necessary for 'S3' category of projects.

¹ Where in a project more than 200 people affected but severely affected people remain < 200, the sub-project may be considered as Social category 'S2'.

² Loss of income due to restricted access to community resources, loss of community ties, displacement, and restrictions on cultural practices.

³ If in a project an entire ethnic group and/or settlement is affected, even if the number is less than 200, the sub-project should be considered as Social category 'S1' and a EMDP should be prepared.

⁴ Most of the linear projects will fall in this category. In the case of ethnic minorities, if the affected persons are spread over a large area (over the whole length of the road for example), do not form a community and are fully integrated in mainstream population, socially and economically, the impacts will not be considered severe even if the number of affected persons exceeds 200. However, in such case a 'Ethnic Minority Development Plan' as part of the RP, may be necessary.

Preparation and Review of TORs

Based on the census and inventory of loss data, the types of reports to be prepared - social Assessment, Land Acquisition and Compensation Report, Resettlement Plans, and EMDP - will be determined and the TORs for the preparation of the reports will be prepared by the project owner. The project authorities will clear the TORs including the budget for the simultaneous preparation of the aforementioned reports.

Following the screening, the project owner will conduct necessary field studies and other background investigations as recommended by the screening. Prior to undertaking the survey the project owner should implement a public information campaign to describe the project components, types of impacts, content and schedule for the census and inventory or other background surveys.

3.4 Gender Issues in Resettlement

Lack of land ownership and property rights denies women equal access to compensation. Compensation, resettlement, and rehabilitation are often based on legal ownership of land and property. Women may not have legal rights to land and property, even though they may have enjoyed usufructory rights or been dependent on them. Hence, they are not eligible for compensation and other benefits that may be available.

Restoration of livelihood and income is equally important to women and men. Women are largely engaged in the informal sector—gathering forest produce, working in the fields, or selling produce. Women’s economic activities can be an important source of income for households. Dislocation can result in loss of livelihood, adding to women’s economic hardships. Therefore, it is important to enumerate women’s economic activities in planning and executing resettlement programs.

Low levels of training and education among women limit the choice of alternatives. Rehabilitation packages may include compensation opportunities for alternative occupations. Choices for exploring alternatives and livelihood options for women are limited because of their low levels of skills education, and exposure. Planning for occupational and livelihood options for women is crucial.

Involuntary dislocation could increase the burden on women. Generally, women are responsible for food, fuel, and fodder in the family. Often, fuel and fodder can become scarce as a result of negative environmental effects on natural resources like forest, water, and land. This can have direct impact on women, because they are responsible for gathering fuel and fodder. Unless this impact is addressed in resettlement planning and execution, it could result in women spending more time and resources accessing these basic needs. Also, loss of grazing areas could result in loss of livestock.

Social impact of dislocation tends to affect women more than men. Breakdown of community and other social networks as a direct result of dislocation can affect women more than men because women rely and depend on community and other social networks for emotional and practical support, such as taking care of children. Dislocation can be traumatic if these networks break down.

Increase of social evils and violence against women could increase because of displacement. Alcoholism, prostitution, and gambling resulting from displacement affect the

lives and status of women. Women are sometimes forced to face new forms of violence, such as sexual abuse and prostitution. Gender disparities embedded in social practice and tradition render women vulnerable to sexual and physical violence.

CHAPTER 4

Social Assessment

When is SA necessary?

Initial social assessment at project identification stage determines likely social issues and the types of detailed surveys and field investigation, as well as documentation (Resettlement Plan and/or Ethnic Minorities Development Plan) required in accordance with the Resettlement Policy and the Decree. However, *where an ISA during project preparation indicates complex array of social issues including indirect socio-economic impacts on population within or in the vicinity of project areas and differential impacts on ethnic minority groups, that are likely to be covered inadequately by Decree 192, an independent and detailed SA is recommended during project preparation.*

4.1 Definition and Scope of SA

4.1.1 Definition of SA

SA is an approach for incorporating social analyses and participatory processes into project design and implementation. Although there is not a singular accepted definition, there is general agreement about the concept of SA in principle. Social Assessment (SA) is defined as the process of analyzing (predicting, evaluating and reflecting) and managing the intended and unintended consequences on the human environment of planned interventions (policies, programs, plans, projects) and induced process of social change so as to create a more sustainable bio-physical human environment.

The conduct of SA can enhance quality at entry, increase economic returns, and lay the groundwork for projects that are more sustainable due to their enhanced impact on local communities. The results of the SA establish a social baseline against which changes resulting from the intervention can be measured in the future.

Functions of SA

SA has three specific functions:

- (i) to assess the social issues and impacts on project affected persons (or APs) requiring targeted project investments and to identify the principal social actors (stakeholders) and interactions among them;
- (ii) to help in the design of social services that may be provided in order to improve their quality of life, and achieving the project's economic and social goals through relevant technical and programmatic activities; and
- (iii) to help in the formulation of a social strategy for participatory implementation. As such, SA considers pathologies of development (i.e. impacts), goals of development (such as poverty alleviation), and processes of development (e.g. participation, capacity building). Thus, SA should also be involved in assisting communities to determine their development priorities, and as a process for incorporating social dimensions into development projects.

SA is an umbrella or overarching framework that embodies all human impacts including aesthetic, archaeological and cultural heritage impacts, demographic and community impacts,

development and economic impacts, gender assessment, health impacts, ethnic minority groups' rights, institutional and political impacts, poverty assessment, resource issues (access and ownership of resources), and other impacts on societies.

4.1.2 Scope of SA. The *scope* of the SA includes the following:

(a) **Regional Socioeconomic Profile/Characteristics:** This includes the following four sub-components:

- (i) **Impacts on the socio-economic, cultural, and livelihood activities of affected populations.** The objective is to establish a profile of affected populations, broken down by age, gender, ethnicity, social structure, employment and labor patterns, sources of income (including production and marketing activities), local tenure and property rights arrangements, access to social services and facilities (including health, education, and agricultural extension and credit); use of community and natural resources relevant to formulation of development strategies in order to assist in determining project impacts on the social, economic, cultural, and livelihood activities of affected communities;
- (ii) **Impacts on migration and future economic growth.** Identification and assessment of potential impacts of project in terms of patterns of migration and future economic growth due to the government's initiatives, possible population movements from other areas in the project provinces, increased mobility of communities, impacts of the project on isolated rural communities (in particular ethnic minorities, loggers and foresters/farmers, etc).
- (iii) **Impacts on vulnerable populations.** The impacts of the project on vulnerable groups, such as ethnic minority groups, women, displaced populations, and youth and aged groups of people should be identified, analyzed, and adequately addressed. The SA should include a gender analysis. The SA should look into the potential social impacts and issues related to increased access to markets, population movement, migration of outsiders into the project area, air and noise pollution, and spread of infectious diseases (including HIV/Aids). The SA findings should be strategic in order to suggest measures to minimize and mitigate adverse impacts.
- (iv) **Impacts on development and reducing poverty.** Based on the assessment of potential social and economic impacts, the SA should establish criteria that will assist in the formulation of development strategies, and to the extent possible, the equitable distribution of project development benefits, especially maximizing the impacts on poverty alleviation.

(b) **Stakeholder Analysis:** An important activity in SA is stakeholder analysis. Key stakeholders must be consulted and their inputs must be taken seriously in project design and evaluation. The key elements of stakeholder analysis include:

- (i) identification of key stakeholders involved in various aspects of the project (project implementing and executing agencies and groups from civil society);
- (ii) description of socio-economic organizations of local communities that may affect project outcomes;
- (iii) identification of key formal and informal institutions operating at village and sub-regional levels and assessment of their role in community decision making

- (iv) processes as these affect project activities; and assessment of local capacities in terms of participation in planning, implementation and supervision, and evaluation.

The methodology adopted for stakeholder analysis should include qualitative participatory interviews and focus group discussions with diverse community groups and individuals.

(c) Institutional Analysis: Institutional analysis covering principal organizations/ institutions, related to project components and sub-components including key formal and informal institutions at village and sub-regional levels, and should incorporate:

- (i) identification of internal and external conditions, factors and processes, that impact organizational effectiveness in addressing social objectives;
- (ii) assessment of the agencies responsible for dealing with social issues (especially ethnic minorities and displaced people), ensuring that they have the required understanding, commitment, staffing, financial resources, and capacities to plan and implement social programs designed to meet their needs;
- (iii) reviews of operational and project related management skills within the project owner and other executing agencies, including identification of required measures and training needs, to strengthen and to build existing capacities for addressing social issues on a sustainable basis; and
- (iv) recommendations and measures to strengthen the existing institutional structure in order to enhance participation of local communities for dealing with social issues. The institutional analysis will also include an assessment of the role of community level institutions in community decision-making.

(d) Public Participation and Consultation: SA process should ensure that consultations are carried out with key stakeholders (including affected community members), especially informal community leaders, including religious leaders, who often play pivotal roles in mobilizing people, to obtain their inputs for identification of problems and priorities, formulation of development strategies to enhance community ownership and commitment, facilitate approval process, and ensure their involvement in implementation. The consultation process that would ensure that the objectives of the project are acceptable to the intended beneficiaries, and would include identification of:

- (i) potential conflicts which may arise and propose ways to resolve these conflicts;
- (ii) mechanisms for community participation in setting out priorities, implementation of rehabilitation work, and expansion of infrastructure and public facilities; and
- (iii) in consultation with key stakeholders, key social issues and make recommendations on measures necessary for mitigating adverse impacts.

Given the range of social issues that need to be considered, the SA should be selective and strategic. The SA should begin with identification of people and communities, including ethnic minorities and indigenous groups, that would be affected by the project, and define operationally relevant social issues that may affect project design, delivery, and outcomes.

4.2 Organization of the SA Process

The SA activities generally consist of: (a) preparation and desk review; (b) data collection; (c) analysis and processing; and (d) documentation.

(a) Preparation and Desk Review: Adequate preparation for SA is critical to producing good quality and strategic results. The main activities will include:

- (i) Review of the non-benefit organization and planned government development programs;
- (ii) Review of the primary conditions of the community, sub-regional and other government institution profiles, including their capacity to address social issues;
- (iii) Identification of issues and problems that would need further investigation during field work for data collection and formal or informal interviews and consultations with key stakeholders;
- (iv) Selection of targets for sample surveys and fieldwork, especially given the large number of institutions involved and other constraints, using carefully selected sampling; selected sample of institutions must be representative of major stakeholder interests at different levels and geographical distribution; and
- (v) Preparation for field work in (sample survey) selected areas would cover assessment targets, scope, methodology (or methodologies) to be adopted, organizations to be covered, schedule, design of interview schedule, manpower and other resources required, and outputs to be expected.

(b) Field Work for Data Collection: The field-work should include at least the following activities:

- (i) Formulation of a set of questions centered on the social issues related to the components/sub-components of the project, including those areas earlier identified as key concerns (impacts on affected populations, stakeholders, institutions, and consultation and participation approaches).
- (ii) Discussion and interviews with focus groups (e.g. different groups of road users, ethnic minorities and other project beneficiaries) in order to solicit views on project components and sub-components, constraints, degree of satisfaction and the need for change, and perceptions on the proposed project.
- (iii) Interview schedules and other survey instruments for collection of information.
- (iv) Dialogues with government officials in charge of the project, including institutional management and employees, in order to determine the reasons that facilitate or deny access to public facilities, markets and other income earning opportunities and explore possible ways to address any institutional and other constraints that may exist and to assess capacities and interest in addressing social issues.

(c) Data Analysis and Dissemination of Findings: Data analysis shall focus on issues of operational importance. It is essential that the findings of the surveys and interviews are discussed with key stakeholders so that the conclusions and recommendations are appropriate and receive full commitment (especially from counterpart executing agencies).

(d) Documentation and Output of the SA Study: The expected outcome of SA would be in the form of a report, with detailed documentation of the findings of surveys. The report on SA or Social Action Plan (SAP), should contribute to redefining project objectives and formulating project design appropriate to these objectives. Specifically, the report should contain:

- (i) Project background, definition of project beneficiaries with relevant social dimensions (socio-cultural and demographic characteristics, ethnic diversity, and social organizations);

- (ii) Explanation of the process and function of SA study, including the strategies and methodologies adopted;
- (iii) Identification of stakeholders, their needs, willingness to support the project, the convergence between project priorities and those of the beneficiary groups, priorities of project components;
- (iv) Elucidation of the social issues and socio-economic impacts that need to be addressed, community groups, including indigenous minorities and other vulnerable groups (women headed households, poverty groups, HIV/Aids affected households, etc.), that are likely to be impacted by the project, and measures to minimize socio-economic inequalities, and to maximize equitable distribution of benefits; and poverty alleviation impacts of proposed investments; and
- (v) Major institutions that have a stake and that are expected to play significant roles in project design and implementation, with descriptions of their structure, functional relationships with other institutions, skills and capacity for addressing social issues and measures to enhance their capacities and skills;
- (vi) Recommendations for different stakeholder groups including ethnic minorities, to ensure their commitment and to build their capacity for participating in the project.

Social Action Plan (SAP)

The SAP will be a direct byproduct of the SIA. It will contain: a summary of the SIA, description of stakeholders and key organizations, issues identified directly impacting all Affected Persons (APs) aside from those to be resettled (temporary land acquisition, downstream water quality leading to fisheries losses, usually temporary impacts on domestic water supplies, etc), their mitigation measures, implementing agency (Project Owner), schedule, budget, and monitoring and evaluation. It should be noted that although the SAP may include some of the issues related to resettlement and ethnic minorities, the focus should be on issues that are not likely to be covered adequately in RP and/or EMDPs.

CHAPTER 5

Resettlement Plans

5.1 Objectives and Scope

Where in a project, ISA and screening identify direct impacts in terms of loss of private assets and incomes and businesses due to acquisition of assets and change in land use or restriction of access to community resources, depending upon the degree and scale of impacts, appropriate documents: a Resettlement Plan (RP), would need to be prepared. The RP or would need to be prepared in accordance with the provisions of Decree 192 on Compensation and Resettlement, and the Implementing Regulations following three basic principles:

- (a) Enhance the quality of life for project affected people
- (b) To the extent possible, prevent or minimize adverse social impacts
- (c) Mitigate possible adverse social impacts

While adhering to the above principles, the RPs will incorporate all resettlement and rehabilitation measures necessary to ensure compensation for assets acquired at replacement cost, and restoration or enhancement of livelihood for all project Affected Persons (APs).

5.2 Types of Resettlement Plans

In principle, the Land Acquisition and Compensation Report is similar to the RP in its objectives. The only difference is that it is simpler in its scope and contents. RP is required in 'S1' category of projects where the impacts are significant while the Land Acquisition and Compensation Report, which is a simpler form of RP, is required for 'S2' category of projects where the adverse social impacts are marginal.

5.2.1 Land Acquisition and Compensation Report

In cases where the impacts of the sub-project are marginal such that less than 200 persons (about 40-50 families) are severely affected and/or displaced, or where the impacts are minor, although more than 200 persons may be affected (Category 'S2' projects), a simple Land Acquisition and Compensation Report should be prepared. It should provide the same type of information as the full RP, however, the level of detail will differ..

5.2.2 Resettlement Plan (RP)

In Category 'S1' projects where the project displaces more than 200 people (40-50 families), or where APs are severely affected in terms of loss of 20% or more of their productive assets or loss of incomes and businesses, a time-bound Resettlement Plan (RP) for the project should be prepared in accordance with the provisions of the Decree on Compensation and Resettlement and the Implementing Regulations. Resettlement plans should be built around a development strategy, and compensation, resettlement, and rehabilitation packages should be designed to improve or at least restore the social and economic base of those severely affected. Preference should be given to resettling people dislocated from agricultural settings into similar settings.

Preparation of RP is one of the major tasks of feasibility study stage of project process cycle if not earlier. Programs and activities under RP aim to avoid risk of impoverishment among affected people and provide support to improve their livelihood options and income earning opportunities to pre-project status.

Information required and RP Outline

A general list of information required for preparation of land acquisition and compensation reports and RPs and a generic outline of RPs are shown in *Annex 2 and 3* respectively. More detailed discussion on the types of information required for preparation of RPs is presented in Chapter 7.

In undertaking RP preparation exercise, the project owner or consultants are expected to follow a series of steps leading to the preparation of acceptable RPs:

- review the legal framework in the Lao PDR;
- review the detailed project design and the results and recommendations of ISA;
- facilitate discussions with the local government officials in affected provinces/districts in order to agree on the RP approach; the local authorities will have to take an active role in the RP planning and implementation processes;
- undertake a census⁵ of all APs (with 100% coverage), inventory of affected assets, and a sample socio-economic survey⁶ of the project area and the proposed resettlement site(s), where necessary to resettle displaced persons, to establish a baseline of APs and the host population; for smaller sub-projects and depending on the availability of resources, the census, inventory of affected assets, and socio-economic survey may be combined into one field operation;
- hold consultations with stakeholders (including APs) to obtain their inputs for RP design and to enhance ownership, facilitate approval process, and ensure ease of implementation;
- analyze data to identify different categories of APs depending upon the degree and scale of impacts of the project components;
- hold consultations with the key stakeholders to design compensation package (including compensation for all types of affected assets, rehabilitation measures and other assistance) for each category of APs;
- formulate procedures for assessment of compensation for each type of affected assets;
- formulate time bound schedule for the implementation of RP;
- formulate procedures for grievance redress;
- determine monitoring procedures during and post-project period and identify a competent external monitoring agency for external monitoring and prepare a TOR for the same;
- prepare detailed cost estimates for implementation of RPs including the costs for administrative overheads;

⁵ The census should provide details of land and assets owned or held, and the precise amounts of assets to be acquired on a temporary or permanent basis from every affected household for the project, as well as data on the social and economic status and occupations of all APs.

⁶ The socio-economic survey should provide data on the existing social structure, tenurial arrangements and resource use, access to social services and infrastructure facilities by different social groups in the project area, and for the host population at the proposed resettlement site(s), clearly identifying all special interest groups, particularly those who are poor and vulnerable (e.g. tenants, landless laborers, women), and describing their special characteristics in relation to the project; the survey should also describe the expected impacts of the project - access to benefits, infrastructure and social services, and adverse impacts - on different social groups.

Where a project is likely to adversely affect households belonging to poverty and other vulnerable groups, the resettlement plans should specify measures⁷, additional to the compensation entitlements, aimed to improve status of the poor to bring them up to an acceptable level above the poverty line.

⁷ The measures should focus to avoid potential social risks and should be organized around the themes that include: a) reducing barriers to access to markets, trading and employment opportunities; b) improving access to and delivery of essential social services to the poor; c) empowerment through good governance, sound participatory processes and effective organization of the poor; and d) reducing vulnerability to poverty through building social assets i.e. asset building strategies such as land-for-land, replacement housing, and increased security of tenure. Non-land based strategies may include placing greater emphasis on the customary rights and cultural practices of indigenous people and ethnic minorities; provision of improved or better access to micro-finance and affordable micro-credit facilities; providing appropriate training in new jobs; and improving access to markets and employment opportunities. Interventions should be designed with greater participation by, and consultation with, the poor to ensure that their needs, priorities and preferences are fully addressed, and in a transparent manner with full involvement of civil society and stakeholders. Selection of final strategy (ies) should be based on informed choices of affected people.

CHAPTER 6

Ethnic Minority Development Plans

6.1 Objectives and Scope

Where the project results in adverse impacts on ethnic minority groups and/or settlements, 'S1' category of projects, an Ethnic Minority Development Plans (EMDP) will be developed as a standalone document. However, where some ethnic minority groups are integrated socially and economically with the mainstream population, and such is confirmed by the ISA and subsequent SA studies, a separate EMDP will not be necessary. Instead the description of impacts, basic socio-economic characteristics of ethnic minorities, and suggested mitigation measures should be included as an attachment to the RP.

6.2 Surveys and Information Required

In projects with likely impacts on ethnic minority groups, a screening exercise should be conducted as part of the ISA. A sample of the screening for ethnic minority groups in development projects is shown in [Annex 4](#).

Social Assessment should, among others, focus on ethnic minority issues in projects with likely adverse impacts on ethnic minorities. A framework for Social Assessment of Ethnic Minorities is shown in [Annex 5](#).

While the SA will address macro-level issues and broad strategies to mitigate impacts, specific and focused studies would be required for preparation of EMDP.

Information Required

The information required for preparation of EMDP will include the following:

- The basic census, socio-economic data and inventory of affected assets;
- household ownership of economic and productive assets
- annual income from primary and secondary employment opportunities
- economic information of community (e.g., brief information on economic and natural resources, production and livelihood systems, tenure systems)
- social information of community (e.g., brief description of kinship, value system; types of social organizations of formal/informal groups, farming groups, etc., especially those that can help group in adjusting to potential impacts from improved road)
- potential impact of sub-project on basic social services (e.g., water supply, health clinics, and schools)
- potential impact of sub-project on the social and economic livelihood

Information should be gathered from group meetings, one with a general assembly of affected ethnic minority groups in the area and one with indigenous women, especially those who live along the zone of influence of the project area. Discussions should focus on the project objectives, potential positive and negative impacts, and recommendations for project design. If the SA indicates that the potential impact of the proposed sub-project will be significantly adverse and that the ethnic minority community rejects the project, the project authorities should consider redesigning or reformulating the project.

6.3 Formulation of Development Alternatives

The proposed mitigation measures should ensure that social and economic benefits they receive are in harmony with their cultural preferences. The focus of the EMDP should be on resource-based, non-cash measures that are developed through an extensive public participation and consultation to mitigate adverse impacts on such communities. The assistance should also include institutional strengthening and capacity building of tribal elders, community groups working on resettlement activities.

Public Participation and Consultation

The community participation and consultation framework and grievance redress mechanism should be developed in culturally appropriate ways familiar to the ethnic minorities. They should be developed with the ethnic minority groups and their tribal leaders in close collaboration with local officials. Wherever possible, staff with ethnic minority background and experience should be hired as part of the social impact assessment team as well as the monitoring team. A sample schedule for public consultation with ethnic minorities, and sequence of activities is shown in Annex 6.

6.4 Documentation / EMDP

A Generic outline and format for preparation of Social Action Plan focusing upon ethnic minority issues is shown in Annex 7.

PART III. RESETTLEMENT PLANNING

CHAPTER 7 Surveys for Resettlement Planning

7.1 Surveys for Resettlement

Gathering and using information effectively is essential to both resettlement planning and implementation. Plans are ineffective if they are not based upon adequate and accurate information about the people to be affected, the losses incurred due to the project, and vulnerabilities they are likely to face as a result of imposed change.

This section describes categories of survey information required to provide the basis for resettlement planning, and the instruments used for information gathering. In terms of the project cycle, this information is essential for determining the applicability of Decree 192, identifying affected people and the vulnerabilities they face, establishing baselines by which to measure income restoration and other objectives, and designing alternatives that are technically feasible and socially acceptable.

A Resettlement Plan (RP) should be prepared in accordance with the provisions of Decree 192 and the Implementing Regulations. For this, various types of surveys need to be conducted in order to get a clear idea of the extent of loss due to land acquisition, the socio-economic status of the project affected persons and to establish a cut-off date for entitlement for the land and assets loss. In particular, three types of surveys/inventories are essential for preparation of resettlement plans. These are:

- Census of Affected Households and Establishment of Cut-Off-Date
- Inventory of Affected Land and other Assets
- Socio-economic Baseline Data

Each of these surveys is discussed in the following sections.

7.2 Census and Establishment of Cut-Off-Date

Census includes complete (100%) and accurate count of people and households within the defined project boundaries. For resettlement, the main purpose of census is to enumerate entire population likely to be affected by acquisition of assets and other changes brought about by the project. The census enumeration should also include persons affected due to loss of their income or business or whose livelihood is entirely based on the land to be acquired for the project purpose irrespective of title holding status of the household.

Census exercise requires house-to-house collection of information on potentially affected households. The type of information that needs to be collected is shown in [Annex 8](#).

7.2.1 Census to Establish Cut-off-date and Eligibility for Entitlements

The importance of census is not limited to collecting detail information on affected people only. Its practical significance is also for establishing the cut-off date for entitlement eligibility. It is important for the project owner and for the APs to establish a date for eligibility of entitlement

for compensation for the losses. The date of commencement of census of project affected persons within the project area boundaries should be taken as cut-off date. Only those APs found to be residing in, doing business, or cultivating land, or having rights over resources within the project area as of the date of the census survey will be eligible for compensation for lost assets and other assistance from the project. Using cut-off-date to establish eligibility for entitlements should also be considered carefully in conjunction with the provisions of the Land Law in Lao PDR.

7.2.2 Tagging & Photo Documentation

The APs should be clearly informed of the cut-off date and its significance for both the implementers and the affected people. All surveyed structures should be tagged and photo documentation of affected asset together with the owner as of the cut-off date is recommended in order to avoid any confusions and misunderstanding over the eligibility.

It should be noted however, that anyone occupying any property within the project area through legal transactions after the cut-off-date has been established will automatically be entitled to all the entitlement benefits in the project. Further, the establishment of cut-off-date cannot prevent any household making improvement or additions to their affected houses without losing their entitlements to such additions and alterations, especially if the time lag between the cut-off-date and actual resettlement implementation is unreasonably long.

Establishment of cut-off-date serves dual purpose, protecting rights of project affected persons, and protects project authorities from fraudulent claims made by people who move into the area in order to claim benefits from the project.

7.3 Inventory of Affected Assets

The purpose of preparing an inventory is three-fold: First, it itemizes the loss of each category of land, structures and other assets thereby enumerating the extent of loss. Second, it spells out the owner of each item of loss and thus the eligibility of entitlements. Third, it helps to allocate budget for compensation and resettlement of the project.

To be effective, the inventory of affected assets and other losses must be accurate and as detailed as possible. The accuracy of inventory is a function of precise demarcation of project boundaries. In some cases precise project boundaries are not established until the detailed technical designs are complete. In such cases the inventory is prepared during the feasibility stage of project preparation based on the available information on project boundaries and these information is updated prior to implementation. The updating exercise can be costly and time consuming if significant changes are made in the project designs after the completion of feasibility studies. It is therefore, important that project boundaries are established as accurately and as early in the project preparation stage as possible. Inventory should include all the information about affected assets and should include 100% coverage of affected land parcels and other assets. The detailed list of information required for inventory is shown in [Annex 9](#).

7.4 Socio-economic Baseline Survey

Census and inventory data, supplemented as necessary by information obtained through the land acquisition assessment and socioeconomic surveys, are used to establish baseline information on household income, livelihood patterns, standard of living and productive

capacity. This baseline is the reference point by which the extent of income restoration and the effectiveness of other rehabilitation efforts can be measured.

Socio-economic baseline information is critical for design of feasible resettlement programs and entitlements, and restoration of incomes and living standards. This includes:

- a) Information on the full resource base of the affected population, including income derived from the informal sector and from common property;
- b) Information on public infrastructure and community services that will be affected;
- c) Productive activities, sources of income, and property rights;
- d) Identifying local organizations and social institutions that can be enlisted in designing and implementing resettlement provisions; and
- e) Determining perceptions and preferences regarding potential resettlement options.

Detailed list of information required for socio-economic baseline survey is shown in [Annex 10](#).

7.5 Critical Issues in Field Surveys

Depending upon the specific context and processing timetables of the project, the census, inventory and socio-economic baseline studies can be combined or undertaken in separate exercises, or the sequence in which they are undertaken may differ. In countries with poor residential or property registration, for example, it makes sense to conduct a census in the very early stages to establish eligibility and discourage land invasions or fraudulent claims for compensation. The census and inventory of assets frequently are combined into one survey establishing basic data on the general magnitude of impact since both require visit to every household. In settings where it is difficult to establish ownership or length of residency, however, the census should be done as soon as possible to establish a cut-off date for eligibility for entitlements. In such situations, it may be advisable to supplement the census immediately with a partial inventory, sufficient to establish the number and general size of structures. Precise attributes of structures and a general inventory of remaining fixed assets acquired or affected can be determined later.

7.5.1 Time and Resources Required for Surveys

The time and resources required for gathering information also will vary significantly depending upon the project and the complexity of its impacts. In general terms, however, for a major project gathering information is likely to require 9-12 months or more from the first identification that land acquisition is necessary until RP preparation.

7.5.2 Is there any need for revision of data in case of delays?

Like the census, establishment of baseline data is time-sensitive. Unlike the census, which should be undertaken at the earliest opportunity to assure accuracy in determining eligibility for entitlement, other baseline data needs to reflect current conditions at the time of actual impact. In other words, census information establishing eligibility for entitlements is relatively durable but inflexible; lengthy delays or major redesigns require a new census, not adjustment of an existing one. Whereas baseline data tend to be perishable (and data base applications, of course, are premised upon periodic updating through internal monitoring and other means).

In general terms, if there is a lag of 3-5 years or more between the census and actual acquisition, demographic and socioeconomic factors may change significantly, diminishing the validity of census data. Some people are born, some people die, some come of age, marry, or move away. It is good practice to hold the census within one year of land acquisition if possible.

Yet, in situations where an early census has been necessary to establish eligibility, but where implementation is delayed, a reasonable solution may be to update the earlier census prior to implementation, based upon agreed procedures for handling transfer of entitlements through inheritance, maturation, or property transactions.

7.5.3 Census and Inventory Surveys in Linear Projects

The project context also may affect the timing of census and survey exercises. In rural settings, where impacts are generally less diverse, census-taking may be less complicated. However, the affected population can be more dispersed, particularly in the case of linear projects. In urban projects, by contrast, impacts are often more complex, but the population is condensed.

Sometimes resettlement planning is phased, posing additional challenges to census-taking. In some linear projects, for example, implementation may begin in one location while engineering and siting specifications remain unknown further along the route (e.g., precise alignments for highways or transmission line, or site for a component to be built three years into project implementation). If the approximate location and land requirements are known, it is current practice to establish a "maximum corridor of impact," based upon the area included in preliminary designs and taking the census (and at least a basic inventory of structures) of the entire population within. Though this population is likely to be larger than that actually to be affected, this procedure serves the basic function of identifying those potentially eligible for entitlements. Additionally, this census information may be useful in choosing precise sites and alignments to minimize negative impacts. And census (and survey) data regarding the unaffected surplus population may be useful in establishing a "control group" for AP comparison. If siting cannot be even roughly determined, the component should be formally treated as a subproject for which a separate census and RP must be prepared.

7.5.4 Host Population

Where in a project the need to relocate APs can be determined at the outset and tentative relocation sites are identified, survey of host population, if any should also be carried out. The information required for host population include:

- Settlement patterns and locational arrangements
- Population density and production capacity of the land
- Socio-economic and demographic composition
- Common property resources
- Territorial claims to land and resources, if any
- Land utilization patterns
- Need for new infrastructure development
- Willingness and acceptability of host population
- Existing community organizations, cultural sites and networks

7.6 Organizing for Surveys

7.6.1 Format and Questionnaire

The format for collection of census, inventory and baseline data must be designed to meet the requirements of a particular project, the specific context and information requirements. The draft questionnaire should be field-tested to clarify whether the questions and the phrasing of them elicit the information required. The questionnaire should be designed such that the information can be codified for computerized data management.

7.6.2 Staffing

An experienced census/survey consultant should be employed to prepare and conduct the census. Enumerators for the census may consist of experienced survey staff of project agencies or a project resettlement office, or may be hired by the consultant. To ensure the accuracy of the census, inventory and socio-economic baseline data, enumerators should be trained on the use of the formats in the field, and on coding and filing procedures. If a project resettlement office is to be established, its personnel should be trained to maintain and update census/survey data as needed during implementation and monitoring.

7.6.3 Field Operations

Questionnaire forms and personnel both should be prepared to accommodate local social and cultural conditions, most obviously including variations in language. Personnel should also be selected for cultural and cross-cultural compatibility. For example, it may be necessary to use female enumerators to elicit information from women in some settings. Enumerators should be familiar with local socioeconomic conditions, or be accompanied by local representatives to assist in identifying and defining customary property relations, including common property.

7.6.4 Coding and Recording

When conditions permit, survey results should be coded and recorded while teams remain in the field. Whether data is recorded manually or computerized, a methodology for consistency checks should be prepared in advance and employed for on-site confirmation of accuracy. Questionnaire forms should be reviewed at the end of each working day by the supervisors in-charge of field surveys.

7.6.5 Computerized Data management System

In projects affecting relatively large numbers of APs, it is important to consider the methods and technology to be used in data collection and management. For projects producing only small-scale displacement, census data can be collected and managed manually in accordance with customary procedures. But if large numbers of APs are involved (e.g., more than 500 households), manual processing of census and survey data may cause undue project delay. Or, if RP implementation requires coordination among several agencies, inconsistent data management methods can create confusion. Both of those unwelcome prospects can be avoided through introduction of computerized data management.

Formats for data recording, codes and software (if data is processed electronically), should be common or compatible among all institutions. Data generated during implementation of resettlement work should be transmitted to the project resettlement office (or other designated data management function) to be checked for accuracy, updated as implementation progresses, and maintained for monitoring and supervision.

Keeping data in electronic form facilitates rapid and effective maintenance, and simplifies merging of accumulating data sources. The computerized resettlement database also serves as the backbone for both internal and independent monitoring.

Sample data sheets for Inventory of Affected Assets and Household Socio-economic characteristics if shown in [Annex 11](#) and [Annex 12](#) respectively.

7.7 Addressing Gender in Data Collection

Collecting gender-disaggregated data is the first and most crucial step for ensuring that the needs and concerns of women are addressed in the resettlement plan. Key issues, questions and strategies for addressing gender in data collection are presented in *Annex 13*.

It is important to collect data on female-headed households, and on elderly and single women. Consideration should be given to using female investigators. If not possible, then investigators should be gender sensitive and trained to collect data from women.

CHAPTER 8

Entitlements

8.1 Unit of Entitlement

Most development projects of public interest affect property owners and occupants, their dependants and community groups through acquisition of private, community assets or public assets. The entitlements to affected people should accordingly specify compensation and/or rehabilitation measures for respective units of entitlement: individuals (i.e. affected individuals and their households), groups and communities, and public institutions.

8.1.1 The Individuals

This category includes individuals (men and women) who may suffer one or a combination of the following losses:

- All or part of residential, agricultural, grazing and other private land under any form of tenure
- All or part of residential or commercial structures
- All or part of other structures
- Income sources and income-earning capacity
- Access to community resources
- Other losses e.g., reduced water flow (mill owners, irrigation users etc.).

The individuals can be the holder of land use right titles or tax receipts for occupied assets, tenant or lessee, non-registered tenant or landless squatter.

The entitlement unit also includes the household members of AP suffering any of the above-mentioned losses (i.e. Project Affected Family). The unit of entitlement for compensation will be the titleholder/household head, or heir(s), in the case of the loss of privately owned assets and resources. However, for subsistence allowances individual household member will be the unit of entitlement. On the other hand, for the rehabilitation assistance the unit of entitlement will be the household. For example, in some cases, household subsistence and survival strategies may be disrupted through the loss of land or business enterprises. In these cases, rehabilitation assistance such as the provision of employment will be extended to one or more adult household members.

8.1.2 Groups or Communities

The project may also have less-quantifiable or unforeseen effects on people living within the affected area or in the vicinity of the project. Potential negative impacts may include reduced access to natural resources, impacts on water supply and irrigation systems, or changes to local employment practices. For example, people living below the intake site may suffer from reduced water flow resulting in lowered agricultural production or fish harvests or reduced operation of water mills. Where these impacts occur, they will be mitigated under the project. Similarly, for measures to re-establish community structures such as burial sites, temples, irrigation canals, as well as compensation for loss of community forests, groups or the community will be the unit of entitlement.

8.1.3 Public Institutions

In projects with impact on government assets or public facilities and utilities such as power distribution lines, bridges, irrigation channels, schools, community center, hospital, etc. the unit of entitlement for compensation purposes would be the affected government department, institution or ministry, or local authority, as the case may be.

8.2 Establishing Categories of APs

Based on the information collected on affected assets in the field, the inventory data is analyzed to establish category of affected APs. The criteria used for establishing categories of APs are as follows:

- By type of losses: Land by type, structure, crops and trees, loss of income, business, employment;
- By degree of impact: marginal or severe;
- By tenure status: holder of LU Right certificate or tax receipts, non-title holder, squatter, etc.;
- Temporary or permanent impact

The level of compensation and entitlements to allowances and other assistance would vary depending upon the categories of APs determined based upon above criteria. The 'degree of impact' is one of the most important and critical criteria that determine the level of allowances and other assistance to APs. The key issues in regard to the degree of impacts are described below:

8.2.1 Degree of Impacts

Marginal Impacts

In projects where only part of the assets: land and/or structures, trees and crops, are adversely affected such that less than 20% of productive (income generating) assets are lost, and/or the APs are not displaced, the impacts are considered marginal. The important consideration in such cases is that the remaining assets remain viable for continued use. It must also be ensured that the remaining assets retain at least minimum required areas under the prevailing zoning laws. For example, in case of residential or commercial land, the remaining plot area should be sufficient for continued use in accordance with the prevailing standards for residential or commercial plots. In the case of agricultural land, the productivity of the remaining land area should be sufficient to support APs.

Where a project results only in marginal impact on assets, such as in road widening, drainage improvement, some project authorities do not pay compensation to affected families on the ground of perceived indirect benefits of such infrastructure projects in the form of better access and improved environment resulting in increased asset values. However, these benefits of projects may take too long to take effect and that affected families may have to sell their assets to derive these benefits. In principle, all such APs should be entitled to compensation for their lost assets, incomes and businesses.

Sewerage or water main projects on the other hand would cause inconvenience to property owners and even result in temporary loss of incomes. To minimize the administrative and planning costs in such projects affected households may be offered a fixed lump-sum amount as compensation derived from average prevailing land values rather than compensation at replacement cost for each affected property.

In the case of partial loss of structures, compensation is paid only for the acquired portion and owners are responsible for demolition of affected part and for repairs to the remaining portion out of the compensation. In some cases and depending upon the types of structure, the cost of repair to the remaining structure may exceed the compensation amount received by APs. The Policy requires that in case of partial loss of structures, and where the remaining structure is viable for continued use, the APs would be entitled to an amount required to restore the remaining portion of the structure to its original use, in addition to compensation for the affected portion of the structure at replacement cost.

Severe Impacts

The impacts in a project on APs are considered severe if they result in the loss of entire assets, land and/or structures or where the assets are only partially affected but the project renders them unviable for continued use, or where APs are affected by loss of their source of income and employment.

Relocation or reorganization: In general, severe impacts cause displacement of APs from their present location and require acquisition of entire assets and assistance for relocation to resettlement site. Considering that displacement causes inconvenience and disruption to APs life, the decision on the viability of remaining assets, land and structures should be based on careful review and should be discussed with APs. In some cases where the entire structures are affected by a project or where only part structure is affected but the remaining structure is rendered unviable and if the remaining land is sufficient for construction of structure with a setback, the re-organization on the same location would be a preferred solution to relocation.

Remaining Land for Alternate Use: In case where the remaining land is too small for construction of affected house, but the area is permissible for other uses: small shop or kiosk, and if the APs is willing to use the remaining land for such purposes, acquisition of entire land may not be necessary and the AP should be allowed to use the remaining land for other usages, especially if the value of the remaining area is likely to increase in the future.

8.2.2 Categories of APs

Taking into consideration above criteria, the categories of APs are presented below:

- a. Loss of agricultural land;
 - Legal users with permanent use rights or temporary use rights (but legalizable)
 - Legal users of affected land with temporary use rights (but unlegalizable)
 - Illegal users of affected land
- b.
- c. Loss of Residential or Commercial Land Without Structures Built Thereupon
(With Sufficient Remaining Area to Reorganize)
 - Legal users with permanent use rights or temporary use rights (but legalizable)
 - Legal users of affected land with temporary use rights (but unlegalizable)
 - Illegal users of affected land
- d. Loss of Residential or Commercial Land With Structures Built Thereupon
(With Sufficient Remaining Area to Reorganize)
 - Legal users with permanent use rights or temporary use rights (but legalizable)
 - Legal users of affected land with temporary use rights (but unlegalizable)

-Illegal users of affected land

e. Loss of Residential or Commercial Land with Structures Built Thereon and With Relocation (Without Sufficient Remaining Area to Reorganize)

- opting for cash
- group relocation site
- self-relocation
- Legal users with permanent use rights or temporary use rights (but legalizable)
- Legal users of affected land with temporary use rights (but unlegalizable)
- Illegal users of affected land

h.

f. Loss of Structures (partial impact and entire structure affected)

- Legal owners with permission to build the structures;
- Illegal owners who built structures without permission;
- Tenants who have leased the building from owner.

j.

g. Independent Shop Owner

- shop owner with permanent rights to use the affected land
- shop owner with temporary rights but not legalizable to use the affected land.
- shop owner with no rights to use the affected land (illegal AP).

h. Loss of Standing Crops and Trees

i. Loss of Public Infrastructure and Other Assets

- a. Loss of employment
- b. Loss of income

Categories of affected persons may change depending upon the location, legal provisions and eligibility criteria used in a project. A sample data sheet summarizing impacts on assets and other losses is shown in Annex 14.

8.3 Types of Entitlements

Decree 192 and the Implementing Regulations specify four types of entitlements to APs in a development projects. These include:

- a) Compensation for affected assets, in cash or in kind;
- b) Allowances;
- c) Economic Rehabilitation Assistance; and
- d) Special Assistance to vulnerable groups.

Brief description of each of these and issues are discussed in the following sections.

8.3.1 Compensation

Cash & Non-cash Options

The provision of cash or non-cash option is determined based on the scale of impact in a project. The general criteria used is the economic viability of remaining assets as a principle, or 20% of productive income as a general threshold for cut-off point to determine eligibility criteria for cash and non-cash options. In operational terms the principle of economic viability of remaining assets can be implemented by establishing minimum standards.

Non-cash options provide greater opportunities for flexibility and innovative approaches to resettlement and rehabilitation and greatly improved opportunities to poor project affected persons for more sustainable resettlement solutions.

Cash as a Preferred Option for Partial Impacts

In instances where only a part of land is affected while the remaining land is viable for continued use, only cash option is recommended. Any attempt to provide replacement land for affected portion will result in APs owning two separate plots at two different locations. For agricultural land this would mean additional burden on the family to attend to two plots with higher inputs and resources.

Land-for-Land

Land-for-land is a preferred option especially when the productive assets (agricultural and commercial land) are affected in a project. In rural setting land-for-land options are easier to implement. However, the practicability of implementing this option may vary from one project to another. The important criteria for selection of replacement land should be as follows:

- a. The replacement land should have locational characteristics better or at least similar to the land lost. This is particularly important for residential and commercial land. For residential areas, the access to public facilities and market are critical and must be ensured. For commercial land, the accessibility to customers & transport is critical.
- b. For agricultural land the productivity of replacement land is critical. Project authorities must ensure that the replacement land must have a better or at least equivalent productivity to the land lost.
- c. The location of replacement land must be acceptable to the APs. The selection of land should be carried out in consultation with APs.

However, where possible, alternatives to displacement must be strived for. For example, in the Power Transmission Project in Indonesia, severely affected families were given the option to relocate or accept cash compensation with continued cultivation of affected land under the towers at the present location. All affected families preferred to remain at their present location. The combination of cash plus option to remain at present location and cultivate the affected land without any claim over such land resulted in avoiding any displacement and severe impacts on household incomes.

Entitlements to APs Without any Tenure Security

Compensation entitlements to illegal occupiers of state land are generally not recognized. Where the APs do not possess any legal rights to the affected occupied land, and if their entitlement to compensation for such land is not acceptable, some alternate development options should be looked into. Simply displacing them from present location will result in APs occupying some other land elsewhere. It is good practice to provide these APs some alternate location with secured tenure. Similarly, APs' tenuous rights to gather forest products and shifting cultivation practices should be recognized by the project.

Recommendation to project authorities to address above issues includes the following:

1. Identify tenure and title arrangements of all categories of project affected persons including tenants, squatters, ethnic minorities, and persons with usufruct and customary rights.
2. Project plans should define entitlements to each category of project affected persons in a simple matrix or summary table.

3. Compensation for acquired land should be sufficient to enable people to buy alternative land approximating similar type, productivity, size and tenure status in adjoining areas.
5. Collect information on current market rates based on recent transactions of land with different tenure status as documentary proof.
6. Improved compensation levels to the owners of land with weaker titles and tenure status can be further ensured through effective public information campaigns and provision of opportunities to negotiation over compensation.

APs who have no rights to use the land acquired will still be entitled to compensation for lost structures, standing crops and trees, employment, income, and allowances.

Compensation for Structures

APs affected by loss of structures, partial or entire, are entitled to compensation for affected structures at replacement cost. The compensation determined for affected structures at current market prices for building material and labor should not be depreciated or deducted for salvageable building material. Further, the compensation should also include any transaction cost. APs would be entitled to compensation for all types of affected structures including sheds, storage, boundary walls, well and all other subsidiary structure attached to the main building.

Compensation for Trees and crops

APs affected by the loss of fruit and perennial trees and affected crops would be entitled to compensation. Construction works in the project should, as far as possible, be planned to allow for the harvesting of non-perennial and perennial crops before land is acquired. Where crops cannot be harvested or the destruction of crops is unavoidable, compensation should be paid, based on the market values at the time of acquisition of land. All other resources from privately owned trees (e.g. timber/fuelwood) will remain the property of the concerned owner.

For land occupied by non-registered tenants, the amount of compensation for standing crops shall be decided in consultation with the land owner and affected tenant and taking into consideration any existing contract, written or verbal.

The Departments of Agriculture and Forestry should be consulted for deciding the compensation for affected fruit and perennial trees and crops.

Compensation for Loss of Incomes and Businesses

APs affected by the loss of employment, incomes or businesses are entitled to compensation for the losses, in addition to other assistances provided for in Decree 192 and the Implementing Regulations. Determining level of compensation for loss of incomes due to affected businesses is often difficult to estimate. It is therefore, necessary to obtain information on average business incomes from the APs during the socio-economic surveys and inventory preparation.

8.3.2 Allowances

The types of allowances provided for in the Decree, and entitlement criteria are explained as follows:

Materials Transportation Allowance

All APs displaced by the project and are relocated to new site, either project related resettlement site or those opt for self-relocation, will be entitled to a transport assistance or cash allowance to transport their personal household effects and salvaged building materials to the new sites. The transport allowance must be provided to the APs prior to their displacement from existing location.

Transition Subsistence Allowance

All severely affected APs including those affected by the loss of 20% or more of their productive assets (agricultural or commercial land or shop) or loss of primary source of household incomes and in need to be relocated to new site, or reorganizing on existing location, would be entitled to food support for each person in the household for a period of 6 months. APs displaced due to the loss of residential house without any impact on business or source of incomes will be entitled to food allowance for each member of household for a period of three months.

This allowance is intended to make up for lost income and to compensate for other household expenses during the transition period while APs are trying to settle down at the new site. The preferred mode of payment of this allowance is in kind. However, where this is logistically not possible and at specific request of APs, this allowance may be given in cash.

Repair Allowance

APs whose structures are only partly affected and the remaining part is viable for continued use will be entitled to cash payment, over and above their compensation for the affected part of structures, to cover the cost of repair of remaining structure. The amount should be sufficient to cover the whole cost of repairs and may vary with the type of structure affected. Temporary structures will need relatively modest amounts while the allowance for a permanent multi-storied structure will be significantly large. Therefore, different packages of repair allowance may be provided for in a project to suit different type and category of structures and should be finalized in consultation with APs.

Special Allowance for Loss of Businesses

APs affected by severe loss of businesses will be entitled to special allowance for loss of incomes to enable him or her to re-establish business during the transition period.

8.3.3 Rehabilitation Assistance

APs affected by severe loss of productive assets (agricultural or commercial land, shops, business premises), incomes and employment due to the project would be entitled to rehabilitation assistance over and above their entitlements to compensation and allowances. The rationale is that in the case of severe impacts, compensation and allowances alone are insufficient to enable APs to improve, or at least restore, their income and livelihood levels and to re-establish themselves on a sustainable basis. The provision of income rehabilitation assistance is therefore a critical instrument to achieve objectives of Decree 192 in a project.

The types of assistance measures required will depend upon APs needs and priorities and skill level possessed by them. The measures will be decided in consultation with APs. More detailed description on rehabilitation assistance is given in Chapter 9.

8.3.4 Other Assistance (including types of special assistance to vulnerable groups)

Vulnerable groups affected by a project will be entitled to special assistance, over and above their entitlements to compensation, allowances and rehabilitation assistance, to ensure that they are able to re-establish themselves and improve their income levels to the targets set under the project. The type of special assistance will vary depending upon the needs and priorities of vulnerable group and should be decided in consultation with APs.

8.4 Entitlement Matrix

Based on the types of impacts, category of APs and their entitlements to the provisions of Decree 192 and Implementing Regulations, a Entitlement Matrix should be prepared showing specific entitlements to each category of APs. A sample Entitlement Matrix is shown in *Annex 15*. *The entitlements shown in the sample matrix would need to be modified to suit specific project and adapted to match provisions of Decree 192 and the Implementing Regulations in Lao PDR.*

8.5 Methodology for Assessment of Compensation

Assessment and payment of compensation for land and buildings is the most problematic and controversial aspect of resettlement. Although the existing legal provisions in Lao PDR do not bar compensation for affected assets at replacement cost, in practice the assessment is not always at replacement cost. Current procedures and recommendations on acceptable methodology for assessment of compensation for different types of assets are described as follows:

8.5.1 Compensation for Land

The Policy requires that compensation for land must be at replacement cost based on current market values. However, there is difficulty in reaching agreement on what constitutes fair market value. The determination of market value for land should be based on transactions that have taken place for the same type of land in the same geographic area. Unfortunately, in practice, very few land transactions are actually registered and those that are registered do not necessarily make public the true purchase price paid for the land.

In Lao PDR compensation for land is generally assessed based on the value as assessed by tax authorities for the purpose of determining property tax on land. These values can be obtained either from the local level tax authorities or from tax payment receipts. Neither these values updated every year nor do they reflect current market prices.

In the absence of any uniform procedures to determine replacement cost alternative methods need to be devised. For example, in the Nam Leuk Hydropower Project the assessment of compensation for the land permanently acquired was on the productive potential of the land and a cash compensation equivalent to 6-7 years' of harvest was considered adequate to meet the policy requirement. Compensation for land temporarily acquired was made in the form of rice equivalent to harvests lost and in material improvements to the land's productivity, such as upgrading of irrigation system, provision of small tractors and irrigation pumps so on.

In the absence of any active real estate market, this methodology was considered adequate for assessment of compensation equivalent to the market value.

Assessment of compensation for affected land in urban areas would prove comparatively easier because of availability of information on transactions from estate agents and private legal offices that assist buyers and sellers.

Compensation for land is also dependent upon category of affected land and the type of land use rights possessed by APs. Values of construction and industrial lands are comparatively much higher than say, agricultural and forest land. Similarly, values also differ depending upon location. Land in urban areas enjoys higher values than those lie outside the urban area boundaries. In cities with the faster pace of development, the land lying just outside the urban areas enjoy almost same market prices as that of the land within the urban area boundary although the land outside the urban boundary may be classified as agricultural. The compensation assessment for such land outside the periphery of urban areas should be based on the market rates for urban land.

Recommendations:

1. In spite of reliability constraints, attempts must be made to collect information on market transactions in urban areas and the value of land as determined by the Ministry of Finance for tax purposes should be cross-checked by comparing with current sales values of land in the vicinity.
2. Comparative updated values local government and market, where possible, should be obtained and highest of these rates be used for negotiations with affected persons to arrive at negotiated settlement on compensation.
3. Due to the virtual non-existence of rural land markets the compensation should be determined based on the average productive values of land based on the past three to four years of production, and should be equivalent to at least 6-7 years of harvest value.
4. Compensation for land temporarily should be based upon rice equivalent to harvests lost and in material improvements to the land's productivity, such as upgrading of irrigation system, provision of small tractors and irrigation pumps so on.
5. An early involvement of people in the project would ensure their cooperation and determining compensation at level acceptable to them.

8.5.2 Compensation for Structures

Currently, the compensation for structures is based on valuation of structures conducted based on the regulations issued by the Ministry of Communication, Transport, Post and Construction (Decree No. 1266/MCTPC, Urban Planning Department, "Regulation on the Valuation of Vehicles, Houses, built Structures and Household Facilities for Government Employee-personnel", 29 August, 1995). The purpose of the Decree is to assess value of used government buildings and other assets for sale to government employees. However, the same decree is unjustifiably used for assessment of compensation for affected structures in projects. The values thus determined are revised further downwards taking into consideration depreciation and value of salvaged building material. Some bilateral donors allow salvage value to be deducted from fair market value.

Further, the current procedures for compensation include classifying affected structures into three main categories e.g. Permanent, semi-permanent, and temporary. In the case of a project with many affected structures, limited classifications may not fully cover different types of structures letting many structures fall in-between the three categories. Current procedures

also make it difficult to determine market values of built structures such as: boundary walls, wells, sheds, small warehouses, etc., that do not strictly fall within the defined categories.

Procedures for assessment of compensation for affected structures vary with the level of accuracy required and available resources in a project. Some procedures used in the valuation of structures are summarized as follows:

a. Quantity Survey Method. This is the most detailed and precise method used for valuation of structures. This method involves preparation of detailed estimate of quantities of building material in each component of building and multiplying the same with the established scheduled rates per unit of quantities. The unit rates are pre-determined and are inclusive of cost of labor. In some countries the unit rates are established by designated ministry and are revised every year. The schedule of rates is used for inviting bids for public construction contracts. The procedure is very accurate, tedious and time consuming. The method requires skilled and experienced quantity surveyors with good knowledge of building construction as member of the survey team. This procedure is suitable only if skilled personnel are available as part of the survey team.

b. Estimates of Building Material. This method is similar to the quantity survey method but where the scheduled rate is not available. The quantities of building material used in each component of building are estimated and are multiplied with current market rates for each type of building material to obtain total cost of building material. The cost of building material is obtained from market prior to start-up of survey. The cost of labor, say about 25% to 30% of the cost of building material, is then added to obtain total value of the building. This method is equally tedious and time-consuming and requires experienced quantity surveyor as member of the survey team. This method is used extensively in several countries to determine values of affected structures in development projects.

c. Categories of Structures. This method requires establishing standard categories of structures based on the type and use of building material and determining cost of per unit area of each category covering the cost of material and labor. These categories may include classification such as: Permanent, Semi-permanent and Temporary. The structures affected in the project are then classified into these categories and area of each affected structure is multiplied with the pre-determined unit rates. The level of accuracy varies with the number of categories established in a project. The smaller the number of categories in a project, the easier it is to calculate cost with least accuracy. The larger number of categories will ensure better accuracy in determining cost of affected structure. The main weakness of the procedure is that it is rigid and large number of affected structures is divided into some specific categories that may or may not be suitable. This is also unsuitable where affected structures are constructed with a very diverse type of building material making it difficult to classify into simple three or four categories. In spite of its limitations this procedure is used in several countries, including Lao PDR, for its simplicity. A sample of categories and cost is given in Annex 16.

d. Surface Area Method. Realizing the limitations of the valuation procedure based on categories of structures, a more detailed procedure is devised to take into account the use of diverse type of building material for construction of floor, walls and roofs. This procedure is simplified version of the first two procedures explained above. This involves establishment of different categories of building components based on the type of building material used and pre-determine the cost of construction and labor for unit area of each type. In the field during the preparation of inventory, the surface area of each building component is measured and

recorded. The area is then multiplied with pre-determined rates to arrive at the cost of the building component. This procedure is currently being used in some projects in Cambodia and ensures greater accuracy compared with the previous used method of categories of structures. A sample is shown in [Annex 17](#).

Recommendations:

In spite of its limitations and given the market constraints, resources and available skills of the available staff in various line ministries the use of current method of establishing categories of structures appears to be most suitable in Lao PDR. However, the current method of classifying affected structures into predefined categories should be further refined by establishing a larger number of categories/house types and ensuring that the categories are fully representative of different types of buildings in a project.

The key consideration in the assessment of compensation for structures includes:

- (i) Updated and current market rates for building material and labor are used for assessment;
- (ii) Assessed values are not depreciated; and
- (iii) No deductions are made for salvaged building material.

8.5.3 Compensation for Crops, Trees and Plants

Compensation for crops, trees and plants are generally established based on the age and productivity of fruit and perennial trees. In some countries, the rates for different types of trees are established by agriculture department or ministry of agriculture. However, where these rates are not available, project authorities should establish compensation rates for trees prior to start up of field surveys. The rates should be discussed with local authorities and representatives of APs and finalized.

Compensation for Crops

Compensation for affected crops should be based on the farm-gate prices and mandated crop valuation set by concerned government agencies such as the Department of Agriculture. Farm-gate prices can be obtained from the nearest market.

Compensation for Perennial Trees

Compensation assessment for perennial trees should be based on the age and the remaining productive years of the trees. If the affected trees are young and have not started bearing fruits, a lump-sum amount to cover for the maintenance and rearing of trees should be made. In case the tree has already started bearing fruits, the annual productive value should be determined from making local enquiries, and the compensation equivalent to 3 years of annual production value should be paid to the APs.

All compensation for affected crops and trees should be based on gross harvest income taking into consideration the cost of production and material. A sample of compensation rates for trees and crops used in a project in Cambodia is shown in [Annex 18](#).

8.5.4 Compensation for Other Fixed Assets

In practice most fixed assets (water and electric connections, wells, septic tanks, etc.) are considered part of structures. These should be carefully inventoried and costed based on the current market rates for purposes of compensation.

8.6 Gender Sensitive Entitlements and Eligibility

Eligibility criteria cannot be restricted to ownership of legal titles over land and property, because women are likely to be excluded; they may not have ownership of property and land even though they may be principal users of the resources. Key issues, questions and strategies for integrating gender into the development of entitlements and eligibility are presented in Annex 19.

CHAPTER 9 Economic Rehabilitation

9.1 Introduction

Few aspects of resettlement are as poorly understood as the process of improving and restoration of incomes and lost livelihoods of APs. While logistical and compensation issues attract attention and present challenges, the acid test of successful resettlement remains improving affected people's income. Without successful implementation of rehabilitation assistance that ensures restoration of incomes and livelihood of project affected persons, the objectives of the project and of its social policy cannot be considered having been achieved. But, despite its importance, little guidance exists on how to achieve results; what works and what does not and why? This section attempts to provide answers to some of the questions that project authorities are faced with and to provide some guidance in planning and implementation of rehabilitation assistance in development projects.

There are three main issues that are important and critical to the success of restoring incomes and livelihood of affected population in development projects:

Planning: Preparing income restoration plans requires excellent baseline data on affected people's skills, educational level, economic base, needs and priorities. Information is also required on market potential and feasibility assessment of proposed schemes (including market demand and production capacity) and log frame analysis of proposed activities. The plans and strategies for income restoration should include assessment of peoples' needs and priorities during the planning stage.

Implementation: Income restoration plan during its implementation must focus on identifying and overcoming affected people's attitudes and constraints (not just financial or resource constraints), ensuring multi-disciplinary approach needed to coordinate with the existing programs, and building the capacity of the affected community to take responsibility for their own future livelihood, rather than promoting dependency.

Evaluation: This is the key result of the success of income restoration plans. To ensure this, from the beginning, the affected people need to understand the criteria for success, the need for eventual self-reliance and the importance of sustainability. If all participants do not share the same destination or target, they will never reach any satisfactory results.

When to Plan / Implement?

On the issue of when the project authorities plan and implement economic rehabilitation measures, most agree that it should preferably be done before physical relocation of those displaced. Since planning of economic rehabilitation requires consultation with people, the focus should be on planning and implementing economic rehabilitation measures ahead of shifting project displaced people. The planning activities should therefore, begin at the earliest possible stage of resettlement implementation. Most project authorities place emphasis on completing compensation payment and resettlement site development to speed up relocation of project affected people in order to expedite handing over project sites for civil works. However, experience suggests that once people are provided with compensation and relocated, it is almost impossible to locate them and to carry out meaningful consultation on economic rehabilitation, especially in linear projects where APs in general and those entitled to

economic rehabilitation in particular are dispersed over a very long project areas. In case affected people are relocated as a group on resettlement sites provided and developed under the project, implementation of economic rehabilitation measures can take place after their relocation.

9.2 Eligibility for Economic Rehabilitation

Entitlement to economic rehabilitation assistance to project affected persons is recommended where the compensation for lost assets and allowances alone are not likely to be sufficient for restoration of incomes and livelihood. As such, all 'severely' affected households due to the loss of 20% or more of their productive assets (agricultural land, commercial premises used for businesses), businesses and incomes are entitled to rehabilitation assistance. In general, loss of residential land and/or residential structures, whether partial or entire, without any impact on the employment or sources of household incomes, will not entitle any AP for rehabilitation assistance. However, any severe impact on business activities, even though they may be carried out at residential premises, resulting in displacement and loss of source of household income will entitle the household to economic rehabilitation assistance.

9.3 Issues in Economic Rehabilitation Planning and Implementation

Focus on Vulnerable Groups

Displacement causes severe disruption of peoples lives, distress and anxiety. Displacement together with the loss of source of income is the worst type of impact that a project can cause to a household. Most serious case of economic displacement is when the affected household belongs to a vulnerable group (poverty group, squatter, etc.). Project authorities should make special efforts to identify such vulnerable groups during the census and socio-economic survey stage, and economic rehabilitation assistance should particularly focus on such households.

Gender in Income-Restoration

The needs and problems of women are likely to be different from those of men, particularly in terms of social support, services, employment, and means of subsistence for survival. For example, relocated women might face greater difficulty than relocated men in reestablishing markets for home industry produce or small trade items if they are constrained by lack of mobility or illiteracy. Key questions and strategies for addressing gender issues in income restoration are presented in Annex 20.

Economic Rehabilitation in Urban Context

In high density urban areas development projects affect a large number of people in more than one way. While it is comparatively easier to identify loss of physical assets, loss of incomes and businesses are more difficult to assess and designing appropriate rehabilitation measures extremely difficult. Assessing the scale of rehabilitation assistance and designing appropriate rehabilitation measures to match individual household's needs and requirements, as well as present skills of affected persons is important for improvement of affected persons' income levels. However, in a growing economy such as in Lao PDR, often it is sufficient to create opportunities for affected communities in the form of access to credits, finance, or the job market. Peoples' resilience and economic growth itself enhances their income earning capacity and living standards.

Rehabilitation in Rural Context

The best method for restoring future income losses to affected farmers in a project would be providing agricultural extension services to increase potential productivity of the remaining land so that the AP will be in a position to produce improved, or at least the same level of income from the next season's harvest. In case of severely affected APs where a significant proportion of the productive land is affected by the project, the approach should be to provide land-for-land compensation with equivalent productive capacity coupled with additional assistance in the form of agricultural extension services in which cultivation techniques for new high-yielding varieties could be provided, assistance in the form of improved farming equipments and implements.

Where relocation does not permit continued agricultural activities or at the request of the APs, alternative rehabilitation assistance measure may be proposed that may include provision of training (plus training subsistence allowance) to a member of the severely affected agricultural family either in their current occupation to enhance their existing skills to be able to improve their productivity or training in a new occupation which could put them in a position to increase household income.

Mode of Economic Rehabilitation Assistance

The objective of economic rehabilitation is to provide assistance to affected households in the form that can equip the households with skills and opportunities for further improvement of his/her income level and sustainable livelihood. Cash assistance seldom meets these objectives and therefore, direct cash disbursement to APs is not an acceptable form of rehabilitation assistance. In operational terms, cash disbursements to some households may be accepted under special circumstances. For example, affected farmers may like to buy some farming inputs from the cash assistance. However, under such circumstances, adequate provisions must be made to ensure that the cash assistance is indeed used for the purpose it is provided. Specific conditions under which cash disbursements may be allowed include:

- a) documentation of the consultative process is completed;
- b) APs preferences and priorities are fully documented;
- c) a verifiable procedure is established to ensure that the cash is disbursed against actual purchase of agricultural inputs. The procedure should include proper documents such as purchase receipts, bills etc.; and
- d) project authorities, monitoring agencies and STEA is informed in advance of the cash disbursement and concurrence obtained.

Dovetailing into Government Programs

Resettlement in general and rehabilitation assistance measures should be seen as an instrument of development and change and coordinated with other development programs in the country, whether they are initiated and managed by the Government or funded by bilateral and multilateral agencies. Many of such programs have similar objectives and approaches. Efforts must be made to dovetail economic rehabilitation efforts in a project into ongoing programs, including poverty reduction programs. While it is preferable to aim for using government's anti-poverty and other development programs for benefit of the project-affected communities, on the ground often this proves to be extremely difficult due to lack of coordination among different agencies. Where government officials are involved in implementing the resettlement component of a project, they may find it easier to involve local level government agencies to mobilize other government support than do non-benefit organizations and other private sector agencies. However, to ensure government support, it is

imperative for NON-BENEFIT ORGANIZATIONS to work in close contact with local administration to solicit the required help. Dovetailing government programs to resettlement efforts will not work very well unless a detailed mechanism is worked out and kept in place to ensure those affected access to government programs.

9.4 Rehabilitation Strategies and Issues Arising

Income Generation Strategies

The selection of appropriate income generation strategy is the key in achieving its objectives. The selected strategy should match peoples' needs, priorities, skill and educational level. It is imperative that project authorities go through an intensive consultation process with affected households on various options that are available and get their feedback. Project authorities should brief households on the benefits and limitations of various options and their long-term impacts on the household. The final selection of the strategy should be based on the 'informed decision' of the households. Selected income generation activities should enable a household an income sufficient to maintain the households at level at least comparable to pre-project levels.

Planning plays an important role in sustainability in income generation. Baseline information from both primary as well as secondary sources is vital. Skill upgrading, entrepreneurship development, and leadership training are essential for the project success. For most affected persons in rural areas, activities can be land-based and agro-based. Other trades feasible with low capital, low skill and low technology inputs may also be considered. For affected persons in urban areas, the choices are entrepreneurship, production, finance and marketing.

The income generation packages should also be based on a long-term assessment of skills required for the development of the region. Part of the RP, too will be an assessment of skills needed to participate in the Project's construction activities and upgrade. This will be part of setting up a mechanism for project affected persons to obtain employment with construction contractors and to participate in business opportunities created by the project and in other project-related employment sectors. A matrix of suggested income restoration measures for different categories of APs is presented in Annex 21.

Define what constitutes sufficient income?

It needs to be determined by what is acceptable to the affected persons in the context of a changed market economy, raised expectations, limited resource base and opportunities. Projects must aim for commercially viable options with increased levels of productions, not just subsidized job creation. There is also a need to look beyond subsistence level economy. The expectations of the affected people for a quantum of income that is acceptable to them have often raised serious conflicts and complex situations between the affected community and the project managers. The key to success lies in analyzing the ground realities in each project and situation unique to the socio-economic and cultural dimensions of the project area. Further, the potentials of the NON-BENEFIT ORGANIZATIONS and private sector organizations in promoting and sustaining the enterprises should also be analyzed. Where household income is used as the main indicator to assess success of rehabilitation strategy, specific targets for household incomes must be set in consultation with APs. For households below poverty level, the household income targets must be set to bring the household income above the national poverty line.

9.4.1 Income Restoration strategies in Rural Setting

Reassembling lost production systems for affected farming communities is a complex and difficult task that requires specialists from a diverse set of backgrounds and in order to work the full participation of the resettlers themselves not only in implementing schemes but in planning them as well.

The RP should provide a range of livelihood options. For resettlers from a reservoir area in dam project, the option of irrigated rice paddy would appear to be one most preferable. Additionally, forestry management may also be considered as an option for agricultural communities. Other livelihood options may include: aquaculture, dairy and fruit orchards, although these may require technical skills training in relatively new technologies and considerable advance planning and implementation. Fruit and nut trees, for instance those introduced by IFAD – macadamia, Japanese apricots, pears, grapes, and Japanese chestnuts – through planting of tree rootstocks in Xieng Khouang Province take a long time to grow, so must be planted well in advance of resettlement. Dairy cattle farms, using draw down grass is also an example of an option that Xieng Khouang International Farm Ltd., a private concern, has introduced in Xieng Khouang, where the company provides silage for cattle stock and is producing and selling milk. This also represents a new technology that must be prepared for well in advance.

Floating net aquaculture presents a potentially very valuable livelihood option in major hydropower projects. The option requires close advance coordination between fisheries experts and engineers in designing the reservoir management program, and the socio-cultural problems of transforming rice farmers into fishermen are daunting. However, this has been successfully done elsewhere, using participatory planning, and may be successful for the projects in Lao PDR where the feasibility can be demonstrated and if enough preparation is put into it. The first efforts should be toward a economic and technical feasibility study, assessing the new markets that should be available through upgrade of existing roads or construction of new ones to the project area. The technical aspects will address among other things the reservoir management regime, the morphometric characteristics of the reservoir itself, the sociocultural adaptability of the resettlers to this technical innovation, and provision of fish food, transport, and other tertiary services that will be required. Because of this necessary advanced planning, more time and resources may be devoted to this livelihood package than the other ones. The purpose of advance planning is to demonstrate that resettlement has been planned as an economic development exercise within the framework of the region's growth potentialities.

Funding for economic rehabilitation package should be built-in the project. If advance planning and feasibility studies are conducted convincingly, some of the more ambitious livelihood packages may attract international financing as economic development schemes in their own right. A local development fund, within the context of watershed management should also be looked into. In major hydropower projects, a small percentage of project's revenue can have very significant effects for local development. While each of the above livelihood packages will be for project affected persons, the development opportunities the project is expected to bring to the region should be availed by the broader population within the project Area as well.

9.4.2 Income Restoration in Non-Agricultural Sector

The crucial question is the provision of jobs to those affected in non-agriculture sector. Income restoration under such circumstances may pose a great challenge as land is not available thus 'regular jobs' become the most desirable option. Job opportunities, though limited, are available only in some sectors of economy including construction and infrastructure projects. There is no second opinion to the fact that most projects cannot assure guaranteed income to everyone it displaces and this poses the greatest challenge. Providing training can be an option. Income restoration must be sustainable and not just a subsidized activity, so both the training selected and the training delivered must be suited to reality, not ideal or academic.

In projects that open up employment to the local population, regular jobs in the project emerge as the option most often preferred. But the job-based options have created socio-economic disparities within the affected community as well as the affected family. Sometimes the job opportunities in a project result in family disintegration, leaving the dependants (including aged parents) to fend for themselves, creating considerable social tension among the younger siblings. Further, the job opportunities offered in a project are at best short-term measures and may only last until the project completion. Participating households must be fully aware of this fact and prepared for other sources of incomes when the project comes to end. The project authorities should, on the other hand, must strive to provide more sustainable job opportunities to project affected persons rather than depending solely on the project based jobs. At the policy level, employment in the project may be considered as an additional benefit rather than an entitlement. But this does not belittle the importance of training the affected persons for promoting self-employment for their economic rehabilitation.

Problems and Approaches

One of the major problems in implementing income generation programs is the attitude of affected persons that could become a real obstacle in the implementation of economic rehabilitation measures. The lack of funds, guidelines and planning are the other areas of concern. Most organizations tend to treat resettlement (including income restoration) as a necessary evil and there are no norms or necessary guidelines to implement resettlement programs. Dovetailing rehabilitation assistance strategies into government programs can prove to be difficult but better mechanism are needed to assure affected persons access them, since projects can not duplicate existing programs without wasting resources.

The types of approaches required to promote income generation schemes include the following:

- Change the mind set of the affected persons through awareness program and sharing information and experiences
- Activities for the industry, services and business sectors must be assessed
- Identify proper income generation scheme specific to each affected person with adequate scale of economy and low risk
- Assess existing situations to identify gaps, if any, in technical, financial and other aspects of the identified scheme
- Avoid uncertainty on dovetailing government programs
- Ensure forward and backward linkages for the success of the schemes
- Gradual progression is necessary so that large expectations do not burden the people.

9.4.3 Entrepreneur Development Training

Provision of training for skill upgrading is an important and one of the most successful measures for income generation that can be provided to APs. However, most project authorities tend to consider training as the only option for income restoration. Provision of training alone does not automatically leads to gainful employment and enhancement of household incomes.

Capacity building for technology transfer as well as for acquiring management skills remains one of the most important factors in determining the success of a new income generating enterprise. In some cases and where resources permit project specific training-cum-production centers may be established. Such centers may emerge as the most convenient approach to transfer the required skill on a long-term basis.

Training for jobs in project

Training people to do jobs that a project creates may present many complications especially when all those trained cannot be gainfully employed leading to protests over those given preference for jobs. Trainees may feel it their right to get the job after the training is completed. On the other hand, if only the required number of people is trained then there is no guarantee that all of them will complete it successfully and the project schedule may get delayed for lack of adequate number of people. Training for project must be carefully scheduled and coordinated.

One of the important aspects of planning and implementing income generation activities is the type of scheme and size of operation. Most often the affected persons need to know whether the future income earned from the training provided will be enough for them to relinquish other options – like allotment of land, provision of jobs. Training plans are required which estimate realistic income potential for each training module offered

Consultation and Participation

The affected community's right to information is one of the most crucial issues which plays a key role in initiating informed participation. Effective modes of communication and information dissemination must be used to ensure maximum participation by APs. The efficacy of involving the affected community in decision-making and plans must be considered on case-to-case basis. While working on resettlement, one needs to understand the 'social contract' that comes into being between the project owners and the affected persons and often that gets vitiated by vested interests. To get over this problem and to ensure transparency, the emphasis should be placed on working with women in the displaced community as they are more receptive. Experiences indicate that when women are organized on some economic activity, they feel empowered, take active role in the household decisions and compel their male counterparts to concentrate on productive activities than playing in the hands of the vested interests.

9.4.4 Micro-credit

Micro-credit to rural and urban poverty groups has shown significant results in increasing households' independence. Micro-credit, or small loans that are given without collateral can often be enough to rescue a family from starvation and lifetime of indebtedness. Experience in several developing countries has shown that small loans given to women brings in financial

independence and provided opportunities to set up small businesses for bringing in sustainable incomes.

9.5 Institutional requirements

Institutional strengthening in line ministries and other project owners to plan and implement income restoration activities requires considerable attention. There is a need to build in matured sociological guidance and expert opinion to gain insight into social conflicts and issues affecting smooth execution of income restoration programs. The placement of Sociologists within the institutional framework helps in building contacts and to initiate planning and capacity building among those in-charge for the planning and execution of the economic rehabilitation of affected population. Accountability, in terms of results (like number of affected persons trained and establishing economic units, level of income obtained, sustainability of the scheme, etc.), should be fixed to achieve desired results.

9.6 Role of NON-BENEFIT ORGANIZATIONS and Private Sector

NON-BENEFIT ORGANIZATIONS and private sector have been and can play significant role in planning and execution of rehabilitation activities in development projects. However, their role and responsibilities must be carefully planned to ensure that their inputs are provided in a timely fashion in accordance with implementation schedule. The scope of inputs provided by NON-BENEFIT ORGANIZATIONS and private sector must be tied to achieving the desired results. Where NON-BENEFIT ORGANIZATIONS and/or private sector institutions are contracted to carry out certain income restoration activities, their work must begin with a time-bound strategy for withdrawal upon achieving the set targets. However, it must be ensured that sustainability is designed into the project so that once the NON-BENEFIT ORGANIZATIONS/private sector institution withdraws there is no vacuum and the gradual thinning out support and help to the affected persons is a better propositioned and at the same time ensure that the dependency syndrome does not build up among them.

Technical skills training can be offered through cooperation with international Non-benefit organizations, such as World Vision's participation in the Huay Ho HEP resettlement. The use of Non-benefit organizations with well-established skills in rural development, or consultants with similar backgrounds, cannot be emphasized too strongly. Non-benefit organizations involved in public consultation, with its regular workshops and scheduled meetings, need to broaden concept than mere 'public relations' for the Project. It needs also to be incorporated into the income generation program as a day-to-day consultation with villagers about which income restoration packages make sense to them and a collaboration with them in implementing these.

9.7 Methodology and Steps in Planning for Rehabilitation Assistance

Planning for rehabilitation assistance to APs severely affected in a project requires a specific set of activities. These are specified as follows:

- a. The project owners should at the outset conduct detailed investigations and research to prepare for planning of rehabilitation and obtain following information:
 - list of institutes and training centers with the types of training available, cost, duration etc.
 - information on income generation programs that are ongoing in the country

- discussion with relevant authorities in-charge of ongoing income generating and other program aimed at poverty reduction to identify opportunities and mechanisms for dovetailing rehabilitation assistance measures in development projects with these programs

- discuss and consult relevant government ministries and departments on the types of rehabilitation assistance that can be provided within the established institutional framework such as: extension services provided by agricultural departments in various provinces

- collect information from training institutions, public and private, on the types of training offered, duration and cost.

b. Based on the above information, prepare a list of the types of rehabilitation assistance that can be made available to the APs by district.

c. Based on the analysis of data collected during census, inventory and socio-economic surveys, a list of APs entitled to rehabilitation assistance should be prepared as the first step. This list should be prepared by commune and districts and should have details for each APs such as: occupation, household size, educational background etc.

d. Based on the information in item 'a' and 'b' above conduct extensive consultation with each of the AP entitled to rehabilitation assistance to establish their needs and priorities and recording the type of rehabilitation assistance preferred. Where the preference is shown for a particular type of training, the list should indicate what type of training, for how long and where.

e. Prepare a proposal providing above information with indicative cost and implementation schedule. The list and proposal should be finalized in consultation with APs and respective institutions, agencies and government departments.

Once finalized and necessary resources secured, the proposal would be ready for implementation.

CHAPTER 10

Relocation and 'Land-for-Land' Issues

10.1 General Approaches for Relocation

Relocation of displaced APs in a project is a challenging task. The initial social assessment and the data collected during the census, inventory preparation and socioeconomic surveys for preparation of RPs provide ample basis on the need for resettlement. Based on those reports and consultation with the APs, the project should decide on the type, need and scale of resettlement. Once the need for resettlement is deemed necessary, the options and alternative sites should be developed through a consultative process. During this consultation process the ongoing programs of the government and Non-benefit organizations at the local and national level should be reviewed and if there are possibilities to work together it must be explored. Otherwise there may be a duplication of efforts.

Relocation efforts generally involve the following approaches depending upon the requirements in a project:

a. *Provision of replacement agricultural land.* In projects where only agricultural land is affected and APs are generally dispersed over the length of the project, provision of replacement agricultural land should be made. The replacement land can be dispersed or provided at one location depending upon availability and preferences of APs.

b. *Provision of replacement agriculture land together with rural settlement consisting of homestead plots and other facilities for resettlement of affected communities.* In projects where rural agricultural communities are affected, project is required to make provisions for resettlement of affected communities including provision of replacement agricultural land as well as homestead land with fully developed plots, internal roads, access to market and public facilities and services. Depending upon the impacts and requirements in a project, the resettlement areas may also require provision of other facilities such as: grazing land for cattle, access to forest resources, land for tree crops, etc.

c. *Provision of fully developed residential or commercial land together with public facilities and services to resettle affected APs as a group.* In projects with impacts upon residential land, with or without structures, project is required to make provision for replacement residential or commercial land, as the case may be, for resettlement of affected communities as a group. The resettlement sites should be provided with good access to markets, and public facilities and services. Where possible, resettlement sites should be provided with opportunities for income generation activities.

d. *Provision of residential or commercial plots to individual APs in existing development or markets.* Where in projects APs are dispersed such that they do not form a community requiring them to resettle as a group, and depending upon preference of APs, replacement residential or commercial plots and shop space can be provided to individual APs in existing residential areas and markets as the case may be.

e. *Special needs and requirements or women must be considered and addressed in all program aspects* – site selection, site and housing design, provision of civic infrastructure, access to service, provision of land and housing title, payment of compensation, and income

restoration. Key issues, questions and strategies for consideration of gender issues in the implementation of resettlement programs can be found in [Annex 22](#).

10.2 Criteria for Relocation and Provision of Replacement Land

Criteria for provision of replacement agricultural, residential or commercial land and for resettlement of affected communities in rural or urban setting will vary depending upon the project requirements and APs' preferences. General criteria and specific issues pertaining to provision of replacement agricultural, residential and commercial land are summarized below:

10.2.1 General Criteria

Some general principles and criteria for relocation are summarized below:

- In cases where resettlement need is considerable, as far as possible the chosen relocation site should have similar environmental conditions as the existing ones. People used to upland areas with dependence on forest resources or shifting cultivation practices may find it difficult to adopt to lowland areas that need different agricultural skills or in semi-urban environment alien to them. Environmental risks associated with the relocation sites and how they will be managed and monitored should be clearly discussed with the affected persons.
- Before relocation the APs should be consulted about options and the relocation sites and the facilities they are entitled to. The APs should be fully informed of the location sites and where possible, they should be provided opportunity to visit alternative sites before final site selection. To ensure that decision by APs are taken based upon 'informed choices' it is a good practice to establish a pilot resettlement site to demonstrate what the APs may expect in terms of facilities and livelihood options.
- The host communities are equally important and should be consulted as well. Furthermore, the host communities should not be deprived of basic services provided to the resettled households and there should be measures for planned integration of affected households with the host communities.
- In the process of relocation, gender issues, needs of female-headed households, and the issue of vulnerable groups should be paid particular attention. Preferable sites and/or locations may be given to these vulnerable groups, especially those offer opportunities for income generation.

10.2.2 Criteria for Replacement Agriculture Land

Criteria for provision of replacement agricultural land and relocation are summarized below:

- Land for land is considered to be the most desirable option for compensating the private and community land acquired for the development projects. In countries characterized by subsistence farming, arable land is the most important resource on which the livelihood of majority of people depends upon. Therefore, every effort should be made by project authorities to make provision for suitable replacement agricultural land with equivalent productive capacity and at locations acceptable to APs.
- One of the criteria of land-for-land compensation for affected agricultural land is the equivalent productive potential of replacement land. In the context of scarcity of arable

land, providing equivalent land may be difficult. In this situation the project owner should seriously look into options for developing new lands and/or improve quality of old land through irrigation facilities and the like. This will help restore the socio-economic status of APs without changing their customary ways and means of earning livelihood.

- In rural environment, most APs would be expected to opt for suitable replacement agricultural land provided the replacement land is located in the vicinity of affected land. In case the location of replacement land is away from existing homesteads, it will add to additional travel costs and efforts on farmers to maintain such land. Where suitable land at locations acceptable to APs is not available, and at 'informed choice' of APs, compensation in cash may be paid. In some cases, households may prefer compensation payment in cash due to a variety of reasons including likely delay in site selection, bureaucratic inefficiencies, nature of land offered, distance and location including environment. In any case, the final decision on the mode of compensation: cash or in kind, should rest with APs. However, project authorities, local Non-benefit organizations and representatives of mass organizations must provide adequate counseling to such APs to ensure that cash amounts are used for asset building and are not wasted.
- When number of families to be relocated is small, efforts should be made for on-site relocation so that their social and cultural linkages with the community are not severed. However, if APs opt for individual or self-relocation, the project should assist them rather than forcing them to accept the site selected by the project for relocation.
- Although land-based resettlement programs work better than non-land options, in some cases it may not be possible to find replacement land of reasonable quality for agriculture especially in situations where the cultivable land is in short supply and the density of population is quite high. In such situations skill-upgrading training schemes, income generating schemes and agriculture intensification programs may be suitable options.
- If affected people lose unregulated resources thus far such as forestlands or grazing lands or waterways, they should be provided with replacements in kind. This involves land for land compensation.

10.2.3 Criteria for Replacement Residential Land

Key criteria for relocation and provision of replacement residential land include the following;

- The resettlement site development should be considered as an integral part of the project. The plot size for house construction should be based on earlier homestead size. Homestead plots should be of adequate sizes to provide sufficient space for storage of agricultural products, kitchen garden, and space to keep domestic animals.
- Where possible, APs should be allowed the option to build their own house structure rather than supplied with pre-built shelters. This will promote self-reliance and ownership of resettlement efforts.
- Location and quality of the new relocation sites are critical factors for relocation. Each possible site has its constraints and opportunities. The replacement residential land must have environmental, social, cultural and economic characteristics similar to the previous site. The APs and their hosts should be allowed to participate in decisions concerning site selection, layout and design and site development.

- Resettlement sites should be selected carefully to provide good access to markets and income-earning opportunities. This is more critical in urban environment where the cost of travel to markets and public facilities can be very high.

10.3 General Criteria for Relocation for Housing and Shops

People displaced due to the project activities and needing relocation may choose some of the specified relocation options. They should be entitled to a number of support provisions. However, it may not be economically viable to develop a resettlement site when the number of APs asking for relocation is very small. There should be a threshold size of APs in order to develop resettlement site and it should be a community. Scattered households totaling a minimum threshold may not automatically qualify for this. A minimum of 20 APs of a community facing significant impact (i.e., losing residence and/or large proportion of productive land) of the project could be considered as a threshold in urban setting. This is because the cost of provision of utilities and public facilities including water supply, access and internal roads and sanitation facilities become economically unviable for smaller communities, unless such facilities are available on-site. Table 2 below itemizes the types of relocation options and the necessary support provisions for each of them.

Table 2 Relocation Options and Support Provisions

Relocation Options	Suggested Support Provisions				
	Compensation	Transport Allowance	Displacement Allowance	Site Planning and Development	Assistance to Host Population
No Relocation	Yes	Not needed	Not needed	Not needed	Not needed
On-site Relocation	Yes (if assets are lost)	Not needed	Yes (minor)	Not needed	Not needed
Self-relocation	Yes	Yes	Yes	Not needed	Not needed
Relocation to Site Selected by Project	Yes	Yes	Yes	Yes	Yes

When relocation from their homes is unavoidable as far as possible the alignments for various components should be designed to minimize displacement. Households will also attempt to minimize their own stress and hardships by relocating on remaining land when possible. Some of them will also find their own relocation site. In addition, some APs who lose their houses may have sufficient remaining land where they can rebuild their houses with the compensation amount paid to them: *on-site relocation or reorganization*.

10.4 General Principles and Procedures in Resettlement Planning

Where sufficient number of APs are severely affected and are to be resettled as a community or as a group suitable resettlement site for their relocation needs to be identified. All those steps including inventory and census survey of affected people has to be followed as in a normal project cycle. If a project requires resettlement, it must be emphasized that no construction works of the project should begin without first relocating affected persons to resettlement sites. In addition, the project should pay particular attention to safeguarding income and livelihoods of the displaced household members.

Selection of APs

The entitlement of APs for relocation to resettlement sites should be carefully determined. APs with second dwelling or existing family members in the vicinity generally tend to leave the allocated sites vacant either for speculation purposes or for construction at a later date. In either case the objectives of relocating APs to better environment are not achieved in the project. APs with second dwelling may in such cases be offered cash option for lost assets.

10.4.1 Site Selection

Resettlement sites should be selected very carefully to minimize the number of secondary APs and the cost of land development. Proposed resettlement sites should, as far as possible, be located close to the existing access roads and infrastructure facilities, and should possess opportunities for business activities. Location should be acceptable to the APs.

Where possible, the sites selected for relocation should be geographically close to the original homes. Relocation sites should be carefully selected in order to reestablish the socioeconomic condition and cultural practices of APs. Two main stages are notable during site selection. These include:

1. Site selection and alternatives where the owners look for various possible sites and compare the positive and negative aspects of each of them;
2. Site selection should be carried out carefully to assess land capability, especially where provisions are made for homestead plots and agricultural areas. Specific studies that would be necessary to determine suitability of site for relocation of affected communities would include:

Topographic studies

Soil Studies

Land capability

Hydrological studies for water availability for domestic as well as for agricultural use

Additionally, social surveys of population in the vicinity should be conducted to ensure that resettlement site is acceptable and does not encroach upon any other claims by the host population. Due recognition should be given to any territorial claims by ethnic groups

3. Feasibility studies: conduct feasibility studies of alternative sites and consider the site that has similar overall environmental conditions and is closer to the project area. It must be ensured that the site development will not cause any environmental hazard or pollution in the vicinity and any adverse social or environmental impacts to host communities. The Once the feasibility study is complete and a decision about the possible relocation site is made further activities related to the host area should be developed in consultation with the hosts.

10.4.2 Standards for Replacement Land

The zoning laws and minimum land holding sizes vary with location and would need to be determined for each project. Prevailing standards in some urban areas include a minimum

residential plot size, minimum built-up area for dwellings or other types of accommodation. These standards should be used to determine suitability of remaining land for continued use as well as for allocation of suitable size plots at replacement land.

Affected residential land may vary in shape and sizes. But the allotted plots at resettlement sites cannot possibly be of same areas. Planning standards require all plots at resettlement sites to be of standard sizes. Therefore, if the allotted plot is bigger than the affected area, generally no additional payment from APs are required. However, if the allotted plot is of smaller size than the affected land, APs would be entitled to cash compensation at replacement cost for the balance of the area.

In rural settings the areas for agriculture plot and homestead should be based on land capability & productivity, and sufficient spaces required for house, storage and keeping animals. The studies carried out under the transmigration projects in Indonesia determined the minimum area to support a rural household of 4-5 members include a houselot of 0.25 ha; agriculture plot for dryland farm 1.00-1.25 ha, wetland farm 0.75ha, and for tree/cash crops at 1.75ha.

Administrative Cost for Replacement Land

All costs incurred in allocation of replacement land including taxes, registration fee, surveys, fee for issuance of land use right certificates should be estimated during the resettlement planning and should be borne by the projects.

10.4.3 Types and Standards for Facilities

The development of types and standards for facilities must be integrated with the project cycle so that APs will face minimum disruption to their lives. All relocation must be complete at least one month before the commencement of civil works.

Resettlement site development is the final phase of site selection and development. For this the plot size should be based on earlier homestead size of APs. In addition the needs at the new sites should also be an important criteria to determine the plot size to be allocated in case the original plot size was too small. There should be flexibility in house construction and APs should be allowed to build their own houses rather than the project forcing to apply pre-built shelters.

The provision of facilities should ensure that basic environmental and hygienic requirements are met. Alternative level of facilities should be considered to ensure that these are comparable to those provided in other residential areas in the vicinity of RS. Where possible, community participation in the provision of facilities should be encouraged. Prior to the finalization of the sites, field investigations should be conducted to ensure technical feasibility of basic utilities. Various alternatives on the level and the types of facilities should be considered:

Water: shallow wells, deep wells, piped water.

Sanitation: Community septic tanks vs. individual septic tanks.

Surface drainage vs. underground facility

Depending upon the scale of resettlement the public health facilities, elementary schools, community buildings and other cultural structures should be established.

Site Planning

The layout and design should conform to the cultural practices of APs. Issues such as how the households, neighbors and relatives are linked to each other at the project area and how often and who uses the various facilities and infrastructures are important to understand since such an information can be very helpful in designing the relocation site development. Inputs from the community will greatly help proper designing and layout.

Plot sizes should be regular and fewer categories to facilitate site planning. Site planning should minimize wastage of land and should be in accordance with the prevailing planning standards. In case the coordination with adjoining areas is required, the road widths should be based on shared allocation of space. The planning standards should be compatible to those applied in other areas in the vicinity.

The site plans should make provisions for population increase. Specific areas should be reserved for future population increase and large households should be given bigger plots for anticipated household size increase. Some specific measures should also be taken for strict zoning regulations to control growth and to restrict population influx into the area.

The traditional cultural and household activities of women should be given serious consideration during site planning. Adequate spaces should be provided for activities that are normally carried out by women in and around the house: kitchen gardening and livestock husbandry. Care should be taken to ensure that women also receive benefits from resettlement activities.

10.4.4 Specific Issues and Measures in Resettlement Planning

Environmental Protection and Management

To safeguard the interests of the resettlers and host community, necessary measures for environment protections and management need to be included in the RP. Environmental planning should be integrated into the project design. Required measures for environmental protection will of course depend upon the location and the type of projects, but these are more critical in hydropower and water resources projects. In such projects the measures may include:

- Plans for managing the forest areas to ensure sustainability including forests in the catchment of reservoir areas, community forests as well as productive forests;
- Plans for sustainable use of grazing areas to make sure that the carrying capacity of the land does not exceed the number of cattle in the settlement;
- Measures to protect fishing rights of local communities and measures to ensure ecological balance of fishing stock is maintained and new or existing livelihood is not affected;
- Flora and fauna is preserved and hunting if necessary is carried out only within designated areas;
- Adequate measures are taken to protect soil erosion from civil works in the project.

Further, adequate measures should be taken for environmental protection at the resettlement site and its vicinity.

Education, Institutional Strengthening and Capacity Building

Relocation of communities in major projects may require opening up hitherto undeveloped or forest land for setting up new villages. Shifting to new location may also disrupt education system and schooling of children. Attention needs to be paid to establish new schools or to

increase the capacity of existing schools in the vicinity of resettlement sites. Specific measures that are necessary for institutional strengthening and capacity building include the following:

- Upgrading of existing educational institutions for resettlers and host community, including better buildings, supplies and educational material, and ensuring that adequate number of teachers are available and that they are adequately compensated;
- Focus on adult education in order to improve the general standard of education and their ability to read and to cope with the economic and social change;
- Skills training in advance of construction work on resettlement site so that local population may benefit directly from employment opportunities – this will also reduce the risk of large influx of outside labor and workers and related negative impacts;
- Training in improved farming practices as part of livelihood improvement package;
- Support for local organizations with clear definitions of roles and responsibilities – information and training workshops will be needed to ensure understanding of what is required;
- Formation of resettlement committees to act as liaison between local authorities, project owners and APs;
- Formation of special associations to cope with specific aspects of resettlement planning and rehabilitation implementation programs such as: village forest association, water users' association, fishermen association, etc.;
- Integration of Non-benefit organizations and community based organizations as facilitators for training and capacity building.

Health issues

Relocation of communities at new locations often exposes them to a new set of environmental conditions that may cause emergence of new diseases affecting their health. It is important that baseline data on health be collected during the preparation of RPs and conducting SA. Secondly, potential impacts of construction activities and land clearing for resettlement should be studied carefully. Third important step in addressing health issues of relocated APs is to formulate mitigation measures to offset, reduce or eliminate adverse impacts and enhancing benefits to local population. It is also necessary to monitor health conditions on long-term basis using baseline data for evaluation purposes.

10.4.5 Procedures in Planning for Resettlement Sites

The following procedures and activities should be used in the selection of resettlement sites, planning and their development.

1. Prepare the list of APs entitled to relocation;
2. Select alternative sites and consult APs on the preferred location;
3. Document their choices for 'group' or 'self' relocation;
4. Finalize RS and carry-out field investigations to ensure availability of basic facilities;
5. Determine the types and level of facilities and inform APs;
6. Prepare site-plans and cost estimates for site development;

10.5 Public Participation in Relocation Activities

Consultation with and participation of APs should be ensured throughout the planning and development of resettlement sites. This participation not only helps smooth implementation but also it protects the future of development itself.

Extensive public participation and consultation is necessary to determine APs choices on RS location, options on self and group relocation, and implementation schedule. APs choices

should be documented and reconfirmed prior to the implementation. To ensure that APs are willing to occupy allocated plots in a reasonable time, a written undertaking from all APs should be obtained to the effect that the entitlements to the plots will be relinquished if they fail to begin construction within three months after the plot allocation. The allocation of plots should begin immediately after basic utilities: access, water and sanitation facilities, are provided.

Consultation with Host Population

Where relocation involves host population, the interest of host population should also be given due consideration. The integration of APs with host community is not easy and many members of the host communities may have reservations to gladly accept the guests. Special attention should be paid to the hosts while developing basic facilities so that the hosts do not feel ignored by the project benefits. Employment, use of common property resources, and pressure on natural resources are potential conflict areas between host population and the APs. The host should also have access to training; employment and other benefits meant for seriously project affected persons so that they do not feel discriminated by the project. This will greatly help in harmonizing resettled communities with the host community.

CHAPTER 11

Public Participation & Consultation

11.1 Rationale for Community Participation

Participation is a process through which stakeholders influence and share control over development initiatives and the decisions and resources which affect them. The decision to participate is the start of the whole participatory process in the project cycle.

Decree 192 and Implementing Regulations provide clear guidance and direction to project owners in both the public and private sectors, on the need for public consultation and participation and underscore the importance of getting APs informed about the project and, more importantly, getting their actual and active involvement in the planning and implementation.

11.2 Consultation and Participation as a Structured Process

Participation is an active and continuous process of interaction among the key stakeholders, including the communities directly affected (whether positively or adversely), national agencies and line ministries, the project consultants, civil society and international donor agencies. Participation as a generic term usually encompasses two distinct dimensions: information exchange (i.e., dissemination and consultation) and varying forms of joint decision-making (i.e., collaboration or participation):

Dissemination refers to the transfer of information from project officials to the affected population. Providing early and accurate information to APs allays fears, dispels misconceptions and builds trust, thus providing the foundation for collaboration between AP and project authorities. Information dissemination takes place in all stages of the project cycle, implying a continuous feedback process through which the communities learn about potential activities in the area, and the project team learns about community dynamics.

Consultation refers to joint discussion between project officials and the affected population, serving as the conduit for the transfer of information from the latter to the former. Systematic consultation also implies sharing of ideas. Discussions help in better understanding of issues and in integrating “popular wisdom” with technical know-how.

Though *collaboration and participation* are often used interchangeably, collaboration refers more narrowly to mechanisms for joint decision-making (e.g., committees, and tribunals), whereas participation includes more broadly the transfer of decision-making power to those affected (e.g., providing options). Participation, in this sense, represents a step by which APs assume responsibility over their lives. ‘Responsibility’ is the end-objective of the participatory process. This is where the project team and the communities make a commitment to work for the project.

11.3 Objectives of Public Information and Consultation

Information dissemination to, consultation with, and participation of, affected people and involved agencies reduce the potential for conflicts, minimize the risk of project delays, and enable the project owner to address important community issues such as: environmental

nuisances and risks to local resources; willingness to pay; and resettlement and rehabilitation. This allows the project to maximize its social, economic and environmental benefits.

Specific objectives include:

1. To share fully the information about the proposed project, its components, activities and associated environmental impact, with affected people.
2. To obtain information about the needs and priorities of the affected people, as well as information about their reactions to proposed policies and activities.
3. To provide information on the various options for relocation and rehabilitation measures available.
4. To obtain the cooperation and participation of the affected people and communities in activities required to be undertaken for resettlement planning and implementation
5. To ensure transparency in all activities related to environmentally-related operational procedures, land acquisition, resettlement and rehabilitation.
6. To include women and ensure that their participation is actively sought in identifying impact, developing appropriate mitigation, and during implementation and monitoring. A checklist of key issues, questions and strategies for integrating gender into resettlement consultation and participation is presented in Annex 23.

11.4 The Importance of Consultation and Participation in Resettlement

Experience shows that mechanistic or paternalistic plans may at times be appropriate in protecting people from immediate impoverishment. However, such plans are not likely to be appropriate in accelerating the dynamic transition to renewed productivity and restored living standards. Participation is important because the success of resettlement depends to a great extent on the responsiveness of those affected for the following reasons:

- Participation of affected persons is essential in understanding their priorities and needs and formulating resettlement options that balance their needs and capabilities, and in capitalizing upon existing human resources including the modes of social organization.
- Participation helps to identify the wide variety of impacts that acquisition of assets and displacement may generate in a project, and the people likely to be vulnerable to these impacts.
- Participation helps to verify empirical facts and to make delivery of entitlements and services more transparent.
- Participation is essential in reaching consensus on issues not subject to technical solutions - e.g., negotiated valuation standards in the absence of markets, acceptability of substitute sites or other assets, bases for social integration of those displaced into host communities, and legitimization of the project itself.
- Active participation by APs (i.e., project-affected persons) in decisions affecting their lives helps to diminish risk aversion and perception of acute vulnerability, thereby reducing dependency or mal-adaptation to new surroundings.
- Participation engenders commitment or ownership, increasing the likelihood that resettlement resources and programs will operate satisfactorily in a sustainable manner.

11.5 Public Participation in Project Cycle

Public participation, consultation and information dissemination in a project begins with Initial Social assessment activities during the initial phases of project preparation. Public consultation activities and information dissemination to APs and local authorities continues as the project preparation activities proceed in a project. Through respective local governments and civil society, APs are regularly provided with information on the project and the resettlement process prior to and during the RP preparation and implementation stage.

Project owners are required to ensure that local authorities as well as representatives of APs are included in the implementation and decision making process. The project authorities are also required to continue the dialogue with local officials and representatives of the APs during the project implementation process. APs' participation should also be ensured during final assessment of compensation, resettlement and monitoring. It must be noted that, in practice, the stages of participation often overlap, coming together at different times in project preparation and implementation. It is also important to remember that the specific form, sequence, and content of participatory processes vary significantly by project, and by a myriad of local environmental and social factors. Accordingly, the time and funding required for participatory resettlement processes also vary substantially. Specific public participation and consultation activities that should take place in the project cycle are summarized in Annex 24. A sample public consultation and disclosure plan that could be applied to any project is shown in Annex 25.

CHAPTER 12

Grievance Redress

12.1 Introduction

Resettlement implementation cannot be considered completed successfully until the APs are fully satisfied with the all aspects of entitlements and timely delivery of compensation, allowances and other assistance including provision of economic rehabilitation and relocation, where necessary. The implementation of resettlement activities, especially in large projects requiring relocation and economic rehabilitation is complex and fraught with dangers of complaints and grievances. Even in simple projects involving minor acquisition of assets requiring compensation payments, not adhering to the principles of resettlement decree and entitlement may lead to serious complaints and grievances by APs. Experience indicates that most of the complaints and grievances in resettlement arise mainly due to the lack of transparency and weak, or lack of information dissemination and consultation by project authorities. Even if the compensation entitlements and rates are in accordance with Decree 192, lack of awareness of these aspects among APs may lead to suspicion and complaints.

Additionally, most complaints and grievances in any project relate to inventory, entitlements and compensation rates for affected assets. A good degree of transparency and diligent actions by project authorities during resettlement preparation can eliminate, or minimize many of such issues and problems that lead to complaints. Specific measures that can help achieve these include:

- a. Preparation of inventory in the presence of household heads and certification by them on accuracy.
- b. Informing APs on project objectives, impacts, policy provisions and entitlements and providing them with a copy of Public Information Booklet (PIB).

12.2 Grievance Redress Mechanism

Primary responsibility to address all complaints and grievances in a project lies with project owners. As project authorities are also responsible for carrying out census, inventory preparation and socio-economic surveys, as well as determining entitlements to compensation, allowances and other assistance, only they can address any complaints and grievances arising out of these issues effectively and at local level.

12.2.1 Grievance Redress Committees (GRCs)

Upon approval of the project by the GoL PDR and prior to start up of resettlement implementation activities, the project authorities will make a formal request to STEA to establish Grievance Redress Committee (GRC) in each district covered by the project to address any complaints and grievances pertaining to land acquisition, compensation and resettlement that are brought forward by APs.

STEA, in consultation with appropriate authorities will establish GRCs in each of the districts. The Grievance Resolution Committee (GRC) shall be comprised of the following:

- 1) A local government representative;
- 2) Village head(s);

- 3) Representatives of the affected households, other than the village heads;
- 4) Village elders or local level representatives of mass organization or Non-benefit organizations;
- 5) Project owner representatives; and.
- 6) The GRC must be adequately constituted to deal with gender issues that may arise (see [Annex 26](#) for a checklist of key issues, questions and strategies).

It is essential to include representatives of project authorities in GRCs so that essential information on inventories, entitlements, compensation rates etc. can be provided to the committee members for review of particular complaint.

12.2.2 Grievance Redress Procedure

Grievance Redress Procedure will comprise of the following:

Step 1: As a first step, all complaints and grievances relating to any aspect of the project or sub-project should be properly documented by project officials and addressed through consultations conducted in a transparent manner and aimed at resolving matters through consensus at the project level to pre-empt all disagreements being referred to the district level GRCs or higher level and ultimately to the court of law. All meetings between the project authorities and complainants should take place in public place and participated by representatives of APs, local Non-benefit organizations and mass organizations, and village heads to ensure transparency.

Project authorities should make every effort to find an amicable settlement to the complaints or grievances brought up by APs at the project level. If the APs are not satisfied with the decision of the project authorities within 15 days from the filing of the complaint or when the problems and issues that cannot be addressed to the satisfaction of affected communities and individual APs, the complaints can then be forwarded to the GRC. Representatives of APs, local Non-benefit organizations and mass organizations should ensure that the complaints are forwarded to GRC on behalf of the aggrieved APs.

Step 2: If the APs do not receive any response from the GRC within 20 days of filing the complaint, or if the matter is not resolved to the satisfaction of the AP, the representatives of APs, local Non-benefit organizations or mass organization will, on behalf of the APs, will submit the complaint to the head office of the project owners and STEA. Project authorities and representatives of APs will follow-up the case with Project Head Office and STEA on behalf of the APs.

Step 3: If the matter still remains unresolved within 20 days of filing the complaint to the project owner and STEA, and at the request of the APs, the representatives of local Non-benefit organizations and mass organization will, on behalf of the APs, forward the complaint to the Court of Law and follow up with the relevant authorities. The decision of the Court of Law would be final.

All administrative and legal costs incurred pursuant to the grievance redress procedures by APs or their representatives at the level of GRC, project head office and STEA and the Court of Law would be covered by the project. Claims of all such costs are to be submitted to the project authorities by the APs. A copy of the claims should also be submitted to STEA for record and information.

The Project Authorities will document all complaints received in writing (or written when received verbally) from the APs pursuant to the grievance redress procedures at every stage.

12.2.3 Best Practice Procedures

To minimize complaints and grievances in project, some best practice examples are indicated below:

- a. Provide copy of detailed measurement survey (DMS) forms to APs;
- b. Provide copy of PIB to each APs;
- c. Provide copy of summary compensation form to each APs;
- d. Ensure that the information on official and market rates for all types of affected assets are provided to the APs; and
- e. APs are fully consulted in all aspects of resettlement planning and implementation.
- f.

Above actions and activities will, to a great extent, minimize, if not avoid grievances and complaints in a project.

CHAPTER 13

Monitoring and Evaluation

13.1 Objectives of Monitoring

The objective of monitoring is to provide feedback on implementation, and to identify problems and successes as early as possible to facilitate timely adjustment of implementation arrangements. Monitoring of RP implementation is of critical importance in all projects involving involuntary resettlement for several reasons: (1) resettlement is on the critical path on any project and can cause severe delays; (2) it affects people's lives directly, and can cause severe hardship; (3) it is the main mechanism to alert management to delays and problems in implementation.

13.2 Supervision & Monitoring

While most line agencies are aware of supervision procedures for construction activities, very few are competent in supervision and monitoring of resettlement activities basically because not many agencies involved in development projects have permanent staff responsible for resettlement and social issues.

To ensure that land acquisition, resettlement and rehabilitation activities will be carried out in accordance with the provisions of the RP, both monitoring and supervision are required throughout the project. Monitoring and supervision are related but distinct activities. Monitoring involves primarily the systematic use of information to determine the extent to which plans are being implemented effectively. Monitoring information also contributes to identification of problems that may require adjustment to the resettlement plan itself. Many actors are involved in these processes. In a very simplified model, the actors can be classified as follows:

	Supervision	Monitoring
Internal	Line agency management	Project resettlement unit of line agency, if any
External	Regulatory Agency	Consultant/NON-BENEFIT ORGANIZATIONS/Academic institution

The importance of regular reporting on financial and physical progress, the basic functions of project management, cannot be overemphasized. Responsible project managers rely on timely feedback regarding availability of inputs, flow of finances and delivery of services. Progress should be reported against time-bound action plans (normally expressed in the Project Implementation Plan through such devices as bar charts, Gantt charts, or MS Project tables). Identification and use of quantitative monitoring indicators provides an efficient tool for monitoring many aspects of project performance. With regard to socioeconomic impacts, however, supplementary qualitative assessment is likely to be necessary.

Role of APs in monitoring. Mechanism for APs to play effective role in monitoring process is essential to successful overall project monitoring. A direct channel for APs to voice their concerns, perceptions, and acceptance or rejection of project interventions is critical to

successful implementation. Monthly meetings, focus group discussions, or other such participatory venues should be part of the implementation strategy, and thus the responsibility of the implementing agency. In addition to line agency's interaction with APs, it is advisable to engage external consultants to contact AP during monitoring, and to verify results of internal project reporting. The minutes of meetings should be recorded and the major issues raised communicated to the regular management review process. More systematic surveys may be used, perhaps on an annual basis, to obtain quantitative information about initial effects of project interventions.

Monitoring indicators should correspond to stages of the process, which may be different than stages of the project cycle. Table 13.1 provides a set of generic resettlement monitoring indicators. No single set of indicators is universally sufficient, however. Project-specific indicators are likely to be needed to reflect the activities and implementation arrangements of the project in question.

Table 13.1 Suggested Generic Resettlement Performance Indicators

Sequence	Dimensions of the resettlement process	Indicators	Means of verification
Inputs	Establishment	Qualified staff in place	Quarterly internal monitoring reports
	Establishment	Equipment available	Quarterly internal monitoring reports
	Establishment	Finance on deposit	Quarterly internal monitoring reports
Process	Information to APs	Information disseminated	Internal and external monitoring
	Capacity building	Training of APs	Internal and external monitoring
	Consultation and participation	Meetings held and committees formed	Internal and external monitoring
Outputs	Compensation	Compensation paid for acquired assets	Internal and external monitoring
	Acquisition	Assets acquired	Internal and external monitoring
	Compensation	Community assets replaced and relocation site prepared.	Internal and external monitoring
	Relocation of APs	Relocation completed and grants paid	Internal and external monitoring
	Rehabilitation	Jobs/businesses/incomes provided	Internal and external monitoring
Impact	Results	Incomes restored or improved	External monitoring
	Results	Living standards restored or improved	External monitoring

Diagnostic studies are normally studies commissioned specifically to address problems identified through regular reporting. Examples include market surveys to assess the feasibility of skill upgrading for a specific vocation in the rehabilitation process, or studies examining reasons why APs are refusing to accept certain options or failing to adapt to resettlement

programs. Such studies typically recommend actions to remedy such deficiencies, many of which cannot be anticipated at the planning stage. Diagnostic studies also include special market studies to determine whether the compensation rates determined by project owners reflect current market rates and ensure compensation at replacement cost. Diagnostic studies should be undertaken as early as possible and concluded as quickly as possible so that improvements to plans and procedures will benefit the maximum number of APs.

Gender shall be integrated into monitoring and evaluation. Annex 27 presents a checklist for integrating gender into the monitoring and evaluation activities.

13.3 Internal monitoring

During project preparation, and as part of the RP, the implementing agency is required to develop a monitoring and reporting framework for resettlement activities. Central to this framework should be the census of APs and the inventory of assets that constituted the basis for the agreed RP. The organizational unit responsible for project reporting on resettlement (project resettlement unit, where it exists) should oversee the progress in resettlement preparation and implementation through regular progress reports, submitted through normal channels, monitoring key indicators of finance, inputs and activities.

The specific objective of the internal monitoring and supervision is to: (i) verify that the baseline information of all APs has been carried out and that the valuation of assets lost or damaged, and the provision of compensation, resettlement and other rehabilitation entitlements has been carried out in accordance with the provisions of the Resettlement Decree and the RP; (ii) oversee that the RP is implemented as designed and approved; and (iii) verify that funds for implementation of the RP are provided by the project management in a timely manner and in amounts sufficient for their purposes, and that such funds are used in accordance with the provisions of the RP.

13.3.1 Monitoring Indicators

The main indicators that will be monitored regularly are:

- The entitlements of APs are in accordance with the approved Decree 192 and that the assessment of compensation is carried out in accordance with agreed procedures;
- Payment of compensation to the affected people in the various categories according to the level of compensation described in the RP;
- Public information and public consultation and Grievance procedures are followed as described in the RP;
- Consultation with, and participation of APs in identifying appropriate rehabilitation assistance measures;
- Relocation, reorganization, and payment of subsistence and shifting allowances are made in timely manner;
- Restoration of the public facilities and infrastructure affected by the project;
- Job creation (number of persons who need job provision and the number who have found a job);
- Provision of training and credit availability to those entitled to such assistance; and
- The linkage of resettlement and commencement of civil works.

13.3.2 Monitoring Report

This overall monitoring and reporting framework should provide a routine flow of information from the field level to the headquarters of the implementing agency, based on predefined indicators, together with periodic supervision and verification by the resettlement unit, or those in charge of resettlement operations.

13.4 External Monitoring

In addition to internal monitoring, external (or independent) monitoring is normally required to provide an independent periodic assessment of resettlement implementation and impacts, to verify internal reporting and monitoring, and to suggest adjustment of delivery mechanisms and procedures as required. To function effectively, the organization responsible for external monitoring should be independent of the governmental agencies involved in resettlement implementation. Project owners are responsible to contract suitable and experienced external monitoring agency and budget for the same should be provided in the RP. The following activities are the standard functions of the external monitors:

- Verification of internal reports, by field check of delivery of the following:
 - a. payment of compensation including its levels and timing
 - b. land readjustment
 - c. preparation and adequacy of resettlement sites and house construction
 - d. provision of employment, its adequacy and income levels
 - e. training
 - f. rehabilitation of vulnerable groups
 - g. infrastructure repair, relocation or replacement
 - h. enterprise relocation, compensation and its adequacy
 - i. transition allowances
- Interview a random sample of APs in open-ended discussions to assess their knowledge and concerns regarding the resettlement process, their entitlements and rehabilitation measures.
- Participate as an observer in public consultations for APs at the village or town level. (Organizing these meetings is the responsibility of the implementing agency.)
- Observe the functioning of the resettlement operation at all levels to assess its effectiveness and compliance with the RP.
- Check the type of grievance issues and the functioning of grievance redress mechanisms by reviewing processing of appeals at all levels and interviewing aggrieved APs.
- Survey the standards of living of the APs (and that of an unaffected control group where feasible) before and after implementation of resettlement to assess the whether the standards of living of the APs have improved or been maintained.
- Advise project management regarding possible improvements in the implementation of the RP.

Regular external monitoring should begin along with implementation activities and continue until the end of the project. A sample TOR for External Monitoring is presented in Annex 28.

External monitoring agency will submit periodic monitoring reports to project owners, a copy of which should be regularly provided to STEA and the financing agency, if any. A generic outline of monitoring report is provided in Annex 29.

13.5 Post Implementation Evaluation Study

Nine months to one year after the end of resettlement activities, the contracted monitoring agency should conduct an evaluation study of severely affected APs to determine whether or not the objectives of the RP in terms of restoration of incomes and living standards have been achieved. The methodology for the evaluation study should be based on the follow-up socio-economic survey to determine the impact of the project on income levels and living standards of the affected people who are severely affected by the project. A social and economic assessment of the results of delivered entitlements and a measurement of the income and standards of living of the APs before and after resettlement is integral components of this activity. This survey should be conducted following the same methodology as adopted for the inventory preparation. The survey data thus collected should be compared with the baseline survey information that has been collected during the preparation of the RPs. Should the findings of the study indicate that the objectives of the economic rehabilitation have not been achieved; the consultant should propose appropriate additional assistance that may be necessary to achieve the stated objectives.

CHAPTER 14

Resettlement Cost & Budget

14.1 Resettlement Costs

Experience of a number of projects that have been implemented in the past or those currently ongoing suggest that budgeting and financing remain weak, costs sometimes go unidentified altogether, and if identified, they may be underestimated. Where the resettlement costs are estimated and budgeted, funds actually allocated for implementation frequently prove to be insufficient. Although the Decree requires all costs associated with resettlement should be borne by the project, underestimation of resettlement costs and insufficient resettlement funding sometimes create severe burdens for APs and undermine other project objectives as well.

In most projects, as a result of poor planning, cost underestimation often leads to cost overruns. Poor budgeting exacerbates the problems during implementation. And even the best budgets may be of little value if funds are unavailable, or if financial responsibility is not clearly assigned.

14.1.1 Identifying and Reporting Resettlement Costs

Resettlement costs are now more broadly recognized and accepted in general terms, but actual resettlement costs associated with particular projects quite frequently remain unidentified in planning stages. Basic tools required to identify and estimate resettlement costs are:

- a **policy framework** that establishes eligibility criteria for entitlements and other forms of assistance
- a **census** to establish the number and identity of individuals, households, or communities to be affected, usually with an inventory of major assets (land, housing) to be affected.
- a **socioeconomic survey** (or surveys) that inventories all assets affected and determines impacts upon incomes and living standards. Such a survey often uncovers costs not previously recognized by planners
- **project technical designs**, including designs for relocation sites and other resettlement-related facilities and services.

The failure to identify those affected, to inventory affected assets, or to recognize adverse impacts upon income sources routinely leads to significant resettlement cost increases for which financial resources have not been allocated. Resultant delays seriously affect project objectives and performance.

A lack of standard cost reporting sometimes contributes to the failure to identify resettlement costs. There is general agreement that most resettlement-related costs incurred in implementation can be placed in four budgeting categories: compensation, relocation costs, rehabilitation (or income restoration) costs, and administrative costs. There also are preparatory planning costs and sometimes technical assistance costs incurred before project approval. Broad categories to determine resettlement costs are briefly defined below:

- **Compensation.** This category refers primarily to the cost of payment (or acquiring direct substitutes) for expropriated land, housing, structures, and other fixed assets (including assets acquired for temporary project use). Compensation costs also include the cost of preparing resettlement sites or mitigating costs to be borne by host communities. This includes replacing or restoring community facilities (e.g., community centers, religious facilities) and replacing or restoring public infrastructure (e.g., roads, bridges, sewerage, irrigation works). The Decree requires that compensation be at replacement cost; there is very limited scope for minimizing compensation costs (except in rare circumstances where APs voluntarily accept resettlement-related alternatives to compensation). The best way to minimize compensation costs is to avoid expropriation. Attention to the timing of land acquisition, for example, may permit crop harvest, alleviating the need for crop compensation.
- **Relocation costs.** This category refers to costs associated with physical relocation of people, businesses, livestock, and moveable assets, including allowances and any transitional expenses for shelter that arise between displacement and relocation. These costs are variable, with considerable scope for minimization. For example, timely preparation of replacement sites and provision of services can reduce transition expenses.
- **Income restoration costs.** If compensation for assets is insufficient to restore incomes, this category covers costs associated with assuring opportunities for improving or restoring incomes, as well as temporary income support if required. Costs may include measures for training, identification of employment opportunities, or start-up capitalization for micro-enterprises. Costs in this category tend to be relatively more contingent because income recovery depends in part upon the skills and attitudes of those affected. However, careful resettlement planning can lower costs by encouraging AP acceptance and adaptation. Conversely, poor planning can heighten costs by exacerbating uncertainty and vulnerability.
- **Administrative costs.** This refers to operating costs (mostly for personnel and logistical support) incurred in administering resettlement operations.
- **Preparation costs.** This refers to costs incurred to obtain information necessary for budget and plan preparation. These costs are incurred before the budget is prepared and are generally not included in resettlement costs.
- **Technical assistance costs** include personnel training, institutional capacity-building, consultancy services, and independent monitoring.

14.1.2 Estimating Resettlement Costs

Because resettlement involves complex and contingent processes, cost estimates and budgets are not precise. In fact, for relatively minor cost items, employing elaborate methodologies in an effort to establish cost precision can be more costly than the costs themselves. If cost estimation cannot be done precisely, budgeting nonetheless can be done adequately. In essence, adequate budgets require estimates that, on balance, fall within a reasonable margin of error, plus reliable contingency arrangements. Resettlement budgets should vary significantly to reflect the variation in the scope and complexity of resettlement measures. For example, costs will be lower in projects requiring partial asset acquisition but not actual relocation.

- **Planning costs:** The costs of preparing resettlement plans varies by the complexity of the project and by who is called upon to do the planning. If project agencies have skilled personnel, part of the preparatory costs are likely to be absorbed into existing budgets. Where expatriate consultants are contracted, the preparation cost would be higher. In some cases, hiring consultants on a contractual basis may be more cost-effective than to develop internal planning capacity. For project agencies likely to be involved with more than one

project, development of in-house capacity is recommended. This is likely to reduce both planning costs and implementation costs over time.

- **Compensation costs:** In principle, compensation refers to a relatively simple financial transfer in return for expropriated assets. Many costs in this category can be determined with relative precision, especially where active markets provide prices approximating net present value. Moreover, as a single transaction, compensation is generally free of recurrent costs. Nonetheless, estimation of compensation at replacement cost can be highly complex, especially where markets function poorly, where property values change rapidly, or where property rights are uncertain. Additional complexities attend estimation of costs of site preparation until technical designs, timetables, and possibly other resettlement activities are finalized. Such costs also may depend upon choices APs make regarding alternative sites or compensation options. Resettlement site development also is a recurring source of cost-underestimation because estimates are not based upon technical expertise or scheduled construction rates.
- **Relocation costs:** Most costs in this category also are one-time payments. They can be difficult to estimate because they often arise during implementation as byproducts of delays or cost overruns.
- **Income restoration costs:** Because the costs of income restoration *per se* are unpredictable, estimates typically are based upon proxies, such as training costs or the costs of providing credit, or upon some other arbitrary measure. And many projects typically assign a flat unit-cost to income-restoration activities, despite the high variability in actual costs. Surveys should provide information sufficient to allow a more accurate estimate of costs. If flat unit rates are employed in projects where income restoration is a significant part of the resettlement plan, budgets should include substantial contingency funds earmarked for income-restoration purposes.
- **Administrative costs:** In many projects, it is difficult to estimate administrative costs because some costs specific to resettlement cannot be separated from general project overheads. The administrative cost structure also depends significantly upon whether resettlement agency or staff are to be employed specifically for resettlement purposes, whether resettlement-related tasks are to be distributed to existing agencies and staff, or whether they are to be contracted to consultants, Non-benefit organizations, or others. Administrative costs are also dependent on types of projects. Typically the costs are higher in linear projects due to longer distances. Other factors include staffing, office space, equipment and vehicles. Monitoring and supervision costs are generally included under this category.

A sample format for reporting resettlement cost is given in [Annex 30](#).

14.2 Budgeting for Resettlement

Resettlement budgets should not be viewed as rigid blueprints. Although thorough budgeting process can reduce uncertainty, even the most elaborate budgeting exercise does not guarantee that adequate funds are available when needed. So resettlement plans should build in mechanisms for financial flexibility, assuring that funds flow for anticipated resettlement activities when needed and that funds are reserved for unanticipated contingencies as they arise.

Budgeting should be year-wise as well as item-wise. Budgetary provisions should be linked to the resettlement timetable. Funds otherwise adequate in amount but released too late generate delays, losses to inflation, or other difficulties. Given the fact that most countries have very rigid budgetary procedures, timely financial allocation in the government's annual

budget is very important. So budgets should estimate year-by-year spending requirements, and supervision should, at least annually, review future financial requirements in light of past resettlement performance.

Earmarking important if financial management is weak. Especially in projects with weak financial management or very scarce financial resources, it may be advisable to establish financial earmarks, or possibly escrow accounts, restricting use of designated funds to resettlement purposes.

Unless the **resettlement budget earmarks funds for specific entitlements and programs for women and children**, such funds may not be available. Key questions and strategies for integrating gender into the resettlement budgeting is presented in [*Annex 31*](#).

Adequate contingency funds are essential. Imprecise budget estimates are by no means unique to resettlement; all projects assign contingency funds because virtually all project-related activities involve price or physical contingencies. Resettlement differs, however, because the contingencies are partially social or behavioral in nature. Reserve of contingency funds involves arbitrary judgment. As a general principle, however, as resettlement increases in complexity, the greater the potential need for contingency funds. Similarly, resettlement often is time-sensitive; the longer the interim between identification of resettlement and completion of resettlement activities, the greater the potential need for contingency funds. If contingency is assigned as a flat percentage of estimated resettlement costs, the percentage should rise for projects requiring income-restoration activities on any significant scale.

Following standard project practice, both price and physical contingencies are provided for resettlement. Especially for projects with resettlement phased over a number of years, price contingency is essential to counteract inflation so that payment of compensation and other expenses can be maintained in real terms. (In some projects, the project itself may have a significant impact upon land values through land acquisition.) Physical contingency covers incremental costs of implementation. The stage of technical preparation should be considered in budgeting physical contingency. If detailed designs are not available at appraisal, resettlement costs should be reassessed when designs are completed.

RP must establish financial responsibility. The ultimate safeguard in terms of resettlement budgeting is assuring that financial responsibility is clearly assigned in RPs. Especially in projects where resettlement issues span regional or municipal jurisdictions or require actions from multiple agencies, RPs must delineate sources of funds and mechanisms for timely delivery. RPs should also specify arrangements and responsibilities for meeting cost overruns.

Resettlement-related entitlements are financial liabilities that can rise and fall without regard to budgetary allocations. Inadequate funding cannot be accepted as an excuse for non-delivery. With regard to income-restoration costs that are in part contingent on the responsiveness of PPs, the limits of liability are less clear. In terms of financing, the project owners should provide adequate funds to create realistic opportunities for restoration or improvement of incomes, with the expectation that some people may need repeated assistance. To reduce potential costs during implementation, plans should assess the likelihood that training programs, replacement jobs, or other measures will be sufficient to return APs to productive lives.

Financial Arrangements for Income Restoration

Estimating the cost of providing opportunities for those eligible for income-restoration measures is highly uncertain - especially when APs are required to shift to unfamiliar productive activities. While compensation or replacement absolves a project of responsibility for expropriated assets, the limits of responsibility related to income restoration are less clear.

The Policy requires minimizing all displacement impacts, in terms of cost it is especially important to minimize impacts that require income-restoration measures. If income restoration measures are necessary, financial arrangements should:

- Ensure that income support is provided for a reasonable period of transition allowing restoration of income streams.
- Ensure that funding for employment training or start-up capitalization for micro-enterprises is sufficient.
- Ensure that contingency funds are allocated for secondary income-restoration efforts if initial measures prove unsuccessful.

14.3 Financing for Resettlement

Identification of sources of finance and commitment at the local, provincial and central level is extremely important. All costs associated with resettlement in projects sponsored by central or provincial line agencies or private agencies are to be financed by their own sources. Local governments are to be responsible for financing all resettlement activities for projects sponsored by them although regional level line agencies may be requested to bear the costs of infrastructure (roads, water, electricity etc.). To supplement their own source of revenue, local governments may be eligible for some assistance from central government. In the case of projects funded by multilateral agencies, some financing for resettlement can be made available, subject to the prevailing procedures.

Determining the Limits of Financing by Multilateral agencies

In projects funded by multilateral agencies, borrowers usually pay most resettlement costs. Relatively few projects with resettlement include any direct disbursement for resettlement activities by such agencies. The major constraint to disbursements is that available disbursement options are not used by borrowers, either due to unfamiliarity with various lending mechanisms, and a reluctance on the part of some governments to borrow for resettlement-related expenses.

A common perception in most agencies is that by using domestic funds for resettlement, they can avoid following requirements, norms and strict supervision on resettlement by these agencies. This is however, not true. In projects funded by the ADB or the WB, their requirements and norms apply to all aspects of projects, including resettlement, irrespective of sources of funds for such activities. Making Banks' funds available can alleviate a shortage of funds and negates claims that financial resources are simply unavailable.

The scope of Banks' disbursements can now cover virtually all resettlement-related costs except direct transfer payments (e.g., land acquisition, purchase of existing replacement housing, or taxes or legal transfer fees). Though financing is not permitted for land acquisition or for purchase of replacement structures, areas of potential financing are very significant in urban resettlement. Financing can be included for land improvement, including for development of resettlement sites, replacement housing construction costs, home mortgage programs, for provision of replacement public infrastructure, for enterprise development, credit, and job creation programs, all of which can be proportionately more important in urban

resettlement. Special financial arrangements may also be available for urban resettlement pilot innovations. *Based on the current practices followed in the ADB and the World Bank, the disbursement of loan in meeting resettlement costs are shown in the matrix in [Annex 32](#).*

Financial Payment and Monitoring

Financial monitoring should assess the effectiveness of past expenditures. In terms of resettlement, “effectiveness” necessarily includes assessing whether compensation, as well as resettlement-related services, reach intended recipients and have the intended effect. Two recurrent complaints in the field are payment delays and insufficient amount of payment.

In some countries, for example, as compensation passes through the bureaucratic approval process, various government agencies may divert a portion of the funds for other purposes, public or private. In some countries, local government officials allegedly demand commissions for delivery of compensation or other benefits. In areas where such practices are alleged, implementation plans should include mechanisms to ensure delivery of compensation and other benefits. These mechanisms may include:

- A revolving fund to ensure prompt payment where budget constraints or bureaucratic processes are likely to cause delays.
- Public disclosure of compensation amounts and public payment to enhance transparency and discourage exploitative practices.
- NON-BENEFIT ORGANIZATIONS involvement in delivery of payments or in monitoring compensation procedures.
- Payment of compensation by check, or by direct deposit into a bank account, to reduce immediate opportunities for extortionate practices.
- Conditional provisions requiring RPs to specify that people cannot be evicted from their land or house before receiving full compensation.
- Grievance procedures available to APs in case of any problems in the delivery of compensation and other entitlements.

In some projects, community-based entitlements may be provided for loss of common property or other community facilities. In such cases, it is necessary to ensure that monitoring agencies determine whether all project-affected individuals enjoy access to community-based remedies and benefits. RPs should describe local plans for collective use for compensation, and should ensure that such plans (no matter how potentially beneficial to the collective at large) address the needs of APs. RPs should also describe mechanisms for monitoring collective use of compensation to ensure that those adversely affected, as opposed to the more broadly aggregated community at large, receive appropriate remedies and benefits.

Identify areas where community financing will be required in order to ensure success of the resettlement and rehabilitation programs. For example, community maintenance of communal facilities could be explored. Identify community willingness to contribute financially to improved facilities. Joint contributions may be relevant to operations and maintenance of community or group social infrastructure, such as water and sanitation facilities, solid waste disposal, and multipurpose community halls.

14.4 Coordinating Administrative and Financial Responsibilities

Successful design and implementation of projects requires sufficient funds and careful coordination among several layers of government and multiple line agencies. Simple problems of coordination in timing and delivery quickly become far more complex because agencies

involved may have conflicting functional roles, legal requirements, and strategic priorities. In practice, project implementation often is marred by a lack of clarity regarding administrative responsibility for implementing resettlement plans, a lack of clear responsibility for financing resettlement-related costs.

Administrative Coordination

Resettlement plans should identify the role of various agencies in planning and implementation of resettlement and assign specific responsibilities in respect of the tasks and activities to each of the participating agencies. When implementation of resettlement plans requires coordination of multiple agencies or jurisdictions, it may be necessary to establish a central resettlement group comprising of representatives from participating agencies and headed by an officer from the project agency responsible for resettlement operations.

Financial Coordination

To ensure that resettlement is adequately funded, the project owners should assess existing or potential sources of funds for administrative agencies responsible for payment of compensation, provision of entitlements, or implementation of other aspects of the RP. Not uncommonly, municipal agencies are assigned responsibility for payment of compensation, or provision of housing and urban infrastructure. But they receive no budgetary supplement or taxing authority to pay for the additional expenses. Project owners should explore prospects for establishing escrow accounts for resettlement-related expenses. Where some financing is provided by external funding agency, the funds committed to resettlement-related expenses also should be disbursed through a separate project account. To ensure availability of adequate funds during implementation, the resettlement plans should:

- (i) Provide detailed cost estimates for all cost categories in resettlement including contingencies;
- (ii) Provide yearly phasing of activities and budgetary allocations linked to financial year and to project phasing;
- (iii) Identify sources of funds for each activity, financial responsibilities; and
- (iv) Obtain commitments by participating agencies for provision of funds, including contingencies.

CHAPTER 15

Implementation Schedule

15.1 Critical Issues in Implementation

The level of reliability of data in RPs is subject to the level of design details available during the feasibility studies. If in a project, the design parameters are finalized during the feasibility studies, the census and inventory based on detailed designs would be reliable and complete. The resettlement plans would therefore be considered complete, barring some minor changes during implementation. However, in case the technical designs remain preliminary, the RPs prepared on the basis of information provided may satisfy basic requirements for project process, but the RP will not fully cover all the possible impacts of the project, census of affected people, and inventory of losses. Without final designs and specified project boundaries, census cannot be completed accurately. The RPs in such cases would require updating following completion of technical designs and before implementation activities can commence.

Once updated, reviewed and found acceptable by relevant project authorities and STEA, the RP will become legally enforceable. Implementation of the RP can begin as soon as the approval from the Government is received. For updating and implementation of the RP following activities will take place sequentially..

RPs prepared during the feasibility study stage should clearly identify the gaps that remain in the RP, and the activities that would be necessary to complete the RP prior to implementation, as well as the activities that would be necessary during implementation phase. The information provided in the RP will enable project authorities to take necessary steps for efficient implementation management and supervision.

The RPs should provide a resettlement implementation schedule showing specific activities within a specific time-frame and linking resettlement to civil works. It should be kept in mind that the acquisition of assets, compensation payment in full, resettlement and rehabilitation activities for a segment/section or phase (except where long-term rehabilitation measures such as vocational training or other measures recommended) should be completed prior to the initiation of construction work under the respective segment/section or phase thereof.

15.2 Pre-Implementation Activities

Pre-implementation activities leading to the finalization of RPs will depend upon the type of project, and the types of technical studies required. Taking a Water Resources Project as an example, the following pre-implementation activities would be necessary.

Completion of Topographic and Hydrological Surveys

The preparation of detailed topographical maps of the project area, including upstream of the rivers and the area lying between them, and the hydrological surveys should be the top priority in the project. Without reliable and updated topographic and hydrological surveys the extent of the area affected by the project cannot be determined accurately.

Land Ownership Survey and Land Holding Maps

Contemporaneously to the topographic and hydrological surveys, it is absolutely necessary to prepare landholding maps of the project area that will be benefited by dry season irrigation. These maps should be supported with information on landowners. This information and maps will facilitate identification of beneficiary population, location of their landholdings and land holding sizes.

Design Parameters

Following the completion of topographic maps and hydrological surveys, design parameters such as, the level of weirs, width of secondary canals, drainage channels and service roads, and their locations need to be finalized. These design parameters will assist in determining the impacts of the project on private assets.

Identification of Impacted Areas and Affected Population

Based on the landholding maps and the proposed design of civil works in the project area, the affected landholdings can be identified. The information will assist in identification of beneficiary landowners and their economic background that will be affected by the proposed widening of secondary canals, and rehabilitation and construction of drainage channels and service roads. The information will also enable the extent of the area that will be inundated by the repairs to the weirs and in identification of APs upstream of the rivers.

Public Information Campaign and Updating of Census and Inventory

Following the identification of APs and the areas that will be inundated, public information campaign should be carried out to inform the affected population on the project and its objectives, and the schedule of census and inventory preparation for updating of the RP. Where possible, Public Information Centers should be established.

Updating of RP

The census and inventory of affected assets should cover all the population that has not been covered previously by the draft RP. Additionally, baseline socio-economic survey should cover at least 20% of the population. Based on the additional census and inventory of affected assets and the baseline survey, the RP should be revised and finalized. The revised RP should be prepared in consultation with the local authorities and relevant government departments that have stake in the project. The updated RP should be submitted to the relevant authorities, line ministry and STEA for further review and clearance prior to the implementation of the project.

15.3 Resettlement Implementation Activities

The RPs should also specify activities that would take place during the implementation phase. Taking the same Water Resources Project as an example, the implementation activities during the implementation phase are summarized below:

Establishment of GRC

As soon as the RP is formally approved, the project authorities will request STEA and the GoL to formally establish Grievance Redress Committees in respective districts covered by the project area.

Strengthening Capacity in Resettlement Units (RUs)

After the establishment of GRC, the staff of the RU should be trained in resettlement and rehabilitation. The training should be provided by an experienced resettlement specialist who

should provide guidance to the PMU and other concerned line agencies in all matters related to resettlement and oversee the implementation of the RP. The training should focus on the resettlement policy and implementation procedures, public consultation and participation procedures, and focus group discussions and beneficiary consultation. The training should also include planning and delivery of rehabilitation assistance to the vulnerable groups in both the APs and the beneficiary population.

Consultation with Beneficiary Population

Following the completion of landholding maps and identification of landowners (beneficiary population) public consultation should be carried out to inform the beneficiary population about the likely impacts of the proposed civil works, and the objectives and procedures for land readjustment. Beneficiary population should also be informed about the grievance redress mechanism and the establishment of GRCs in each commune. All proceedings of the public meetings should be documented and records of issues raised and decision taken should be recorded.

Land Readjustment of Beneficiary Landholdings

Following the public consultation exercise, land readjustment exercise should be carried out with an objective to minimize adverse impacts on the small landholders and to ensure that every beneficiary households retain a landholding of at least minimum economic size. The economic size of the landholdings should be determined based on the expected productivity of the irrigated land and consultation with the local community leaders and the beneficiary population.

Revised Landholding Maps

Revised landholding maps should be prepared after completion of the land readjustment exercise. The revised maps should be discussed with the beneficiary population to obtain agreement. The revised maps should form the basis for land tiles.

Updating and validation of Compensation Rates

Following the updating and approval of the RP, the compensation rates for affected assets should be finalized to ensure that they reflect current market rates and compensation for affected assets at replacement cost. The final rates should be approved by the project authorities before they are used to determine compensation entitlements to each APs.

Public Information Campaign

The RU, with assistance from the local government authorities will arrange public meetings in each commune. The RU will develop a public information campaign to disseminate information about the schedule for validation of inventory and entitlements prior to the compensation payment.

Compensation and other Entitlement of APs

After unit prices have been validated and approved by the project authorities within the line ministry, the field teams will visit each AP to validate inventory, finalize entitlements and total amount of compensation and allowances payable to each AP. A Compensation Entitlement Form for each AP would be completed and signed by the APs to indicate their agreement with the affected areas and assets shown, entitlements and compensation amounts. A copy of the signed copy of the form would be given to APs for their record. Any disagreement on the inventory details or compensation rates would be recorded and addressed in accordance with the established procedures. The field teams will also reconfirm APs options for cash or land-for-land and the types of rehabilitation assistance measures.

Public Meeting

Upon Completion of the Compensation and Entitlements for each AP, public meetings will be arranged in each commune to inform the APs on : (a) the schedule for compensation payment; (b) relocation arrangements for those required to relocate; and (c) the schedule for start-up of civil works. APs will also be informed to harvest their crops prior to start-up of the civil works. The schedule for the civil works will be coordinated with contractors to ensure APs are provided sufficient time to complete harvesting activities and no damage to the crops is caused.

Payment of Compensation and Allowances

All payment of compensation and allowances will be made in a public place. The place, date and time of the compensation payment will be announced in advance and commune officials will be requested to ensure all APs within their administrative jurisdiction are informed.

Relocation

A coordinated plan for relocation of APs will be prepared in consultation with APs, with assistance provided by the RU staff, district and commune officials. APs will be provided with sufficient time for relocation prior to handing over the site for civil works.

Handing Over the Site for Civil Works

The site will be handed over for civil works when all the APs in a section or part thereof are paid full compensation and are relocated. All compensation and resettlement activities in the project road will be completed at least one month prior to start-up of the civil works.

Arrangements for Rehabilitation Assistance

Arrangements for planning and deliver if rehabilitation assistance to severely affected APs and vulnerable groups will start as soon as the payment of compensation to the APs is completed. The types of economic rehabilitation assistance will depend on APs choices, priorities and need.

PART IV. RESETTLEMENT IMPLEMENTATION

CHAPTER 16 Pre-Implementation Arrangements

In terms of planning and implementation of resettlement in development projects, responsibilities lie with respective line agencies and project owners, but without full support of local and provincial administrative organs its planning and implementation becomes difficult. Provincial governments play active roles in supporting and coordinating implementation of development plans initiated by line ministries and their regional representative offices/departments. However, due to the hierarchical administrative system coordination between line agencies and local administration is often difficult. Major institutional and organizational problems at local government level include:

- a. Although resettlement activities cut across several disciplines none of the line agencies Cover all aspects of resettlement and rehabilitation (R&R) activities in their normal course of responsibilities.
- b. Acute shortage of skilled professional staff in disciplines critical for R&R activities such as social planning and development, human resource development and environment.
- c. Awareness of local acts and bylaws relevant to resettlement is minimal in local staff.
- d. Often the roles and responsibilities of assigned staff from relevant organizations in resettlement planning and development are not clearly defined.

16.1 Institutional Set-up

The first and foremost task prior to start-up of resettlement implementation includes organizational set-up within the project owner or implementing agency if that is not already in existence. Additionally, capacity of other institutions that, in one way or another, likely to participate in resettlement implementation, should be analyzed and necessary provisions made to strengthen capacity to ensure that all the institutions fully understand the policy provisions, methodologies and procedures necessary for efficient resettlement implementation. It is essential also to ensure that appropriate mechanisms are established to enable women's participation in the resettlement process.

16.1.1 Social and Environment Divisions / RUs

Project Management Units in the line ministries or implementing agencies are responsible to oversee the overall management and implementation of the project. However, in regard to the resettlement implementation, an independent Social and Environment Division or a Resettlement Unit (RU) needs to be established either within the PMU or in the line ministry, as the case may be, that will be responsible for implementation of RP.

Social and Environmental divisions or RU, as the case may be, headed by a senior social scientist will provide technical guidance and support for RP implementation and will be responsible for the following resettlement activities:

- Overall planning of the resettlement programs;

- Organizing to implement RP on schedule and in compliance with the policies provided therein and the common principle of compensating and/or rehabilitating APs to improve or at least restore, APs' living standards. The task is carried out in coordination with the relevant government resettlement bodies among which PMU plays the main role;
- Providing training to the district & commune staff on planning and implementation of resettlement activities and on the principles of resettlement in accordance with the RP;
- Directly guiding, following up, supervising and monitoring internally the RP implementation;
- Updating inventory, where necessary, finalizing entitlements and payment of compensation and other assistance to APs, including planning and delivery of economic rehabilitation assistance;
- Conducting public consultation and participation activities and grievance redress in accordance with the framework provided in the RP;
- Contracting out with independent monitoring agency to monitor and assess resettlement implementation and propose necessary amendments/remedial actions.
- Amending or complementing the RP in coordination with concerning government agencies in case of any problems identified by internal and/or external monitoring of RP implementation to ensure that the objectives of the RP are met;
- In coordination with PMU, ensuring timely provision of budget for R&R activities;
- Preparing periodic supervision and monitoring reports on RP implementation for submission to PMU and STEA.

Successful implementation of the RP will require close coordination between PIU and other local provincial and district authorities.

The Organization of RU

In order to carry out assigned tasks, RU would be required to organize 'task teams', with specific roles and responsibilities. Task teams would be accountable for delivering the assigned tasks. Although the number of task teams and their responsibilities would vary depending upon the scope of the project and resettlement, the key areas to be covered by the tasks teams would include the following:

- a. Overall supervision, management, coordination and monitoring;
- b. Detailed Measurement Surveys, Inventory and Entitlements;
- c. Public Consultation, Participation and Grievance Redress;
- d. Relocation and Resettlement Site Development;
- e. Economic Rehabilitation Planning and Implementation;
- f. Data Management, Documentation and Report Preparation;
- g. The Financial and Accounting, including disbursement of funds and payment of compensation to APs

The members of the Task-Teams will work in close cooperation with each other.

16.1.2 GRC

The district level GRCs would include members from local government, Non-benefit organizations and mass organizations. In order for the members of GRCs to impart their

responsibilities efficiently, it is absolutely necessary that all the members fully understand the provisions of the Policy and entitlements to APs. It is also necessary that the members are knowledgeable about the procedures in data collection, assessment of impacts and compensation rates as well as in public consultation and participation. Therefore, project owners should undertake short training programs to inform local government officials and members of GRCs prior to start-up of resettlement implementation activities.

16.1.3 Provincial / Local Authorities

Traditionally, the role of local and provincial authorities is seen largely as administrative agencies. As such the provisions and opportunities for disciplines essential for planning and development activities are very limited. However, local authorities have been playing an increasingly active role in development. The capacity remains weak though. Provincial and local authorities and agencies can assist PMUs in:

- (i) Public information dissemination and consultation process;
- (ii) Assisting project authorities in conducting census, surveys and socio-economic surveys;
- (iii) Land ownership and land holding surveys;
- (iv) Establishing compensation prices for land, structures, crops and other fixed assets;
- (v) Validating tenure status of land and structure;
- (vi) Land recovery and allocation;
- (vii) Assisting project authorities in payment process for compensation and other assistance;
- (viii) Planning and implementing all resettlement and rehabilitation activities in the district and commune level; and
- (ix) Assisting project authorities in addressing grievances and complaints.

16.1.4 Private Sector Institutions, Non-benefit organizations & Mass Organizations

Local Non-benefit organizations, mass organizations, consultants, universities and other research institutions possess experience and skills that can be tapped into and used in a constructive manner. Where available, these organizations and institutions can play an important role in all aspects of resettlement activities and in providing resettlement specialists in the 'core-team' responsible for planning and development of resettlement in major projects.

Recommendations

1. During the resettlement planning stage (resettlement action plans) an organizational set-up should be prepared indicating relationships among all responsible institutions and their functional levels.
2. Resettlement plans should also specify staffing requirements, including the level of technical skills and experience, for key resettlement activities.
3. Skills and experience of existing staff should be evaluated and the need for training in areas of deficiency identified.
4. Adequate arrangements for the training of staff and budgetary provisions must be assured prior to the start-up of resettlement implementation.

16.2 Strengthening Resettlement Capacity

It is necessary that the staff of RUs is fully conversant with the process and procedures necessary for resettlement implementation, management, supervision and monitoring. Although the RU staff should be given training in all aspects of resettlement planning and implementation, the priority of any capacity building exercise should be given to the specific

functions and tasks assigned to the staff. In general, the training in the following aspects would be necessary:

- a. Resettlement principles and policy;
- b. Resettlement planning procedures;
- c. Resettlement implementation procedures and sequence of activities;
- d. Methodology for compensation assessment;
- e. Data management system;
- f. Public participation and consultation procedures; and
- g. Supervision and monitoring of resettlement.

Female staff should be hired by the RU to work with and assist women in all aspects of resettlement activities, including planning and implementing income restoration programs. Involve women's groups in resettlement planning, management, and operations, job creation, and income generation.

16.3 Data Management, Documentation Reporting Procedures

Project authorities should establish computerized data management system to ensure that all the information collected during RP preparation i.e. census, inventory and socioeconomic baseline surveys is codified and maintained in standard data management system. It is necessary to design and finalize the data input procedures and formats for output. The output forms should be designed in advance to facilitate implementation activities. Key output forms are suggested as follows;

- a. Summary of impacts on land, structures, tree crops and other fixed assets
- b. Socioeconomic data for APs
- c. Entitlements to compensation for lost assets
- d. Entitlements to allowances and other assistance
- e. List of APs entitled to relocation with details on impacts and entitlements
- f. List of APs entitled to economic rehabilitation with details on socio-economic background and preferences for rehabilitation assistance measures
- g. Summary compensation form for each AP

Additional forms may be designed and produced depending upon the needs and requirements. The staff assigned for data management should also be responsible for preparation of supervision and monitoring reports based on the information provided by the field staff.

16.4 Setting-up Implementation Procedures

Prior to initiating any resettlement implementation activities, project authorities must formalize procedures for specific activities in the field. The key areas that would require particular attention include the following:

16.4.1 Validation of Impacts and Entitlements

In most projects the time-lag between the first preparation of RP and start-up of resettlement implementation may result in significant changes in APs assets rendering the inventory prepared during the RP preparation outdated. Therefore, updating of inventory and revalidation of impacts identified during RP preparation is an essential activity during RP implementation. It is important that the procedures to validate inventory be discussed by the

RU's assigned staff and with local authorities prior to start up of implementation. The procedures should be understood clearly by all the staff to ensure uniformity. Experience suggests that when different field teams are employed for preparation of inventory, analysis of data and determining entitlements, the degree of accuracy and uniformity between the teams can't be assured due to the differences in individual's understanding of policy provisions and perceptions about eligibility issues. Further, decisions on issues such as economic viability of remaining structure or land is a matter of judgment and field experience. The procedures and parameters for fieldwork should be discussed and agreed upon prior to start up of actual implementation.

16.4.2 Updating of RP

Project authorities should also identify specific activities that are required for updating of RP, if that is necessary, and set targets for completion of activities prior to start up of field work. Staff with specific tasks assigned to them should be given targets for completion for purposes of monitoring the progress.

16.4.3 Compensation Payment Procedures

Project owners are directly responsible for all the activities related to resettlement implementation in general and for payment of compensation to the APs in particular. Project owners will make arrangements for payment of compensation and allowances and should reach agreements with provincial (or District) authorities for compensation payment procedures and schedule.

Additionally, project authorities will be responsible to conduct public information dissemination exercise on compensation, updating the payment data and final reconciliation of payments for reporting to STEA and to donor agencies, where applicable. Project authorities, with assistance from provincial and district authorities, will prepare and finalize final compensation entitlements for each AP. Project management units/Resettlement Units, as the case may be, will remain finally responsible for accuracy of DMS forms, entitlements, compensation assessment and final compensation files.

Local authorities will assist project owners in making local arrangements for payment, informing the payment schedule to APs, acknowledging the receivers, confirming the amount to be paid and carrying out other administrative procedures.

Monitoring: The assigned staff of project owners will coordinate compensation payment procedures and supervise the whole process. Project owners will also inform External Monitoring agency in advance of the compensation payment schedule to enable them to observe payment procedures as part of their monitoring tasks.

Fund Transfer and Payment

After the compensation payment schedules are finalized, the payment procedures will be carried out as follows:

- a. Project authorities/RU staff will prepare final list of APs with their entitlements and post them at public places in each district and commune for information of APs and local authorities.
- b. Project authorities will prepare compensation payment schedule specifying date and place of compensation payment exercise in each commune and district and inform the

APs about the schedule in advance through local authorities. APs should also be informed on the types of documents that they would have to bring with them for purposes of establishing the identity and to receive the money due to them.

- c. The required funds should be released by project authorities at least one week in advance of payment schedule and required funds should be carried by the accounting officers of the relevant ministry/project authorities, together with the staff from the RU.

Payment of compensation can be made either in cash or through bank accounts in the joint name of husband and wife. The preferred option for compensation payment should be through bank account. However, where accesses to bank facilities are not available to APs, compensation payments can be made in cash.

APs should be asked to bring with them then following documents to claim their entitlements:

- a. identity cards
- b. copy of DMS and 'summary compensation forms' given to them by project authorities indicating their entitlements (a sample summary compensation form is presented in Annex 33);
- c. Copy of land use certificate of other acceptable documents to prove ownership or use right to affected assets.

The payment shall be made at public places on assigned date and time. The compensation payment exercise shall be witnessed by local authorities and representatives of APs, local Non-benefit organizations and mass organizations.

Where the payment of compensation is through bank accounts, project owners will coordinate with relevant bank-branch on the procedures, opening of bank accounts in the names of APs, and deposit the amounts due to the APs. Project owners will also post the list of APs and their entitlements at the Bank branch. The APs will receive their pass-books from the bank on the assigned date and complete the formality of attesting signatures.

16.5 Contracting External Monitoring Agency

Prior to start up of resettlement implementation activities, the project owners will contract an independent agency (consultant, research institutions, Non-benefit organizations or any other institution) with skills and experience in resettlement to carry out external monitoring of RP implementation and post-implementation evaluation, in accordance with the TOR (See Chapter 13, Annex 28). Selected agency will establish Stakeholder Monitoring Group in each district to enable participation of the APs in external monitoring of resettlement implementation.

16.6 Legal Covenants (for donor-financed projects)

Implementation of resettlement activities can very broadly be put into two categories based on the type of impacts and distribution of scope of works – those lie with the project authorities, government and other stakeholders, and those lie within the scope of the main contractor.

The First category of resettlement activities pertains to permanent impacts that are identified and are included in the RPs. These include compensation for affected assets, allowances, relocation and income restoration activities. The policy requires that the payment of compensation and allowance, and relocation for a section or part of the project must be completed prior to start-up of civil works on that section or part thereof. Therefore, in

accordance with the provisions of the policy, land for civil works should be handed over for civil works only after the completion of resettlement activities, except for the income restoration measures that take significantly longer to implement.

In practice however, it may not always be possible to complete all the resettlement activities either due to the institutional and financial constraints or because of the legal problems relating to land titles, disputes on ownership of assets and other legal proceedings. The responsibility of implementation of these activities falls on the EAs. Attempts should be made to facilitate implementation of resettlement ahead of construction schedule and necessary covenants in the Loan Agreements should be incorporated. Legal covenants in the loan agreement and contract documents are necessary to ensure compliance of the policy by the contractors, executing agencies and supervision consultants. These covenants should clearly specify the responsibilities of EAs to

- i) carry out resettlement implementation in accordance with the principles and procedures specified in the Resettlement Plan;
- ii) make timely allocation of funds to meet all resettlement costs. In the case of overrun, the project authorities will ensure availability of adequate funds as and when necessary to implement resettlement activities in a timely and efficient manner;
- iii) implement resettlement activities in consultation with and participation of key stakeholders including the APs; and
- iv) submit to the relevant donor quarterly progress reports providing full details on the progress of resettlement implementation, target dates for completion of resettlement activities and measures taken to address any issues and problems that may have emerged during the course of the implementation.

The legal covenants should also specify the resettlement component costs that are to be covered out of the loan component.

The Second category of implementation activities is related to the impacts caused by the civil works during the construction stage. These may include: temporary acquisition of private land for storage of material (borrow areas), disposal areas, land for temporary access road to project site, and damage to private assets (land, crops, trees) during construction caused by equipment and machinery. The identification of likely affected areas and the households due to such impacts is extremely difficult during the RP preparation. In most cases these impacts would be temporary in nature. Although, EAs are overall responsible for resettlement implementation, in practice the contractors assist EAs in implementation of some of the resettlement activities. The contractors negotiate with the affected households on the amounts payable for such impacts and these costs are implicitly included in the bid. It is therefore, necessary that the contract documents clearly identify the responsibilities of the main contractors, and the principles that would govern these mitigation measures. These conditions should be specified in the Specification Documents and in Bill of Quantities for inclusion in the Tender Documents. Review of Bidding Documents should be done carefully by the PMUs or RUs to ensure that all the necessary conditions are included in the contract documents. The conditions may vary with the type and scale of projects. However, the following specific condition are recommended for inclusion on the contract documents:

- a. Any damage to crops and other fixed assets must be fully compensated at replacement cost based on the principle specified in the RP.
- b. Assets which are only temporarily affected or inoperable, will be compensated based on the negotiated settlement between the contractor and the affected households,

provided that such assets or properties are required by the project for a maximum of 6 months. In case the assets are required by the project for periods longer than six months, the amount of compensation should be re-negotiated with the owner of said property.

- c. All damages to the fixed assets, land and structures during the civil works shall be set right at no cost to the owner.
- d. The contractors should assist project owners and facilitate implementation of resettlement activities, where necessary, to expedite completion of civil works.

The Decree on Compensation and Resettlement places emphasis on income restorations to severally affected by the project. One of the measures that can be taken is to give priority to the local people in jobs during the construction phase. Although contractors generally employ local population for unskilled and semi-skilled work, it is a good practice to specify this in the contract document.

Additionally, the Terms of Reference (TOR) for the Supervision Consultant must include social responsibilities. It is advisable to recommend inclusion of a social scientist in the supervision consultant team for projects with major resettlement issues. The provisions of the contract documents for supervision consultants should include contractual responsibilities such as:

“The Consultant will provide the following specific services...’Ensuring that the Works are executed in accordance with all provisions of the Contract, including appropriate mitigation measures, following the principles specified in the RP, for permanent or temporary impacts on private assets, temporary acquisition of land for borrow areas, temporary access roads, damages to private land, crops and other fixed assets.”

To ensure inclusion of the above conditions in the contract documents, the contract documents should be checked by the project owners prior to issuance of approval for the civil works.

CHAPTER 17

Resettlement Implementation

17.1 Sequence of Implementation Activities

Implementation of resettlement plans is a very different concept than simply preparing the plan that may be required and found acceptable by project owners, GoL PDR or a donor. Displacement by a project and relocation is an experience that cuts across all aspects of a person's social, cultural and economic patterns. Administrative, legal and financial considerations can play critical part and result in inequality in the resettlement options offered to affected persons in a project. Even the few projects that have been carried out to date in Lao PDR provide some guidance on the strengths and weaknesses of the resettlement options considered, and the issues that are not taken into account at the design and/or implementation stages.

For successful implementation of resettlement activities, close supervision and monitoring by the project owners is necessary. To facilitate management of resettlement implementation, project authorities should identify specific activities that are necessary for successful implementation and the time-frame required for completion of each activity. This should be either represented through a chart or table or any other form to facilitate regular monitoring. A sample of sequence of activities determined for a waterways project is shown in Annex 34.

17.2 Implementation Schedule

Implementation schedule should be revised at the beginning of resettlement implementation with targets specified for completion of each of the activity. A close watch should be kept on activities that are on critical path and likely to be critical in completion of resettlement. Planning and development of resettlement sites and economic rehabilitation are the most complex set of activities that generally result in delays. Additionally, delays can also be caused due to the problems such as conflicting claims over land ownership and land use rights issues. Implementation schedule should be revised when appropriate and in extraordinary circumstances. Repeated revisions will dilute the importance of the exercise.

17.3 Monitoring and Supervision

Internal monitoring and supervision by project owners and external monitoring of resettlement implementation by the contracted agency are the most critical and important exercise that can make implementation successful, if carried out regularly and earnestly. The monitoring will identify any problems in the field operation and alert authorities to take appropriate actions in a timely fashion.

17.4 Flow of Funds

Lack of budgetary allocation and timely availability of funds for resettlement are one of the major reasons for failure of resettlement in most projects. Project authorities must ensure that required funds are available to meet resettlement costs according to the implementation schedule.

PART V. SECTOR-SPECIFIC ISSUES IN RESETTLEMENT

CHAPTER 18 Resettlement in Linear Projects

18.1 Introduction

Because of the potential severity of the impacts they may produce, dam and reservoir projects typically have been a major focus of resettlement concern in Lao PDR. However, over the past few years growing emphasis on infrastructure development has led to an increasing focus on “linear projects” – mainly on roads and highways and transmission lines. These and other linear projects such as: railways, pipelines, or irrigation canals - are characterized by a long but relatively narrow corridor of impacts. Because alignments of these corridors often can be shifted to minimize socioeconomic impact, and because narrow corridors tend to require only partial acquisition of land and other assets, the resettlement impacts of linear projects often are less severe.

Even in cases of relatively minor impact, however, linear projects can pose unique challenges in resettlement planning. Assessing and remedying partial (and often temporary) impacts can be inordinately complex. Projects involving roads or railways frequently necessitate resettlement of squatters or encroachers, which can raise legal and political sensitivities in some areas. Consultation and participation may be difficult if the project stretches across more than one cultural or linguistic area. And issues of organizational coordination are likely to arise if linear projects stretch between or among multiple administrative units. This chapter offers technical guidance for overcoming these and other constraints to resettlement planning for linear projects.

18.2 Characteristics of Linear Resettlement

Specific characteristics of linear projects are summarized below:

Partial Land Acquisition: Land acquisition in linear projects often consists of a narrow strip along property frontages that, in most cases, does not require relocation of occupants or users, and typically does not negate the economic viability of land holdings. Where people do have to relocate, this often can be done in the same area (sometimes even on the same plot of land) with minor inconvenience. Even relatively minor land acquisition can produce significant hardships, however, especially when linear projects dissect existing holdings.

Dispersed Dislocation: Linear projects typically displace dispersed and scattered populations living along the corridor of impact, rather than entire communities or concentrated groups of people. This can produce problems of coordination in resettlement planning across administrative jurisdictions, and problems of communication and consultation with affected people. There are exceptions to this pattern of dispersed dislocation, however, notable when linear projects such as highways or railways dissect entire communities and impede access to key resources.

Temporary Impacts: In linear projects, dislocation may be temporary, allowing people to return once construction is finished. Of course, subsistence allowances or other forms of assistance are necessary during the construction and restoration period. When civil works are prolonged

over a long period, relocation of families and businesses to a permanent site may be necessary, and should be considered in consultation with the affected population.

18.3 Determining the Corridor of Impact

Road and Highway Corridors

Road and highway projects generally fall within one of two categories: building new roads, or improving existing ones. This distinction is relevant in terms of land acquisition. Opening up a corridor for a new road will generally require substantial land acquisition, and the negative impacts are usually more severe than in the case of road improvement.

Existing roads usually have an established Right of Way (ROW). Although new land may need to be acquired for bypasses, curve straightening, or roadside improvements, new land acquisition is likely to be more modest than in projects requiring completely new corridors. Even where there is little or no formal land acquisition, displacement may nevertheless take place – sometimes on a large scale – within an existing ROW. The provisions of the Decree would still apply on people affected by widening or improvements of roads and highways within the ROW and RP must mitigate negative impacts upon squatters and encroachers on public land. Thus, while the scale of resettlement may be different in the two situations, challenges related to resettlement have to be addressed in each.

Road corridors also constitute economic corridors; many people depend on proximity to a road in order to carry out economic activities. While road construction may have negative impacts on those losing land or other assets, it also contributes to the economic development of an area (most immediately evident in rising property values for land adjacent to the road). Road construction typically contributes to concentration of population along the corridor, since people are eager to take advantage of the economic opportunities offered by the road.

Resettlement impacts generally are confined within a fairly narrow corridor of impact, which is the area where it is unsafe or not permitted for people to occupy structures, carry out business activities, or to cultivate land. The width of this corridor varies depending upon the type of road. It may be less than the legal ROW, but is typically wider than the minimum required for the pavement, shoulders, and roadside improvements (e.g., parking zones, bus stops). For purposes of resettlement planning, the corridor of impact includes the immediate safety zone and any areas subject to direct impacts on people's livelihood as determined through surveys. Whatever has to be removed or demolished, whether permanently or temporarily, is by definition inside a corridor of impact, and those suffering losses caused by the project should be assisted. A safety zone for a good road with a high volume of fast-moving traffic may be considerably wider than what is required for a sporadically traveled rural road.

Road and highway projects also have very different impacts in rural and urban areas, since population density and socioeconomic diversity tend to be higher in urban settings (see also the Chapter 19 on Resettlement in Urban Projects). While physical dislocation in rural settings often can be avoided by moving homes back a short distance, this is more difficult in an urban area because the plot sizes are often relatively smaller. Additionally the types of construction, usually permanent or semi-permanent, in urban areas makes minor shifting of structures difficult without major repairs.

Economic activities take place along the road both in urban and rural areas, but the impact on street vendors and shopkeepers is generally higher in urban areas. Urban road improvements

also may generate significant indirect effects. A bypass around a populated area, for example, may result in local merchants losing their customer base. Scope of Social Assessment (SA)

should extend beyond impacts directly related to land acquisition, and should attempt to identify opportunities to mitigate indirect impacts as well.

The rapid appreciation in roadside property values following road construction or rehabilitation may produce another kind of indirect impact. As property values increase, some poor families and tenants might be put at risk of losing their land or homes as a result of new property taxes, higher rents, or other obligations unaffordable to them. It is good practice to try to minimize such risks. However, by and large, the benefits of higher values that accrue to roadside assets outweigh such negative indirect impacts.

Water, Sanitation, Gas and Oil Pipelines

There are several reasons why pipelines typically do not require much land acquisition or resettlement:

- The corridor is generally narrow, typically 6-18 meters in width.
- Many are built within an existing road ROW, to facilitate access and maintenance.
- Many are subterranean, meaning that impacts may be largely temporary.
- And the path alignment can be easily modified to avoid and minimize unnecessary displacement.

However, more significant land acquisition might be necessary for primary infrastructure, installation of pumping stations, treatment plants, access roads or storage facilities associated with these projects. An integral approach linking these ancillary facilities is recommended to identify the full range of negative impacts.

Unlike road and railway projects, establishing a pipeline ROW does not generally require transfer of land ownership. However, restrictions are placed on the use of the land within the corridor; pipelines might permanently impose restrictions on building structures and constrain activities such as forestry, or cultivation of crops that require plowing. Such limitations upon use serve to minimize physical displacement. Because they can produce severe impacts upon incomes or living standards, however, limitations upon use warrant compensation or other forms of assistance. Easement fees and payment for any crop damages, for example, are an appropriate way to compensate those whose fields may be subject to periodic intrusion for maintenance purposes.

Security and safety considerations frequently preclude further minimization of displacement. Safety reasons may require displacement of those located in the vicinity of the pipeline corridor, where there is a danger of oil leaks, gas escape, or explosions. In many cases, the need to protect pipelines from vandalism or sabotage may lead to design of perimeters of exclusion. In such cases, it is essential not to try to minimize resettlement falsely, but to ensure that proper safety measures are observed even where it entails displacement of larger groups of people.

In urban areas, construction or rehabilitation of water and sanitation systems also tend to generate significant levels of displacement, especially in slums and risk-prone areas. In cases

where very large numbers of people have to be relocated, or entire communities are to be disrupted, resettlement plans should be considered as spatially extended development programs whose benefits as well as negative impacts will involve entire communities.

Like other linear projects, pipelines can cause unanticipated indirect displacement. Pipelines crossing through isolated forests, natural parks or indigenous reserves, for example, can cause negative impacts upon people deriving livelihoods from these resources. In these cases, careful consideration of mid-term effects is recommended before taking irreversible decisions regarding alignments. Participatory assessment of environmental and social risks is highly recommended, along with adoption of a mitigation action plan.

Irrigation canals are similar to pipelines in many respects. But resettlement of rural population as a result of canal construction or improvement also has distinctive features. When farmers losing land also receive benefits from the new irrigation infrastructure, for example, there may be unique opportunities to optimize resettlement and establish an equitable distribution of costs and benefits. Land reform or land consolidation schemes may be possible, by which families now facing shortages in water supply can be relocated to plots vacated by others in exchange for irrigation benefits making their remaining holdings far more productive.

Transmission Lines

Depending on technical specifications, transmission lines require a corridor of impact ranging from 12 to 25 meters wide, or even more in the case of high voltage electric lines (500 KV or more). Though the impact of a particular tower is likely to be slight, especially in rural areas, transmission lines extending hundreds of kilometers may nonetheless produce a significant level of aggregate displacement, especially if the lines cannot avoid more heavily populated areas.

Transmission lines themselves do not require land acquisition (except for towers). Instead, a right-of-way is established imposing some height restrictions upon use, especially for trees and construction of structures. Depending upon local laws and regulations, practices vary in regard to structures underneath transmission lines. Some countries expressly prohibit digging or mining near towers, while activities such as cattle ranching are permitted.

Due to safety reasons and unresolved environmental issues, many countries do not permit residential use of land underneath or near transmission lines. Subject to various restrictions, some countries do allow people to live under transmission lines. In some cases, restrictions on use may extend far beyond ROW, depending upon electromagnetic fields, interference with communications, or other factors.

While construction of the transmission line does not require much purchase of land, construction of associated works such as power substations building or widening of access roads, might require significant displacement. During construction phase access to construction sites for towers may cause temporary impacts on assets and crops. In such cases an easement fee combined with payment for any crop damage may be an appropriate way to compensate for periodic access. In most cases, no compensation is paid for a decrease in non-agricultural property values associated with construction of transmission lines. However, payment of a lump sum assistance in cash is advised in such cases. Where small landholdings are dissected by a transmission line with each part being rendered unviable for

economic use, acquisition of entire land holding and payment of compensation at replacement cost is recommended.

Railways

Depending on the type of train and transportation technology, railway corridors typically range between 16 to 24 meters. In many instances, existing railway corridors are invaded by squatters because they are among the most accessible urban spaces, and because they have little value for other purposes. This feature is one of the main reasons why displacement of population is so high in the cases of rehabilitation or privatization of railways.

As with gas or oil pipelines, there are valid safety and security reasons for restricting human habitation within railway corridors; in some situations it may be inappropriate to minimize displacement if that action poses risks to local residents or to those on passing trains. On the other hand, the established ROW in railway corridors is often wider than necessary. Under such conditions, it may be possible to move existing residents a few meters back while providing adequate safety measures such as fences, or pedestrian overpasses (or underpasses). In contrast to roadways, railway construction often causes a depreciation of property values and deterioration of living conditions in residential areas. Project designs should include efforts to identify and avoid or mitigate such indirect effects.

In all forms of linear resettlement, social assessment and case-by-case analysis of impacts is recommended, even when impacts are predominantly partial. In many cases, even slight land loss might be critical to families living at the poverty margin or below. Alternatively, linear projects may cut across areas where land has been fractionated into small supplemental garden plots for self-consumption. Experience has shown that under certain circumstances, households prefer not to move if additional assistance for complementary economic activities is granted.

18.4 Impact upon Economic Activities and Squatters

Frequently, widening of roads and railways displaces business enterprises located along (or within) the right-of-way. At the same time, it creates economic opportunities for others. Project preparation and design should consider such impacts, and assess whether benefits are equitably distributed. Displacement may affect poor people disproportionately, while the more resourceful may have the means to take advantage of economic opportunities. Furthermore, losses usually occur immediately as a result of land acquisition and project construction while economic opportunities are likely to arise much later. Under such uncertainty, a reasonable approach is to concentrate on mitigation/compensation of economic losses that will be caused by the project, with special attention to those among the affected population with subsistence activities who may be threatened by a loss of viability.

18.4.1 Informal traders and mobile vendors

Improving an existing road may require space previously occupied by informal traders, mobile vendors and others whose living depends upon access to passersby. The project should ensure that there is continued opportunity and access to clients and suppliers for these weaker groups. Disruption of their activities does not only affect the people who lose their business opportunities; it also affects the people who are the users of the goods and services provided. Economic activities should be relocated in planned shopping areas, on open shoulders, and

other commercial facilities along the transport corridors while ensuring safety and flow of traffic.

Different solutions may be found for different categories of affected people. In the case of truly mobile vendors, all that may be required is to ensure that there is available space where they can continue to carry out their business. Those who will lose permanent or semi-permanent structures must be fully compensated, or assisted with moving and rebuilding in a new place. Such relocation should be at no cost to the displaced population. If necessary, the resettlement plan should make provisions for subsistence allowances during the transition period until recovery of prior economic activity level. Where street vendors with fixed structures have officially recognized licenses, they are entitled to relocation and restitution of their activity, with similar access to clients and markets.

18.4.2 Squatters and Encroachers

Because transport corridors are also economic corridors, and because governments often fail to exclude private use of public rights-of-way, projects involving road or railway improvements frequently displace squatters and encroachers. Because they typically have no claim to resettlement assistance under local laws, local officials see provision of any assistance as encouraging or rewarding what is seen to be illegal use or occupation of public property. They are understandably worried about setting precedents that will establish expensive new entitlements, and may undermine legal property systems by encouraging a new influx of public land invaders, particularly by urban migrants. It must however, be noted that the official views and practices are not always unequivocal or consistent. Following specific actions are recommended to address issues related to squatters:

- An early census covering the entire planned corridor of impact is essential in establishing a baseline for the existing population enabling creation of a documented inventory of existing assets such as structures and trees that may be affected.
- Environmental and socioeconomic surveys should be coordinated and integrated with economic and technical considerations, and guide the design process to minimize negative impacts.
- Based on these surveys, a clear cut-off date should be agreed upon, representing the date used to determine eligibility to assistance. This protects the project from fraudulent or speculative claims.
- The needs of more vulnerable groups should be safeguarded, and the economic viability of households should not be threatened as a result of the project.
- A clear distinction should be made between private landowners on the one hand, and squatters and encroachers on the other, in terms of entitlements. Squatters and encroachers are not automatically entitled to compensation under Decree 192, but may be given other forms of assistance.
- A distinction should also be made between squatters or encroachers whose livelihoods would be significantly diminished, and encroachers augmenting their private holdings by extending cultivation into the right of way. They are to be permitted to harvest existing crops, but are not eligible for other forms of assistance.

18.5 Critical Issues in Linear Projects

18.5.1 Coordination and Consultation with Populations

By their nature, linear projects usually involve coordination of planning and implementation among a very large number of stakeholders over considerable distances. The fact that roads,

pipelines, transmission lines and other types of linear projects typically run hundreds of kilometers in length, means that they may take place within several distinct geographical areas, and involve different political and jurisdictional frameworks. In some cases they may even cross from one country into another. Different ethnic or language groups may be involved, and the project may involve very different socioeconomic settings, such as when a single road project traverses agricultural plains, urban settings, desert areas, forests and highlands. Social assessment is recommended as a method for incorporating the circumstances and perceptions of diverse stakeholders into resettlement planning.

In such diverse settings, consultation, public information, and local participation in the project needs to be organized differently than in more localized projects. Typically, only a few of the people in any one area along the potential corridor may be involved or affected by the project. A community-based approach may therefore not be sufficient or appropriate in terms of consultation and involvement of project affected persons. Because of the dispersed nature of the affected persons, it is also not realistic to expect a sense of common identity among them, or for different people to act as one collective body, agreeing to being represented by people with whom they may not have anything in common. Consultative groups, grievance bodies, and participatory implementation units should be set up with this in mind, ensuring that different categories of stakeholders are adequately represented.

When a project crosses from one administrative jurisdiction into another, overall coordination and decision making will have to take account of these different entities' constraints and capacities, and establish suitable mechanisms for allocating responsibilities, especially for determination of financial responsibilities and for timely delivery of compensation and other forms of assistance.

A key principle is that no civil works should be undertaken on any stretch of the alignment before land acquisition has been completed, and compensation or assistance carried out according to an agreed resettlement plan. Unless the various components of the project are carefully coordinated and implemented according to plan, project authorities often come under strong pressure to give civil contractors access to stretches of the alignment before all required work under the resettlement plan has been undertaken, mainly to avoid any financial liability such as in claims for demurrage payments. This may however, prove much more costly in the long run.

Even with the best coordinated approach among the various units of the project authorities, however, civil works are sometimes delayed by public protests and complaints often representing legitimate claims and grievances. Most of these may be caused due to lack of communication and proper consultation. It is therefore essential to consult with local community groups, Non-benefit organizations, and others. By involving local stakeholders from the earliest stages, costly misunderstandings can be avoided. Experience also shows that careful consultation and coordination with local groups is essential to develop an appropriate framework for entitlements, and to get people's acceptance for this framework. The additional

Administrative and financial cost of undertaking detailed consultation and coordination should be regarded as investments contributing to smoother implementation, greater ownership, and improved project sustainability.

18.5.2 Compensation

As explained in earlier sections, the impacts of most linear projects are generally marginal while the benefits that they may accrue to APs, may be significant. Using this as an argument, many authorities spend most of their time on persuading, encouraging, or even bringing pressure on APs to forego their entitlements and contribute their assets 'voluntarily' in public interest. In most cases, neither such acts are voluntary, nor are such decisions taken by APs with full knowledge of their entitlements. APs have the right to compensation and other assistance provided for in Decree 192 and Implementing Regulations, and any attempt to deny these APs their rightful entitlements is unlawful. Voluntary contribution, as a principle may be acceptable only if the following conditions are met satisfactorily:

- APs are only marginally affected such that only their part of land and/or structures affected and the remaining land and/or structures remain viable for continued use;
- APs are not displaced;
- APs are not affected by loss of incomes, businesses or employment;
- APs are fully aware of their losses and their entitlements for compensation, allowances and rehabilitation assistance;
- Affected persons are direct beneficiary of the project; and
- The consultation by project authorities is carried out in an open and transparent manner and decision of voluntary contribution of affected assets by APs is taken without any pressure, direct or indirect, by project authorities.

Project authorities are also required to prepare detailed documentary evidence to demonstrate that the APs have been fully informed of their entitlements, participation of Non-benefit organizations and civil society during consultation with APs is ensured, and all decisions by APs are taken in an open and transparent manner in the presence of community groups.

18.5.3 Monitoring and Supervision

By its very nature, coordination, monitoring and supervision of implementation activities in linear projects in complex and require vigilance and appropriate mechanism for reporting and recording progress.

18.6 Good Practice in Planning and Implementation

Screening and Assessments: Minimizing Displacement

Decree 192 requires that displacement of people be minimized. To ensure minimization in linear projects, it is essential to undertake early ISA and screening of the entire corridor or corridors proposed for the project. Such screening should be carried out in close collaboration with those responsible for engineering designs and overall project management. With early screening, it is often possible to shift the alignment of the proposed road, transmission line or pipeline, thereby minimizing negative impacts. Detailed strip maps documenting existing land usage, economic activities, and environmental concerns should therefore be prepared

covering the entire corridor, in order to incorporate the information in the planning and final designs.

Effective screening usually entails consultation with potentially affected local people as well as local officials. To be meaningful, the consultation process should ensure that different stakeholders are given an opportunity to consider options and state their opinion. In the process, it should be documented how views of the affected populations are taken into account in project designs. The consultative screening process can provide valuable information related to issues such as:

- shift of corridor, from marginal adjustments to choice of alternative routes
- whether to construct a bypass around a populated area in a road project
- where to place underpasses or overpasses
- how safety measures can be introduced in particular areas

Census and Surveys

Unlike in most other projects, census and survey procedures for projects with linear resettlement differ in one important respect: it is impossible to determine final alignments, or the precise corridors of impact that project will produce over hundreds of kilometers until after the completion of feasibility studies and final technical designs. The remedy in such circumstances is to extend the census and surveys to include a maximum envelope of impact that is likely to be wider than the final corridor. Identifying and enumerating the total potentially affected population and their assets provides information relevant to the final design process, and establishes a basis for entitlements, protecting the project from fraudulent or opportunistic resettlement claims. Of course, only those actually affected following final design would actually be eligible for resettlement assistance. The partial land acquisition found in many linear projects also poses a challenge to accurate surveys. It often is difficult to assess the economic viability of the remaining area for continued use. While categories of impact (e.g., more than 25% of land taken) can be useful in devising entitlements, case-by-case assessment is highly recommended to ensure that households with particular vulnerabilities are not overlooked.

Determining Entitlements

Early determination of categories of impacts and entitlements to compensation and assistance is important in linear projects with a phased approach to civil works. Though it may be impossible to identify and enumerate the particular persons to be affected by the project, early screening can reliably identify most of the kinds of impacts that will be relevant. In linear projects, the categorical entitlements should also address forms of assistance to be given to people subject to partial impacts on land or structures. In determining entitlements and assistance to the affected population, it is often useful to distinguish between owners of private property; squatters and encroachers on public land, and tenants, whether of agricultural land, houses, or other kinds. Access to village commons or other land subject to traditional forms of tenure also needs to be considered in an entitlement framework.

Phasing of Civil Works

As discussed above, resettlement impacts cannot be determined until final designs specify the corridor of impact. Final designs are unlikely to be complete at project startup; in linear projects, final designs often are completed in stages. Civil works may well start along some areas of the corridor a year or two before designs are complete for the entire alignment. If project implementation is to be phased, it is advisable that actual compensation and resettlement not take place several years ahead of the actual construction phase for any particular segment of the project. There are several reasons for this:

- people are likely to resent being asked to move long before the land is actually required
- The people displaced, or others, are likely to reoccupy the space required if too much time passes between relocation and construction
- if compensation or assistance is paid several years before people actually move, their situation may have changed, and the assistance is likely to be regarded as insufficient. Children will have come of age; the money will have been spent; and prices of replacement land will have risen

Project authorities should strive for careful coordination to ensure that there are no delays in resettlement activities holding up civil works, or that no civil works take place on any stretch of the corridor before appropriate resettlement activities have been undertaken.

18.7 Summary of Key Elements

- Early and iterative assessment of alternative alignments and technical designs are the most useful tools to reduce displacement to a minimum.
- When displacement is unavoidable, on-site relocation, or reorganization, by pushing structures back often is the simplest and most efficient way to diminish the severity of impacts.
- When on-site reorganization is impossible, relocation to the nearest feasible site often is desirable, since increasing distance is likely to increase socioeconomic disruption.
- Understanding why people live within a right of way or along a corridor often is the most important element in designing successful resettlement operations.
- Finding a compromise between APs' needs (e.g., access to resources or clients) and projects' needs (e.g., safe and efficient transport) often is the key to assessing project feasibility and costs.
- When a precise corridor cannot be specified, doing a census/survey over the maximum envelope of impact is the best way to identify categories of impact, estimate resettlement costs, and prevent fraudulent claims.
- Use of non-essential lands within or adjacent to the existing right-of-way to relocate displaced population will lower costs and improve resettlement outcomes.
- Establishing a cut-off date for eligibility as soon as designs are ready is the most efficient way to prevent fraudulent claims for assistance.
- When linear projects displace a small number of people from dispersed areas, provision of replacement houses and plots within available development areas will simplify resettlement process while increasing the satisfaction of each affected family.
- If the affected population is dispersed, negotiation with each family or economic unit may be more effective than community representation.

- Whenever possible, those adversely affected should be made project beneficiaries (e.g., provision of energy in case of transmission lines, access to transport in case of rural roads, access to serviced plots in irrigation projects, or access to water and improved hygienic conditions in water and sanitation projects).
- Distributing resettlement costs among major project beneficiaries through tariffs, user fees, or other devices can reduce the financial responsibility of the project agency while encouraging more equitable development patterns.
- Permitting continued seasonal use of non-essential areas within the right-of-way and in areas under transmission lines may be especially important to poorest segments of the society.
- Incorporation of project bays, parking spaces, etc., within the main designs will greatly facilitate the relocation of street vendors and informal activities while assuring safety standards for roads and railway users.

CHAPTER 19

Resettlement in Urban Projects

19.1 Context of Urban Resettlement

Urban resettlement is characterized by diversity and high density of people and economic activities. High population density also creates concentrated demand for goods and services, concentrated demand for land (and other natural resources), and concentrated problems of pollution and disposal. The consequence of density is that projects requiring relatively little land acquisition in urban areas can generate displacement of a relatively great scale, requiring resettlement at relatively great cost.

The diversity of life in urban areas sustains and promotes urban density; wide disparities in land use; varying income levels, standards of living, length of residence and degree of mobility; or ethnic or regional affiliation. In terms of displacement and resettlement, land acquisition in urban areas can generate a much broader array of adverse impacts. Acquisition of even a small portion of assets may render remaining assets economically unviable and may result in significant direct or indirect impacts on peoples' incomes and living standards.

To address problems associated with urban displacement, resettlement plans must recognize the dynamic process of urbanization, in which density and diversity increase rapidly, often in uneven, unplanned and unsanctioned ways. Most vulnerable areas are inhabited by squatters, low-income families and new migrants to the cities and are characterized by thriving informal economic activities providing employment and jobs to the inhabitants in proximity to their residence, and a place for residence to the new migrants. These areas are also characterized by unplanned growth, lack of access to basic infrastructure, and mixed land use. In many cities, this rapid and disorganized process of change together with intra-urban movement of middle and higher income groups and changing land use patterns produces an increased need for urban planning - and urban displacement. Urban development, which quite often involves involuntary land acquisition in pursuit of broad social objectives require provision of compensation and rehabilitation assistance to segments of the population lacking legally recognized rights. Approaches recommended for managing or resolving such issues are described below:

19.2 Importance of Initial Planning

Early planning for urban resettlement is especially important in urban projects. Because resettlement costs can be very high in densely populated urban areas, there are simple efficiency reasons to emphasize early planning exercise. Other reasons follow from the fact that urban areas typically are characterized by dense and diverse information flows. Official or unofficial "word" of project plans can provoke a migratory invasion.

Minimizing Displacement

Project design should minimize displacement in urban as well as rural areas. In urban settings minimizing very costly displacement is more likely to simultaneously reduce overall project costs. Shifting project alignments or siting criteria can avoid concentrated pockets of population with only a marginal impact upon technical project performance. Similarly, changes in construction methods or design parameters can reduce displacement.

It is recommended that alternatives in technical design should be sought at the initial stages of project design to minimize adverse impacts, and resultant resettlement costs. The design alternatives should be evaluated against their impacts on the number of people and assets, and costs. The resettlement costs are not directly proportional to the number of people affected. The costs generally depend on the degree and type of impacts i.e. whether the impact of the project is marginal with partial impact on assets or whether it results in displacement of people. In an urban environment, resettlement costs of a few displacement households is likely to be much higher than payment of compensation to a large number of households affected only marginally and not displaced.

Fraudulent Encroachment

Because property rights are uncertain and since the policy requires extension of resettlement provisions to urban squatters living on public lands, the desire to obtain eligibility for compensation or other benefits can spur an invasion into areas slated for land acquisition (or into identified resettlement sites). Especially in urban areas, it is crucial to establish an official cut-off date for eligibility. To prevent fraudulent claims from those arriving after the cut-off date, a census survey of the affected area is essential to identify all eligible residents and structures, and as many compensable fixed assets as is feasible. The census survey should be carried out at the initial stages of project identification and as soon as tentative location and physical boundaries of the project can be established. If final alignments are not known, it is advisable to survey a wider area than may ultimately be acquired. If land acquisition is to affect commercial or industrial enterprises, then it also is important to establish employment and ownership rosters, with wages and incomes if feasible. It may also be possible to discourage fraudulent encroachment by assembling a photographic record of potential sites, or by providing incentives for existing residents to protect sites from invasion.

Because urban land prices often are volatile, identification of resettlement sites can spur land or housing speculation, especially if there are delays between preliminary identification and actual acquisition. In some circumstances, especially where vested interest and speculative forces are likely to take advantage, and where local laws governing land management permit, plans for a temporary freeze on land or housing prices may be advisable.

Public Responsiveness

Often project authorities, for technical or economic optimality reasons, are tempted to restrict the flow of project-related information, or to diminish opportunities for public participation. Especially in urban areas, however, it is fallacious to believe that the absence of official project information will squelch public discussion; instead, official silence often tends to breed community suspicion and enhances the value of unofficial information. The consultation and participation ensures a two-way flow of project information, providing opportunities to improve project design, as well as to maintain a civic atmosphere more conducive to successful implementation. Participatory processes should continue throughout the project. But the time and effort invested in early planning stages to solicit the advice and cooperation of those to be affected, and to build community support for project-related benefits, often yields significant dividends in improved project design, reduced displacement, diminished community resistance, and greater community support in operating or maintaining project related facilities or services. Adequate mechanism needs to be developed at the early stages of project design to establish public consultation and participation process. Specific steps that need to be taken include:

- (i) Dissemination of information on the project objectives and the types of impacts to the affected community within the delineated project area;
- (ii) finalization and public display of the census list;

- (iii) Dissemination of information on the salient features of the compensation policy and entitlements, and implementation schedule; and
- (iv) Formulation of community based resettlement coordination committee to liaison with project resettlement agency.

19.3 Resettlement of Urban Squatters

The treatment of squatters is one of the most controversial issues in urban resettlement. From pure legal point of view, providing entitlements to squatters is illegal by definition, adds enormously to project costs, and encourages further unauthorized occupation of government lands.

Poorly documented property rights in many urban areas make it difficult if not impossible to determine those with rights for occupancy or use. In fact, not all “squatters” are opportunistically invading unoccupied land; instead, many are longtime residents who have purchased or inherited residential lots or other urban parcels, but have not been able to obtain legal title because the process is too expensive or too cumbersome. Most local laws do not recognize usufruct and customary rights of people, and tenants and no provisions are made for compensation. Urban displacement may disproportionately affect these categories of urban poor. Because the resettlement policy embraces poverty alleviation goals, displacement of urban poor should be seen as an opportunity to sustainable urban development of squatter and low-income communities and rationalization of land-use.

Entitlements to People Without Tenure Security

The policy does not insist upon legal entitlement of those squatting upon public land to compensation for land. Instead, it requires compensation for structures or other fixed improvements upon the land, plus any provisions for residential relocation (and economic rehabilitation, if applicable) necessary to restore displaced squatters to their previous living standards. People designated as squatters because they lack title to land they have purchased or inherited should be treated as fully and legally entitled to land compensation and other benefits. In practice, the occupancy prior to an explicit cut-off date should be treated as the basis for entitlement. For purposes of formulating compensation entitlements it is recommended that census should identify the complex nature of tenure and title arrangements of groups of people with weaker titles and tenuous rights and make inventory of all affected assets as follows:

- (i) Squatters with or without some proof of ownership (e.g., submission of receipts, payment of taxes, community testimony);
- (ii) Squatters on public land such as drains, river banks and footpaths;
- (iii) Squatters on residential, commercial or industrial land;
- (iv) Tenants;
- (v) Persons with usufruct and customary rights, including indigenous people;
- (vi) Length of stay in the area;
- (vii) Types of tenure right, lease or title arrangement;
- (viii) Total and affected area of structures by type;
- (ix) Inventory of affected fixed assets; and
- (x) Loss of income, if any.

As a good practice, plans should also address longer-term remedies for the resettlement of squatters, including improvements to titling systems, to decrease the likelihood that unplanned

settlements are simply transferred to another part of the city. Further, it is advisable to seek endorsements on the census results and identified categories of tenure rights from the affected community.

Adverse Economic Impacts on Small (Mobile) Businesses

The urban commercial areas in most developing countries are characterized by unauthorized economic activities with or without fixed structures on public places such as footpaths & pavements, over drains, and street corners. These small businesses and shops often operate without recognized rights or licenses. The adverse impacts due to the displacement of such businesses, street vendors and pavement dwellers can be disastrous on the survival of low-income families. Vendors and other businesses with recognized rights and licenses to operate are entitled to resettlement and rehabilitation assistance. However, those without any recognized rights and licenses are often displaced without any compensation. The very fact that such businesses exist and operate successfully testifies the existence of demand for such activities that the formal commercial development is unable to meet. The externalities such as proximity to other businesses, accessibility to potential clients and locational criteria are vital for the operation of such businesses and survival of the families. In view of these factors and the long-term sustainable development objectives it is recommended that the resettlement problem of such businesses should be seen in the broad context of urban development and land use planning. To settle such small-scale businesses, vendors and pavement dwellers provisions should be made for the development of market areas at appropriate locations, in accordance with the urban development plans. Where possible, site for the new market areas should be as close to the original site as possible to maintain existing clientele.

19.4 Marginal Impacts in Urban Linear Projects

Urban linear infrastructure projects such as widening of roads, drainage improvements, distribution lines affect a large number of people although the impact of such projects in terms of acquisition of land and structures may be minor, and may not result in any displacement. The adverse impacts of such projects may be temporary - inconvenience, problem of access during the construction period - or permanent such as the loss of a strip of land or shop front. Often the indirect benefits of such infrastructure improvements outweigh marginal adverse impacts to those affected by such development, mostly in the form of better access and improved environment resulting in the increase of asset values (also see Chapter 18: Resettlement in Linear Projects). It must however, be kept in mind that the benefits of development may take too long to take effect and families may have to sell their assets to derive the benefits. In exceptional cases, the loss of a narrow strip of land or shop front may also render remaining assets unviable for continued use. Persons affected due to severe loss of assets would be entitled to compensation and resettlement assistance in accordance to Decree 192. Persons and businesses only temporarily affected by the project may be provided a fixed lump sum amount as compensation for inconvenience or loss of clientele due to the lack of access during the implementation. Persons affected by only marginal loss of assets (narrow strip of land or only a small portion of frontage of structures) may be provided with either a fixed lump sum amount or a standard per unit rate for affected area of assets determined based on the average land values in the area.

Determining Entitlements for Marginal Impacts

In urban infrastructure improvement projects where the impacts on the assets located along the project corridor is marginal but the number of people affected is large, the administrative costs to meet the planning requirements, although excessive, cannot be relaxed. It is recommended to differentiate between people with temporary and permanent losses and those marginally and severely affected. It may also be necessary to conduct detailed socio-economic survey to assess income loss to every business along the project corridor. Steps recommended to determine entitlement for marginal impacts include:

- (i) Preparation of detailed inventory of asset loss to every person;
- (ii) Categorization of affected persons according to asset loss (affected by temporary, marginal, and severe loss);
- (iii) Formulation of compensation entitlements for each category of affected persons; and
- (iv) Determine average land values along the project corridor as a fixed lump sum compensation for marginal losses.

19.5 Relocation in Urban Projects

Calculating Replacement Cost for Urban Land

In some urban projects, identification of replacement land and provision of replacement housing is a serious constraint. In terms of land, calculation of replacement cost is made more complex by gross disparities in land prices and absence of land market. In principle, asset replacement, or compensation at replacement cost, includes recognition of both the quantity of land acquired and other factors (e.g., location, productive capacity) that contribute to its value. In urban areas, however, location creates gross disparities in land values. For displaced persons however, proximity to place of employment and continued household income is more important than the potential increase in asset values of urban fringe areas. In bigger cities land for resettlement sites in the vicinity of place of work and at locations acceptable to APs is either not available or prohibitively expensive. To comply with Decree 192, a provision of a mix of compensation and other benefits that together constitute acceptable replacement or restoration of living standards is recommended. For example, land parcels located at urban fringes, improved tenure security and housing standards, opportunities for income generation activities, and access to improved infrastructure and community services can offset the higher unit value of acquired land.

Resolving Locational Issues in Urban Resettlement

Preferences of urban APs on resettlement sites are more diverse because they want to have different locational advantages. On the other hand, options on resettlement sites are limited by affordability, land-use plans, and by urban zoning or other restrictions. Resettlement sites located away from the place of work may result in increased household expenditures in transport. Resettlement policy should attempt to formulate strategies to mitigate increased transport costs. Further, relocated families may not have the priority for improved services and housing conditions at the relocation site especially if it requires additional expenses. In case of loss of jobs as a consequence of the project the resettlement site must be selected to ensure provision of employment and income generating opportunities in its proximity. Alternatively, sufficient community areas for informal economic activities may be provided at suitable locations within the resettlement site. Therefore, providing multiple locational options helps to meet the diverse preferences of affected families and may encourage more effective utilization of scattered opportunities.

Housing Strategies

Provision of replacement housing often is a crucial ingredient in urban resettlement planning. Remedies usually take some variant or combination of two basic forms - displacement and relocation to new sites (with income-restoration implications), or resettlement on vacant lots or public housing scattered throughout several areas. Available resettlement strategies generally fall in three categories: Alternative Housing, (ii) In-situ Housing Development and (iii) Resettlement Sites.

Alternative Housing

The past experience has shown several problems in alternative housing strategies such as public low-cost housing, rental housing and real estate housing development. Subsidized public housing units offered to low-income groups are sold off to higher income-groups. The problems associated with such strategies include (i) low priority for such housing, (ii) affordability to pay, and (iii) suitability of location of such projects in relation to place of work and proximity to kith and kins.

When replacement public or private housing is to be provided, resettlement plans must address the adequacy and affordability of replacement housing financed or constructed by the project. Typical public housing approaches may include hire-purchase owner occupied private or public low-cost housing, and rental housing. Housing types may include low-rise medium to high-density cluster housing, walk-up flats, or high-rise high-density flats depending on the location and the type of housing programs. Successful resettlement is more likely if housing arrangements reflect the priorities and preferences of APs regarding housing styles, affordability, and location. Often it is advisable to development diverse housing approaches to match diverse priorities and preferences of affected persons. Detailed socio-economic and attitude survey of affected families on the following aspects are required prior to the formulation of replacement housing strategies:

- Household size and average monthly household income, from primary and secondary sources;
- tenure status;
- employment types, both primary and secondary;
- distance to place of work, and major public facilities;
- time and amount spent on transport to work and public facilities (school, hospital etc.);
- average amount spent on housing (including rent where applicable), and services;
- determine locational advantage to the primary and secondary employment;
- attitude and preferences, if any, for public housing type and location;
- determine whether and how much additional amount a household is willing to spend for improved facilities, public services, and improved tenure security, where applicable;
- available housing finance and mortgage facilities.

In-Situ Development

'In-Situ' development categories of interventions provide opportunities for "mainstreaming" resettlement into the urban development process with minimum displacement of people. 'In-Situ' housing development may include strategies such as slum improvement; 'urban renewal' and 'land-consolidation'. However, due to growing urban development needs and the constraints imposed by shortage of available land for public facilities and services, the 'in-situ' development model is not always feasible. The emphasis of both the, urban renewal and land-consolidation, strategies is on minimum dislocation of affected families through reassigning plots to allow provision of public facilities and services which would not otherwise

be possible due to irregular shape and sizes of land holdings, and to spread benefits of the projects over larger population. Another strategy that could be applied, although with limited

success, is 'in-fill' of open spaces that lie unutilized within the existing residential areas. Major factors effecting successful implementation of these strategies include:

- (i) Extensive public consultation with and participation by all the affected families in formulation of project objectives and during implementation;
- (ii) Generally no involuntary acquisition of assets is involved. However, people are given choice to opt-out of the project with provision for compensation at replacement cost for such assets;
- (iii) The post-development benefits are distributed equitably;
- (iv) Project provides for long-term tenure security to affected squatters and those with weaker titles.

Resettlement Sites

Development of resettlement sites may also promote a variety of housing approaches. These include provision of "sites-and-services" where fully serviced plots with long-term security of tenure are offered to affected people; and "shell housing" or "core housing" arrangements with provisions for incremental construction. As a good practice, selection of sites and formulation of housing approaches should be carried out with intensive participation of and consultation with affected persons. Factors that need to be considered for successful urban resettlement based on new relocation sites include (i) distance from place of work and public services; (ii) opportunities for business and income generating activities; (iii) adequacy of infrastructure facilities; (iv) long-term tenure security; and (v) meeting the household priority and affordability criteria.

Resettlement plans should include information on final relocation sites and housing approached. For selection of relocation site and housing approach following information should be collected through detailed socio-economic and attitude survey of affected families:

- Average monthly household income;
- employment types, both primary and secondary;
- distance to place of work, and major public facilities;
- existing skills of household members and willingness to take up new training and jobs;
- time and amount spent on transport to work and public facilities (school, hospital etc.);
- average amount spent on housing (including rent where applicable), and services;
- determine locational advantage of the present primary and secondary employment;
- attitude and preferences, if any, for resettlement site location;
- determine whether and how much additional amount a household is willing to spend for improved facilities, public services, and tenure security, where applicable.

19.6 Economic Rehabilitation in Urban Projects

Restoring the livelihoods of people displaced in urban areas is one of the most complex tasks in resettlement. In fact, even projects designed primarily to improve urban incomes frequently falter because of the complexities presented in the urban setting.

Because economic life in an urban setting is often highly diversified, and because incomes for most of the population derive far more from employment than from utilization of fixed assets,

compensatory measures tend to be disadvantageous to a large proportion of the displaced urban population. This is especially true for urban residents engaged in informal economic activities, where investment in fixed assets is slight or non-existent. The prevalence of informal economic activities represents a second major impediment to income restoration in the urban

setting. While well-established approaches to income restoration in urban resettlement remain elusive, attention to characteristic physical and socioeconomic issues enhances prospects for satisfactory planning. Some such issues follow:

Distance of Relocation as a Hindrance to Income Restoration

Because affordable and available replacement housing sites are more likely to be found along the urban perimeter or in suburban areas, urban residential relocation frequently involves large distances, especially in large urban centers, making it difficult to maintain employment or business incomes.

For employment: One alternative is to coordinate with public transportation services to ensure that conveyance is available and affordable. In some cities it may be just as sensible to find or provide alternative employment for relocated APs, or to provide them with incentives to find their own income-generating opportunities. In some projects, relocated APs are given preference for public employment. In the informal economy, distant relocation may rupture interdependent relationships between rich and poor, previously living in proximity. Even when satisfactory arrangements are provided to restore formal employment to one or more members of a household following relocation, informal income or subsistence activities may be overlooked or discounted, contributing to further vulnerability and impoverishment.

For businesses: Simple provision of a place at distant relocation site for conducting business may not be sufficient to assure income restoration for a variety of factors. As good practice, business owners should be provided with options allowing them to assess for themselves whether their existing business is restorable or whether new business opportunities should be preferred. In the informal economy, distant relocation may separate hawkers or vendors from established trade, often causing severe risk of impoverishment. If unlicensed and if their enterprises are entirely mobile, vendors and hawkers suffer no significant losses because no fixed assets have been expropriated. Though they presumably are free to peddle their wares elsewhere, they may be distant from bus stations, major intersections, or other customer concentrations. While project owners cannot provide indefinite income guarantees, it is good practice to assure that displaced hawkers and vendors, even those with no asset losses, are provided opportunities to restore their incomes. Perhaps the most direct method to achieve that objective is to provide vendor market sites at, or adjacent to, the infrastructure site or the relocation site, or both.

Obstacles at the Relocation Site to Income Restoration

Thorough resettlement planning can identify and address a variety of problems that sometimes impede income restoration following relocation. Transition allowances should include all licensing costs; alternative arrangements should be provided if municipal zoning at the new site interferes with small-scale income-generating activities; and private or community plots may be allocated to replace small subsistence gardens. In some settings, it is good practice to identify opportunities through resettlement for improving the position of women (e.g., ensuring joint title to replacement assets).

CHAPTER 20

Vulnerable Groups and Resettlement

Decree 192 places great emphasis on the need for providing special assistance to affected vulnerable groups in a development project. The key vulnerable groups that are identified in the Decree include:

- a. Households below the national poverty line and those severely affected by the project and are likely to fall below the national poverty line;
- b. Elderly households with no means of support and those with disabled-heads without any able-bodied earning members;
- c. Households without tenure security or those with weak tenure status,
- d. Landless households without any permanent and sustainable means of support; and
- e. Women-headed households with no sustainable means of support.

In all probability, all the above categories of households are likely to have one major characteristics of being falling within poverty groups. Households with no means of support or those with no earning members are not likely to have any sustainable means of income. Household incomes, assets owned, and livelihood standards are the key criteria to determine vulnerability of a household and long-term impact of development project. The section below addresses the issue of poverty groups in development projects and suggests some measure to alleviate poverty among affected groups.

20.1 Poverty Groups

Decree 192, while keeping its focus on addressing adverse impacts in a development projects due to acquisition of assets, expands its scope to encompass a wide range of social considerations. The reduction of poverty and enabling affected persons to improve their incomes and livelihood is the overarching goal. Poverty is multi-dimensional, extending from low-income level to consumption, to lack of health and education, and to other non-material dimensions of well-being, including insecurity, powerlessness and social exclusion. In its most basic form poverty implies impoverishment or a general lack of physical, social and psychological assets. In practice however, income level, access to basic education and health facilities, water and sanitation, employment and wages remain practical measures and are seen as important components of comprehensive framework for poverty reduction. While compensation, allowances and other assistance may address the immediate loss of assets in a project, the economic rehabilitation measures are aimed to provide physical investments in a project with greater focus on poverty reduction and achieving the long-term goals of improving the households' incomes and living standards on a sustainable basis. The provisions of Decree 192, therefore, can play an effective role in addressing poverty issues in the projects with resettlement issues.

Decree 192 specifies the need to pay special attention to the needs of the poorest affected persons including those without legal title to assets, female-headed households and other vulnerable groups including ethnic minorities, and provision of appropriate assistance to help them improve their status. Decree 192 therefore implies additional assistance to vulnerable groups, including those in the poverty group, beyond that is required for restoration of incomes. On the other hand, the GoL PDR also has its poverty

reduction strategy to address poverty issues nationwide. There is clearly a need for the resettlement Policy and the procedures to be closely linked to the Poverty Reduction Strategy of the GoL PDR. In parallel with the increased emphasis on poverty reduction, *the operational procedures should specify the need for focused efforts to improve status of the poor and other vulnerable groups to a minimum acceptable level.* Setting up a measurable target for improvement would help allocation of adequate resources and in formulation of appropriate interventions in a project.

Decree 192 implies that to target effectively required interventions and to address other social issues in a project, the affected vulnerable groups must be carefully identified, required information collected, and their socioeconomic profile prepared at the earliest possible stage during the project preparation. The indicators of social and economic risks of displacement should be taken as guide for identification of vulnerable groups and for collection of relevant information. A reliable census and baseline survey for an in-depth analysis of social and economic characteristics of identified vulnerable groups, including poverty groups, would be necessary. To achieve the stated objective of the Policy in a project, proactive interventions, focused to avoid potential social risks, beyond mandatory mitigation measures are required. Such interventions should be organized around the following four broad themes:

- i) Reducing barriers to access and expanding the opportunities faced by the poor through greater access to markets, trading and employment opportunities;
- ii) Improving access to and delivery of essential social services to the poor;
- iii) Empowerment through good governance, sound participatory processes and effective organizations of the poor; and
- iv) Reducing vulnerability to poverty through building social assets i.e. asset building strategies such as land-for-land, replacement housing, and increased security of tenure.

Interventions should be designed with greater participation by, and consultation with, the poor to ensure that their needs, priorities and preferences are fully addressed, and in a transparent manner with full involvement of civil society and key stakeholders.

Recommended Interventions

Interventions to address poverty issues within the scope of Decree 192 will most likely rely on available mechanisms incorporating land based and non-land based strategies in determining entitlements for compensation and allowances, income restoration measures, maintaining existing social ties and cultural practices, and restoring community assets. Land based strategies will focus on ensuring greater security of tenure, provision of minimum acceptable standard of land holding and housing, greater access to public facilities and services of at least minimum acceptable standard, and land-for-land approaches to those severally affected due to the loss of productive land.

In urban setting, the interventions may also involve upgrading of public facilities in urban low-income and squatter areas using squatter upgrading and land consolidation strategies, provision of replacement housing of minimum socially acceptable standard, and security of tenure.

Non-land based strategies may include placing greater emphasis on the customary rights and cultural practices of ethnic minorities, provision of improved or better access to micro-finance

and affordable micro-credit facilities; providing appropriate training in new jobs, and improving access to markets and employment opportunities. Following specific development oriented opportunities can help avoidance of social and economic risks that a project may cause, and in integrating resettlement in the development process.

- a. In a project resulting in the loss of productive assets, severely affected persons who are likely to lose their entire land holdings should be provided with replacement land of equivalent productivity. Households likely to be marginalized due to the small size of the remaining land should be provided with a land holding of sufficient size and productive capacity that would enable affected household with minimum acceptable level of incomes and living standards on a sustainable basis.
- b. Where possible, landless laborers and agricultural tenants should, as a result of the project, be provided with at least a minimum economic viable size of land holdings together with security of tenure. Where provision of land is not possible, measures must be taken to provide income-earning opportunities through creation of new jobs.
- c. Projects designed to target urban poverty may cover low-income urban areas or areas with uncontrolled haphazard growth. The strategies to address urban poverty in such projects may include upgrading of public facilities and services through 'land-consolidation' or other similar approaches and community-based development. In the projects with focus on improvement of urban squatter areas, the strategies may include in-situ upgrading of public facilities and services and provision of land tenure security.
- d. In projects where displacement and relocation of affected squatter families cannot be avoided, compensation at replacement cost for affected structures, in the form of cash or replacement housing, should ensure a minimum acceptable housing standard even if the compensation amount exceeds replacement cost. The strategies should be formulated based on the 'informed choice' of the affected people.
- e. Where the project includes development of resettlement sites with project built housing, the quality and size of the ready built house and plot should be of at least minimum acceptable local standard, and the relocation site provided with a minimum standard of water and sanitation facilities. Where agreed by the APs, the compensation entitlement amount for affected structures and other fixed assets may be used as down payment for developed plots and project built housing. The relocation sites should, preferably, provide opportunities for employment and income generation activities.
- f. To very poor households the non-land based rehabilitation assistance measure should not be limited to income restoration. Instead the project should aim to improve opportunities for employment and income of affected poor households to the levels above the poverty line. Wages should exceed or at least meet the local minimum established rates.
- g. In addition to compensation and income restoration entitlements to very poor households in a project, supplemental assistance during the transition period should be provided. These may include providing priority in project related employment.
- h. Where a project may cause loss of community assets or risks of social disarticulation, measures must be taken to maintain existing social ties, and restoration of community assets.

All the proposed interventions fall within the scope of Decree 192. The list of suggested measures is not exhaustive. Specific strategies may vary depending upon the location and type of the project, and its impacts. The formulation of appropriate strategies and options should be developed in consultation with affected persons and the selection of final strategies should be based on informed choices of affected people.

Annexes

Annex 1

Initial Social Assessment⁸ Checklist of Information on Resettlement

Project : _____

Location: _____

Estimated Number of Project Affected Persons⁹ (APs): _____

Types of Impacts (Social and Economic Risks)¹⁰:

Social Impacts	Yes / No / Likely/ Not applicable	Where possible, provide details (Expected number of households, area of land, types of structures likely to be affected)
• Is land acquisition necessary ¹¹		
• Presence of squatters		
▪ Loss of structures resulting in displacement		
• Displacement of people due to loss of productive assets		
• People losing means of livelihood and incomes (Temp. / Permanent)		
• Is there any risk of economic marginalization of APs		
• Basic facilities / services will be inaccessible (Temp. / Permanent)		
• Impact on crops, trees and other fixed assets		
▪ Tenants/Lessees losing any fixed assets		
• Loss of community assets		
• Loss of existing social & community ties		
• Potential loss of any cultural properties , historical sites or places of worship		

⁸ Information for ISA should be collected in consultation and coordination with project owner, local authorities, local Non-benefit organizations and community leaders of affected community. Where possible, sufficient time should be spent for group discussions with community likely to be affected by the project.

⁹ The number of people likely to be affected should be based on rapid assessment

¹⁰ It may not always be possible to get information on some of the above impacts at the preliminary social assessment stage. However, consultants should pay particular attention to these types of impacts during the project preparation stage.

¹¹ Provide location map indicating project area boundary, total area, access, use of adjoining land etc.

Impacts on Vulnerable Groups, if any:

Types	Yes / No / Likely/ Not applicable	Remarks (Where possible, provide estimated number of households & persons)
• Poverty group affected		
• Women headed households affected		
• Ethnic Minority Affected		
• Other vulnerable groups ¹² affected		

Institutional Constraints, if any:

<u>Description</u>	Yes / No / Likely/ Not applicable	Remarks
• Will coordination between several local and provincial govt. be required		
• Does the sub-project owner have the capacity for resettlement implementation		
• Are any training and capacity building interventions required prior to RP/EMDP implementation		

Brief Description of the project indicating ownership¹³ of land and area:

¹² This may include disabled, child labor, bonded labor, etc.

¹³ If the land has already been acquired in the past, indicate the year of acquisition, number of owners, any acquisition of structures and other fixed assets, rates at which the compensation was paid, if any, and other allowances and assistance provided to owners. In case the state land is 'repossessed' from any occupiers, provide information on the year the land is 'repossessed', describe the previous use of land, number of occupiers, any loss of incomes to occupiers, and any compensation or assistance to occupiers for their losses, if any.

General List of Information Required for Resettlement Plans

- name and address of AP (photo documentation preferred)
- household size
- total and affected area of land by type and use
- number, total and affected area of houses and other structures
- tenure status of affected land and structures
- types of documents possessed to support land tenure
- loss of trees by types, and crops
- type of structure affected (permanent, semi-permanent and temporary) together with
 - description of building material used
- tenure status of employees, tenants and itinerant workers, as the case may be
- loss of incomes or employment
- identify temporary and permanent loss
- estimated number of households marginally affected
- estimated number of households severely affected and need to be relocated
- AP's preference for relocation
- main occupation and monthly household income from primary sources
- length of stay in the area and building
- amount of rent paid, or deposits made, by tenants / lessee
- viability of remaining land and/or building for continued use
- suitability of remaining land for reorganization
- number of businesses affected, if any, by type
- prevailing land prices in the vicinity for land of similar productive quality and tenure status
- current prices for structures as determined by government department or provincial governments
- comparative market prices for structures of same category and class

- documentary proof of land and building ownership and tax payment
- socio-economic characteristics of 'host' population
- size and locational characteristics of potential relocation sites
- information ongoing income rehabilitation initiatives in the vicinity of project areas

Generic Outline of Resettlement Plan (RP)

1. INTRODUCTION

- Description of project components
- Summary description of adverse impacts and asset acquisition
- Identification of principal stakeholders including social groups vulnerable to impoverishment or debilitation
- Indicate measures taken to minimize adverse impacts

2. CENSUS AND SOCIOECONOMIC SURVEY RESULTS

- Review of socio-economic characteristics of project Affected Persons (APs), including: Spatial distribution, household size and composition; age-sex structure; income levels, including primary occupation, supplementary sources of income, and subsistence activities; tenure and ownership status (land and structures); characteristics of collective land holdings, including area and qualitative characteristics; characteristics of structures, including construction types.
(Information should be provided disaggregated by ethnic groups, if any, and gender)
- Categories and numbers of APs by type and degree of impacts such as:
 - a) Severely affected households due to loss of productive assets and required to relocate
 - b) Severely affected households due to loss of residence, business premises
 - c) Partially-affected households likely to be marginalized due to the loss of land, house, or business premises but not required to relocate
 - d) Households affected by minor impacts, receiving only easement compensation or “moving back” assistance
 - e) Tenants, laborers, employees, or other non-landed persons adversely affected by the project

3. COMPENSATION ENTITLEMENT CRITERIA

- Description of objectives of compensation policy
- Eligibility criteria for APs, including ‘cut-off date’ if necessary
- Description of compensation entitlements and other forms of assistance for each category of APs
- Description of specific measures to mitigate adverse impacts on vulnerable groups (if relevant)
- Entitlement matrix consistent with above

4. RELOCATION PLAN (If necessary)

- Review of suitability of alternative relocation sites
- Site selection criteria
- Review of environmental protection and management at resettlement sites
- Preliminary relocation options of APs
- Review of options for provision of shelter, infrastructure and social services
- Review of consultation procedures with APs in selection of resettlement alternatives during implementation

- Socio-economic data regarding host population, if applicable
5. INCOME RESTORATION MEASURES (As necessary)
- Description of eligibility criteria for income restoration measures
 - Feasibility analysis of any alternative income restoration programs including the use of collective land compensation, Training needs of APs in the context of employment opportunities and market demand, access to credit and micro-enterprise support for APs interested in small business development
 - Institutional arrangements to finance and manage income restoration programs
6. PUBLIC PARTICIPATION, CONSULTATION, DISCLOSURE AND GRIEVANCE REDRESS MECHANISM
- Public consultation exercises conducted during the RP preparation (provide details), including gender-specific consultation and information disclosure. This would include special attention to guarantee women's assets, property, and land-use rights; and to ensure the restoration of their income and living standards
 - Description of opportunities for APs to participate in resettlement planning and implementation
 - Procedures adopted for filing complaints, review, and decision-making
 - Procedures for disclosing RPs and resettlement information on compensation and resettlement options to APs in a form and language that they can understand
7. ORGANIZATIONAL SET-UP
- Administrative set-up and plans for training and capacity building as needed
8. MONITORING AND SUPERVISION
- Listing of performance monitoring indicators
 - Institutional responsibilities and procedures for internal project monitoring
 - Discussion of role, if any, of Community Based Organization (CBO) and non-benefit organizations.
 - Content and frequency of monitoring reports
9. COST ESTIMATES AND BUDGET
- Estimate of aggregate costs for each type of asset loss
 - Estimated costs for income restoration programs, administration, supervision and monitoring
 - Statement of financial responsibility for all resettlement-related costs
 - Physical and Price Contingencies
10. IMPLEMENTATION ARRANGEMENTS
- Timetable for implementation of all resettlement activities, tied to overall sub-project timetable
 - Procedures for implementation or delivery of key elements, as relevant:
 - a) Review of land-for-land arrangements, including timetable and funding for development of relocation sites and necessary services or other inputs
 - b) Review of procedures for payment of compensation
 - c) Procedures for assessing adequacy of compensation
 - d) Operational procedures for job placement, micro finance, or other income-restoration programs
 - e) Legal covenants for inclusion in civil contracts

Social Assessment For Ethnic Minorities

When to conduct SIA: If the screening results show that there are ethnic minority households along the zone of influence of the subproject, a social impact assessment will be undertaken.

What information to collect : The SIA will gather relevant information on the following: demographic data, social, cultural and economic situation; and social, cultural and economic impact-positive and negative-of the proposed sub-project.

How to collect the information: Information will be gathered separate group meetings with the following ethnic minority groups: 1) EM leaders; 2) EM men; and 3) EM women, especially those who live in the zone of influence.

Who will conduct the SIA: Consultants or Trained District staff

Time required: The SIA data collection for each commune will take about two to three days. It will take another two or three days to analyze the data and prepare the final report.

Province: _____; District: _____; Commune: _____;
Subproject: _____

A. Demographic Social Cultural and Economic Situation

1. Percentage of ethnic minority households below the poverty line _____
2. Number of ethnic minority girls attending elementary school _____
3. Number of ethnic minority boys attending elementary school _____
4. Number of ethnic minority girls attending secondary school _____
5. Number of ethnic minority boys attending secondary school _____
6. Average number of visits to the hospital by each ethnic minority household per year _____
7. Availability of water supply facility (wells, piped water, etc) in the community
Yes _____; No _____
8. Availability of electricity in the community Yes _____; No _____
9. No. of households in community with connection to electricity _____
10. Economic information of ethnic minority community

a) Types of natural resources in the area:

Natural Resource		Check	Natural Resource		Check
i.	Forest		iv.		
ii.	Lake, river		v.		
iii.	Mineral		vi.		

b) *Economic and livelihood systems:*

Main Activity	% of EM H/Holds	Secondary Activity	% of EM
i. sedentary agriculture		i. sedentary agriculture	
ii. shifting agriculture		ii. shifting agriculture	
iii. landless farm worker		iii. landless farm worker	
vi. off farm work		vi. off farm work	
v. govt. employees		v. govt. employees	
vi.		vi.	

11. *Tenure systems* of main ethnic groups: briefly describe land ownership and tenure systems (e.g., communal ownership, private ownership, gender differences in ownership, etc.).

12. Social information of ethnic minority community

Key social and cultural systems of main ethnic groups: e.g., group travels frequently to visit relatives in other communes; men travel alone but women do not travel alone; men stay at home while women work in the fields; boys go to school but girls are not allowed; group members intermarry with other members of other groups, etc.

Social groupings of main ethnic groups: briefly ethnic types of groupings: e.g., formal and informal leaders (such as spiritual leaders, traditional healers), formal and informal groups such as farmers, women, youth, elderly, etc.; who are the decision makers in the household? In the community?

B. Social, Cultural and Economic Impact

Getting views from men and women on:

1. Potential positive impacts:

a. Potential employment during subproject construction, or increased access to employment once the subproject constructed Yes___; No_____

Comments: _____

b. Increased access to electricity: Yes___; No_____

Comments: _____

c. Other positive impacts in social and economic development:

Sample Schedule for Ethnic Minority Consultation

Note: Ethnic minority leaders and two ethnic minority representatives (one man and one woman) should form part of the EMDP planning and implementation group for each local unit.

	TASK	RESPONSIBLE PERSON	MATERIAL & FORMS	WEEK				
				1	2	3	4	5
1	Inform ethnic minority commune leaders and local authorities about the sub-project	Proj. Authorities /district trained Staff	Project brochure	x				
2	Conduct screening to determine types and numbers of ethnic minority households living in area of zone of influence of subproject.	Consultants, trained District Staff	Provide Screening/EM Inventory Form	x				
3	Request EM commune leaders, local authorities to help with completing Screening/EM Inventory	Proj. Authorities / District officials	Official letter	x				
4	Undertake social impact assessment ethnic minority households in zone of influence/area of subproject. Conduct focus group discussions with three separate groups of ethnic minorities as part of SA: leaders; men; and women	Trained District Staff (under guidance from Proj. Authorities)	SA Form		x			
5	Analyze and write up findings of SA	Ditto	SA Form		x			
6	Meet EM leaders and members and discuss findings of SA	District Staff			x			
7	Prepare Action Plan with local authorities, ethnic minority representatives and their leaders	Proj. Authorities	Action Plan Form		x			
8	Meet with designed project staff to discuss feedback from the commune and use information to design and mitigation measures	local trained staff				x		
9	Send all Inventories, SA, Action Plans to Proj. Authorities	Local Trained Staff				x		
10	Summarize information and submit to Proj. Authorities and STEA Important – the reports should be submitted with submission of its proposed subproject Program.	Proj. Authorities						x
11	Monitor implementation of Ethnic Minority Action Plan	Proj. Authorities, Local authorities, Representatives of EM, Independent Monitors for RP implementation.	Monitoring Reports					

Proposed Action Plan

When to prepare action plan: Immediately after the SA, if the ethnic minority supports for the sub-project.

How to prepare an action plan: The plan to be prepared based on the results of consultation and participation of EM groups.

What is in an action plan: It will consist of (1) mitigation activities; (2) technical identification of development, (3) institutional arrangement for implementation; (4) implementation schedule; (5) monitoring and evaluation; and (6) cost and financing plan.

Who will prepare the action plan: Consultant in coordination with the commune leaders, ethnic minority leaders in consultation with the EM community and the trained local staff from the district.

Who will implement the action plan: The project owners with assistance from communes and EM leaders

1. Mitigation Measures

Potential of negative impacts: Identification of potentially negative impacts through consultation with EM and local authorities.

Mitigation measures

The project owners in preparing the design, construction schedule should use information from the SA and meetings with the ethnic minority communities and construction measures for the subprojects and the estimated cost of required work. These will include:

- a. Recommendations for changing line alignments, locations, construction measures and construction schedule for subprojects to accommodate needs and preferences of ethnic minorities:

- b. Identify areas for particular cultural, spiritual or ecological sensitivity which should be considered in design and construction activities:

- c. Develop a program for communication, information and education by the commune for the ethnic minority community in the zone of influence on electric safety, potential health and social problems.

2. Technical Identification of Development Assistance

The province through its regular development program will provide assistance to the ethnic minorities living in the sub-project areas, e.g., priority for those living near the influenced areas in getting employment in subproject construction and maintenance, priority for accessing to credits from banks in medium and long terms, and assistance for agricultural development such as land reclamation.

Training: The Project should provide trainings for EM in the influenced areas on training on appropriate development aspects including agricultural extension. It will also include ethnic minority leaders in training sessions on SA, resettlement, and participatory monitoring for EMDP implementation.

Gender Assistance: Special consultation and training for women, especially female-headed households (such as, credit, agricultural extension, fertilizer use, etc.)

List proposed development assistance and schedule:

	Proposed Assistance	Responsible Group	Schedule
1			
2			
3			
4			
5			

3. Institutional arrangement.

Describe about all required activities and responsible institutions

No.	Action	Responsible institution
1		
2		
3		
4		

4. Implementation schedule

Figure out the schedule for each action

No.	Action	Schedule
1		
2		
3		
4		

5. Monitoring and evaluation

Describe the indicators to be monitored, institution (s) responsible for monitoring, requirement for monitoring reports.

Indicators:

1. _____
2. _____
3. _____
4. _____
5. _____

	Activity	Monitoring Schedule	Visited by	If completed (x)
1	Screening			
2	Conduct SA			
3	Discuss findings of SA with community			
4	Preparation of Action Plan			
5	Discussion with local authorities, engineer of mitigation measures			
6	Visit one month prior to construction work			
7	Visit one month after construction work			
8	Visit six months after construction work			

6. Cost and financing plan. Estimate cost for EMDP and financing resources.

<i>Proposed assistance</i>	<i>Unit cost (USD)</i>	<i>Quantity</i>	<i>Total cost (USD)</i>
1.			
2.			
3.			
4.			
5.			
Implementation cost			
Contingency			
Total cost (USD)			

Suggested List of Data for Census Survey

1. Background Information
 - a. Questionnaire code and date of survey
 - b. Name of interviewer
 - c. Name of province, district and village/hamlet

2. Household Census
 - a. Name of household head and all members household members
 - b. Relationship of household members to the household head
 - c. Age and sex of each household member
 - d. Information on ethnicity
 - e. Education level of each member
 - f. Primary occupation and monthly income of each member
 - g. Incomes from secondary sources for each member
 - h. Location of job or businesses as the case may be
 - i. Length of stay on present location

3. Tenure Status
 - a. Category of land
 - b. Type of land ownership and the name of the owner HH member
 - c. Type of document possessed to certify ownership type
 - d. If not owned, name and address of owner
 - e. If informal use right, type of agreement
 - f. Number of years used
 - g. Rent per month paid by tenant
 - h. Deposits made by lessee

Note;

In case census and inventory are conducted as separate exercise, some information on land use, affected structures and other fixed assets, and affected businesses should also be collected as part of census surveys.

Suggested List of Data for Inventory of Losses

The background information, household status and land tenure would be the same as in Annex 7.1. Additional information required will be as below:

1. Land

- a. Existing use of land
- b. Areas under different land usages, where applicable
- c. Total and affected area of land with breakdown by usages, if applicable
- d. Estimate whether the remaining area is viable for continued use
- e. Total area of land by type for compensation purposes

2. Structures

- a. Type of structure
- b. Number of floors
- c. Area by floor
- d. Name of owner of structure
- e. Year of construction
- f. Whether permit obtained for structure
- g. Use of structure and areas by usages, if applicable
- h. Description of building material used for roof, walls and floors by surface areas
- i. Type of foundation
- j. Description of any special features of structure
- k. Utility connections (electric meter, water supply, etc.)
- l. Charges paid for utility connections
- m. Affected area of structure
- n. Estimate whether the remaining structure is viable for continued use
- o. Total area of building for compensation purposes

3. Other Structures

- a. Types of structures (wells, boundary wall, fence, warehouse, etc.)
- b. Area of fish pond affected
- c. Average household income from fish pond
- d. Description of areas and construction material of affected structures
- e. Use of other structures

4. Agricultural Products

- a. Type of crops affected
- b. Owner of affected crops
- c. Total yearly production of crop on affected land
- d. Average yield of crop
- e. Are any products sold at market
- f. Number of employees/labor used for crop production
- g. Average value of crop
- h. Average yearly household income from agriculture

5. Trees

- a. Number and types of affected trees
- b. Age of trees
- c. Name of owner of trees

- d. Average yield of fruit bearing trees
- e. Average yearly income from fruit trees

6. Business

- c. Type of business affected
- d. Name of owner of business
- e. Registration/permit number of business (check document)
- f. Total yearly household income from business
- g. Average operating expenditure of business
- h. Number of employees in business
- i. Number of permanent and temporary employees
- j. Average income and profit as reported for income tax (check document)
- k. Whether the business needs to be relocated?

7. Affected Public Utilities and Facilities

- Description of affected community infrastructure
- Description of affected facilities by area & building material used
- Estimated number of population adversely affected by the facilities/infrastructure

8. Preference for Relocation

- Whether there is a need for relocation or reorganization
- Preferred mode of compensation (cash or kind) for land
- Preferred mode of compensation for structure
- Preferred type of assistance for income rehabilitation

9. Loss of Cultural and Religious Properties

- Any loss of cultural properties or artistic heritage
- Loss of religious buildings: temples, shrines, other places of worship
- Account of any historical sites or buildings with traditional architecture

10. Territorial Claims by any Ethnic Groups

- Account of any territorial claims of ethnic groups

Suggested Data for Baseline Survey

The background information, household status and land use information would be same as in Annex 7.1. Additional information would include the following:

1. Access to Facilities

- a. Access to electricity
- b. Type of water supply available
- c. Type of sanitation facilities within the building
- d. Distance to school
- e. Distance to health facilities
- f. Distance to market

2. Household Assets

- a. Type and number of farm equipment and implements owned by the household
- b. Type of other business equipment owned by household
- c. Estimated value of affected equipments
- d. Type of transport owned (bike, motorcycle, truck, animal cart, car, other)
- e. Major kitchen equipments owned (stove, cooker, etc.)
- f. Ownership of fridge, radio, TV, etc.
- g. General condition of building (excellent, good, average, poor)
- h. General condition of household furnishing (furniture, cupboards, etc.)

3. Household Income and Expenditure

- b. Average annual household income from all sources
- c. Average expenditure on major items: food, transport, health, education
- d. Any loans taken from bank, friends or relatives
- e. Approximate savings, if any

4. Skills Possessed

- a. Present educational level of each member
- b. Vocational training possessed by members
- c. Skills of each household member
- d. Types of training or skills preferred for further upgrading

5. Health Level

- a. Current health level of each member
- b. Any major illness in the households
- c. Cause of recent death in the household
- d. Any concerns about health issues in the household

Gender Checklist: Addressing Gender in Data Collection for Resettlement

Key Issue

- The collection of gender-disaggregated data is the first step in developing a gender-inclusive resettlement plan.

Key Questions

- Have women been included in the socioeconomic survey?
- Has information been collected on women's land and property status?
- Does the survey include questions on household division of labor, women's livelihood sources, and women's contribution to family income?

Key Strategies

Collect gender-disaggregated data for each household regarding

- ownership and use of resources;
- decision making regarding finance and resource use;
- women's formal and informal income-earning activities;
- extent of women's dependence on livestock, home garden, and forest use; and
- women's skills.

Source: Gender Checklist: Resettlement, ADB, February 2003, page 9

Compensation Matrix (Sample)

TYPE OF LOSS	APPLICATION	DEFINITION OF ENTITLED PERSON	COMPENSATION POLICY
(a) Arable land	a.1 Less than 20% of total landholding to be acquired (marginal impact on household income and living standards).	a) Legal user of affected land with permanent land rights, and AP's who meet the criteria for permanent land use rights and will therefore be issued with permanent LURC in due time.	<ul style="list-style-type: none"> - cash compensation for crops and trees at market price, AND - cash compensation for acquired land at 100% of replacement cost.
		b) Legal user of affected land with temporary land rights (unlegalizable).	<ul style="list-style-type: none"> - Cash compensation for crops and trees at market price; AND - (a) cash compensation for affected land corresponding to 100% of the replacement cost of affected land; OR - (b) cash assistance for lost income from the affected land for the remaining period of the temporary land use right.
		c) Legal user of affected land with lease land rights (unlegalizable).	<ul style="list-style-type: none"> - cash compensation for crops and trees at market price; AND - cash assistance for loss income for the remaining lease period.

Entitlement Matrix (continued)

TYPE OF LOSS	APPLICATION	DEFINITION OF ENTITLED PERSON	COMPENSATION POLICY
Arable land (cont'd)	a.2 More than 20% of total land holding and remaining land is rendered unviable for continued use. (severe impact on household income and living standards.)	a) Legal user of affected land with permanent land rights, and AP's who meet the criteria for permanent land use rights and will therefore be issued with permanent LURC in due time.	<ul style="list-style-type: none"> - Cash compensation for crops and trees at market price; - (a) full title to land of equal productivity at location acceptable to AP's, wherever available; OR - (b) cash compensation for lost land at 100% replacement cost at the informed request of AP's; - Transport allowance to shift to relocation site; - Subsistence allowance for six months; - Rehabilitation package (training for one family member in current or new occupation and training allowance / agricultural extension services, and farm inputs to increase productivity on remaining land, or any other type of suitable assistance)
		b) Legal user of affected land with temporary land rights (unlegalizable).	<ul style="list-style-type: none"> • AP's will be entitled to: - Cash compensation for crops and trees at market price; - cash equivalent to 100% of the replacement cost of the affected land; - Transport allowance; - Subsistence Allowance for 6 months, - a rehabilitation package (training for one family member in current or new occupation and training allowance / agricultural extension services, and farm inputs to increase productivity on the farm land, or any other suitable assistance); OR - Cash assistance to provide for lost income from the land for the remaining period of temporary land use right.

Entitlement Matrix (continued)

TYPE OF LOSS	APPLICATION	DEFINITION OF ENTITLED PERSON	COMPENSATION POLICY
		c) Legal user of affected land with lease land rights (unlegalizable).	<ul style="list-style-type: none"> • APs will be entitled to: <ul style="list-style-type: none"> - Cash compensation for loss of crops and trees at market prices; - Land for land compensation of equivalent productive capacity at location acceptable to the APs and on a similar lease basis if available; OR Cash equivalent to provide for lost income from affected land for the remaining lease period; - Transport allowance; - Subsistence allowance for each family member for 6 months; - Rehabilitation package (training for one family member in current or new occupation and training allowance OR agricultural extension services, and farm inputs to increase productivity on the farm land OR any other suitable assistance).
Temporary loss	Loss of use of the land for a period up to a maximum of 1 year.	Legal user of affected agricultural land	Cash compensation for loss of crops at market prices
(b) Residential and/or commercial land (without structures built thereon)	Loss of residential or commercial land due to the project works	Legal land user with permanent rights or temporary rights (but legalizable).	APs will be entitled to cash compensation at 100% of replacement cost of the affected land.
		Legal land user with temporary right (unlegalizable).	APs will be entitled to cash assistance equivalent to 30% of replacement cost of the affected land.
(c) Residential and/or commercial land (with structures built thereon)	Loss of residential or commercial land. With remaining legal residential and/or commercial land sufficient to reorganize (at least equal to 100 m ² in rural area)	a) Legal user of affected land with permanent use rights or temporary use rights that will be legalized in due time.	<ul style="list-style-type: none"> - Cash compensation for land lost at 100% of replacement cost; - Subsistence allowance for 3 months; - Repair cost to re-build the house front if structures partially affected; - APs who are allowed to reorganize will be issued a permanent LURC in case not yet obtained. <p>In exceptional cases, permission may be given to APs to reorganize on their remaining legal land in area less than the standard. APs will be entitled to a special allowance equivalent in value to the difference in land area between the standard plot size and the remaining area on which AP is reorganizing, at the rate of replacement. APs are also entitled to repair costs for partially demolished structures.</p>

Table 5.2: Entitlement Matrix (continued)

TYPE OF LOSS	APPLICATION	DEFINITION OF ENTITLED PERSON	COMPENSATION POLICY
(d) Loss of residential or commercial land (with structure)	APs has remaining permanently legal or legalizable residential and/or commercial land <u>less than</u> 100m ²	a) Legal APs of the affected land with permanent use rights.	<p><u>Group Relocation:</u></p> <ul style="list-style-type: none"> - Land for land compensation of full title to a standard size plot, on a project sponsored relocation site, (for residential or residential and commercial 100 m²; and for commercial only 14 m²) of land of the same quality (or better) as the affected land and for their remaining legal land (not less than the minimum standard plot size). APs losing an area greater than the plot in RS will receive compensation in cash for the difference; - Sites will be serviced with electricity, water, drainage, access and internal road, and will provide the same access to services (health, education, market) as at the former location, either on site or in the vicinity; OR <p><u>Self Relocation:</u> At the informed request of the APs they may make their own arrangements for relocation and will be entitled to:</p> <ul style="list-style-type: none"> - Cash in lieu of land at 100 % replacement cost ; - Transport allowance; - Subsistence allowance for a period of 6 months; - APs who have their business affected will be entitled to a special income rehabilitation allowance (USD 100 per household) to provide for loss of income during the transition period. - Assistance from local authorities to locate possible plots and to purchase land for resettlement. <p><u>Re-organization:</u> Only in exceptional cases permission may be given to APs to organize on their remaining legal land in less than standard area. APs will be entitled to a special allowance equivalent in value to the difference in land area between the standard plot size on a RS and the remaining area on which AP is reorganizing, at the rate of RS land. Reorganizing APs will get subsistence allowance for three months.</p>
Residential or commercial land (continued)	<u>less than</u> 100m ² (same as above)	b) Legal APs of the affected land with temporary use rights (but unlegalizable).	<ul style="list-style-type: none"> • AP's will be entitled to: <ul style="list-style-type: none"> <u>Group Relocation:</u> same as for entitled persons category a) ; OR <p><u>Self Relocation:</u> At the informed request of APs they may make their own arrangements for relocation and will be entitled to:</p> <ul style="list-style-type: none"> - Cash equivalent to 100% of the replacement cost of their lost land; - Cash compensation to 100% of replacement cost of structures; - Subsistence allowance for 6 months; - Transport allowance; - APs who had business at their affected location and who must relocate are entitled to a special income rehabilitation allowance of USD 100 to provide for loss of income during the transition period; - Assistance from local authorities to locate possible plots and to purchase land for resettlement.

Entitlement Matrix (continued)

TYPE OF LOSS	APPLICATION	DEFINITION OF ENTITLED PERSON	COMPENSATION POLICY
Residential or commercial land (continued)	less than 100m ² (same as above)	c) Illegal APs with no rights to use the affected land and not legalizable.	<p>APs who have no rights to use the land acquired and no legal or legalizable land remaining will be entitled to one of the following options:</p> <p><u>Group relocation:</u> same as for entitled persons category a); OR</p> <p><u>Self-Relocation:</u> At the informed request of APs they may make their own arrangements for relocation and will be entitled to:</p> <ul style="list-style-type: none"> - Cash assistance equivalent to the actual cost of a plot in resettlement site; - Cash compensation at replacement cost for their structures; - Transport allowance to relocation site; - Subsistence allowance; - APs who are entitled to relocation and who have business affected will be entitled to a special income rehabilitation allowance of USD100 to provide for loss of income during the transition period; - Assistance from local authorities to locate possible plots and to purchase land for resettlement.
(e) Structures	Structures affected by the project	a) Legal owner of the affected structure.	<ul style="list-style-type: none"> - APs with legal right to build the affected structure will be entitled to compensation at 100% of replacement cost of the affected structure, including material, cash or a combination of the two. No deduction will be made for depreciation or for salvageable materials. - Partially affected structures will be compensated for the affected part at replacement cost and additional cash assistance (Repair allowance) will be made to cover the cost of repairing the structure.
		b) Tenants of leased affected structure	<ul style="list-style-type: none"> - Tenants of structures will be entitled to 3 months rent allowance and assistance in finding alternate rental accommodation

Entitlement Matrix (continued)

TYPE OF LOSS	APPLICATION	DEFINITION OF ENTITLED PERSON	COMPENSATION POLICY
(f) Independent shop owners	Shops located in the project area (with residences at a different location).	a) Legal owner of the shop with permanent rights to use the affected land.	<p>APs will be entitled to one of the following options:</p> <p><u>Group Relocation:</u></p> <ul style="list-style-type: none"> - Land for land compensation of full title to a plot of land on a group resettlement site of the same area and quality as the area lost (minimum 14 m²) on the site suitable for restoring business or at a market place; - Cash compensation for affected structure at replacement cost; - Transport allowance; - Subsistence allowance for 6 months; - Special income rehabilitation allowance of US\$ 100 to provide for lost income during the transition period; - Suitable rehabilitation assistance; OR <p><u>Self relocation:</u> At the informed request of APs they may make their own arrangements for relocation and will be entitled to:</p> <ul style="list-style-type: none"> - Cash compensation at replacement cost for their land lost; - Cash compensation for their structures; - Transport allowance; - Subsistence allowance; - Suitable rehabilitation assistance; - Special income rehabilitation allowance of US\$ 100 to provide for lost income during the transition period. - Assistance from local authorities in identifying individual resettlement sites

Entitlement Matrix (continued)

TYPE OF LOSS	APPLICATION	DEFINITION OF ENTITLED PERSON	COMPENSATION POLICY
Independent shop owners (continued)		b) Illegal owner of the shop with no land use rights	<p>APs will be entitled to one of the following options:</p> <p><u>Group relocation:</u></p> <ul style="list-style-type: none"> - Assistance to relocate to suitable site or at market place; - Cash compensation for affected structure; - Transport assistance; - Special income rehabilitation allowance USD 50 to provide for lost income during the transition period; - Subsistence allowance; - Suitable rehabilitation assistance. OR <p><u>Self relocation:</u> At the informed request of AP's they may make their own arrangements for relocation and will be entitled to:</p> <ul style="list-style-type: none"> - Cash assistance at 100% of replacement cost for their structures; - Transport allowance; - Subsistence allowance; - Special income rehabilitation allowance USD 50 to provide for lost income during the transition period; - Suitable rehabilitation assistance; - Assistance from local authorities in identifying individual resettlement sites.
Graves Private wells	Graves located in the area acquired. Wells located in area acquired.	Household who owns the graves Household who owns the well.	<p>APs are entitled to cash compensation for all costs of excavation, movement and reburial.</p> <p>Cash compensation at replacement cost or a replacement well if requested by the AP.</p>
Crops	Affected Crops	Owner of affected crops	Compensation in cash at current market prices (farmgate price of crops plus cost of production)
Perennial Trees	Affected Trees	Owner of trees	<p>APs will be entitled to:</p> <ul style="list-style-type: none"> - A lump sum amount for young non-fruit bearing trees to cover for the cost of maintenance and inputs; - For fruit bearing trees compensation at 3 years production value at current market prices.

Categories of Structures (Sample from Cambodia)

Cat.	Type	Description	lowest	highest	average
			in US\$ per m2		
R U R A L	1: hut	Ground level Thatch roof, thatch walls	10	12	11.00
	2. cottage	Elevated Thatch roof, thatch walls	15	17	16.00
	3. poor house	Elevated Iron, zinc sheets or tiled roofing Thatch walls	20	25	22.50
	4. medium house	Elevated Iron, zinc sheets or tiled roofing Wooden floor and walls	30	35	32.50
S E M I U R B A N	5. Khmer 2-storey	Two floors Iron, zinc sheets or tiled roofing Ground floor concrete columns, brick walls, cement floor Second floor wood, wooden columns	65	70	67.50
	6. 1-story urban style	One floor Iron, zinc sheets or tiled roofing Concrete columns, brick walls, cement floor	70	85	72.50
	7. 2-storey urban style	Two floor Iron, zinc sheets or tiled roofing Concrete columns, brick walls, cement floor and ceiling	85	90	87.50

**Unit Price for Structural Components by Type of Construction
(Sample from Cambodia)**

No.	Building Components	Unit	Quantity (\$)	Unit Cost (\$)
I	Foundation and floor			
1	Mortar	m ²	1	4.25
2	Lean concrete	m ²	1	5.00
3	Floor tiles (Esp)	m ²	1	10.50
4	Floor tiles (Chi)	m ²	1	3.35
5	Burned clay floor tile	m ²	1	3.40
6	Pavement brick	m ²	1	5.00
7	Concrete foundation	m ³	1	150.00
8	Fence beam	m	1	9.50
II	Column, Bracing and other wooden structures			
1	Fence pole 100x100x2000	Pole	1	1.20
2	Fence pole 100x100x2500	Pole	1	1.50
3	Wooden	m ³	1	210.00
4	Sugar palm wood	m ³	1	120.00
5	Wooden plank	m ³	1	150.00
6	Reinforced concrete column and beam	m ³	1	120.00
7	Footing 0.30m	Pole	1	0.64
8	Footing 0.50m	Pole	1	0.89

III	Wall			
1	Wooden plank wall	m ²	1	4.20
2	Layered hollow brick 100mm	m ²	1	2.45
3	Layered solid brick 100mm	m ²	1	4.90
4	Layered hollow brick 200mm	m ²	1	4.90
5	Layered solid brick 200mm	m ²	1	9.80
6	Brick wall with plaster	m ²	1	1.20
7	Bamboo (round)	m	1	0.14
8	Wooden frame	m	1	0.08
IV	Door and Window			
1	Hinged folding wooden door	m ²	1	6.70
2	Glassed door with steel bar	m ²	1	18.00
3	Sliding door	m ²	1	24.00
4	Wooden frame fence door	m ²	1	3.70
5	Wooden door with corrugated steel sheet	m ²	1	5.00
6	Bracing corrugated steel sheet and wooden frame window	m ²	1	2.64
7	Glassed window with decorated steel bar	m ²	1	18.00
V	Ceiling and roof			
1	White corrugated steel sheet	m ²	1	1.68
3	Burnt clay roof tile	m ²	1	2.37
4	Asbestos corrugated steel sheet	m ²	1	2.13
5	Wooden roof structures for corrugated steel sheet	m ²	1	2.50
7	Aluminum and corrugated steel structure	m ²	1	8.00
8	Corrugated steel sheet and steel structures	m ²	1	10.00

Compensation Rates for Trees and Crops (Sample from Cambodia)

TREES:

Type	Description	wood value per m2 plank	Annual production	
			CEDAC farmer bulletin*	Appraisal among Chamka
1. Special trees	Mango	2.6	40	30
	Durian	2.6	68	25
	Rambutan	2.6	68	18.2
	Palm juice producing tree	per piece 4.7	25	118.4
	in US\$			
2. Common trees				
	Tamarind sour	2.6	13	7.9
	Tamarind sweet	2.6	20	65.7
	Coconut	per piece 1.3	12	6.6
	Sugar palm	per piece 4.7	25	10.7
	Jackfruit	2.6	21	33.6
	Guave	2.6	12	2.0
	Banana	0	3	1.5
	Milk fruit	2.6	20	25
	Logan	2.6	20	27.7
	Mangos teen	2.6	10	1.6
	Lemon	0.8	4	5.2
	Papaya	0	5	2.6
3. Bamboo stands	small size	per piece 0.5	4	1.00
	medium size	0.7	6	2.10
	large size	1.0	21	10.50

VEGETABLE & RICE GARDEN:

Type	Description	lowest annual product	highest annual product	average annual product
		In US\$ per m2		
1. Home garden	Only for own consumption	0.3	1.3	0.8
2. Cash crop garden	Mostly for sale	1.3	2.6	2.0
3. Rice field	Own consumption or sale	0.07	0.1	0.08

FENCES & WALK BRIDGE

Type	Description	unit	lowest rate	highest rate	average rate
		In US\$			
1. fence wooden polls	with wire or bamboo, etc.	m	1.5	2.5	2
2. fence cement polls	with wire or bamboo, etc.	m	3	7	5
3. fence bricks or cement	with bricks and cement	m	15	20	17.50
4. wooden bridge	per m2	m2	8	12	10
5. concrete/brick bridge	per m2	m2	20	25	22.5

WELLS

Type	Description	lowest rate	highest rate	average rate
		In US\$ per well		
1. Simple well	hole, not tube, no cement	15	35	25
2. Drill well	hole with tube	125	175	150
3. Drill well finished	hole with tube, pump and concrete	220	230	225

Gender Checklist: Entitlements and Eligibility

Key Issues

- Provision must be made to ensure that women get legal rights to land and property allocated as part of the resettlement package.
- Women may have informal rights to property, water, and land through informal institutional arrangements. Creation of new formal institutions may undermine rights that are enshrined in customary arrangements.
- Customary law and informal institutions can and have been known to be discriminatory to women.

Key Questions

- What is the status of women in the society?
- Do women have legal title to land and property?
- What ownership, access, and control do women have over resources and property?
- Will women's sources of livelihood be affected?
- What are the legal instruments that apply?
- Do women have customary or informal rights to land, property, and other resources?

Key Strategies

- Examine existing land and property laws to identify any provisions or entitlements for women.
- Review laws that apply to natural resources, such as
 - use laws—related to water, mining, and other uses;
 - conservation law—for protection of forests, wildlife, biodiversity, etc.;
 - acquisition laws—dealing with land both for rural and urban areas; and
 - regeneration laws—relating to environment protection, pollution, and regeneration of lands and forests.
- Examine laws and policies that deal with
 - housing and construction;
 - ownership, transfer, and inheritance of property; and
 - resettlement and rehabilitation.

Source: Gender Checklist: Resettlement, ADB, February 2003, page 11.

Gender Checklist: Income Restoration

Key Issues

- The needs and problems of women are likely to be different from those of men, particularly in terms of social support, services, employment, and means of subsistence for survival. For example, relocated women might face greater difficulty than relocated men in reestablishing markets for home industry produce or small trade items if they are constrained by lack of mobility or by illiteracy.
- Income-restoration programs should address gender issues adequately.

Key Questions

- Do women contribute to household income?
- What are women's income levels prior to displacement?
- What are the activities from which women earn incomes?
- Will these income sources be affected?
- How many women will lose their livelihood sources?
- Are the women being thrust into a cash economy from a rural subsistence economy?
- Does it mean loss of subsistence?
- What are the ways in which livelihood will be affected? Will there be total loss of livelihood source or a decrease in income only?
- Does the new site provide the same or alternative opportunities for earning incomes?
- What are the existing levels of women's skills/training?
- Is there a need to upgrade women's skills and are the facilities available?

Source: Gender Checklist: Resettlement, ADB, February 2003, page 27.

Categories of APs and Income Restoration Measures

No.	APs with Different Compensation Package	Impact on Income	Income Restoration Activities
01.	Landed farmers with land allotments of the same quality in the same locality where access to services and market remain unchanged	<ul style="list-style-type: none"> • Temporary disturbance in production 	<ul style="list-style-type: none"> • Maintenance allowance during transition period
02.	Landed farmers with land allotments of different quality in the same locality where access to services and market remain unchanged	<ul style="list-style-type: none"> • Disruption of farming pattern • Possible failure without experience/techniques required 	<ul style="list-style-type: none"> • Technical Training for new mode of production • Development cost of the new land • Subsistence until the new land reaches productivity
03.	Landed farmers with land allotments of the same quality in different locality where services and markets have changed	<ul style="list-style-type: none"> • Disruption of farming • Change in support services and market situation 	<ul style="list-style-type: none"> • Necessary support services and economic infrastructure (financial, communication and market) • Maintenance allowance
04.	Landed farmers with land allotments of different quality in different locality where services and market situation have changed	<ul style="list-style-type: none"> • Disruption of farming pattern • Change in support services and market situation • Possible failure without experience/techniques required 	<ul style="list-style-type: none"> • Technical training for new mode of production • All previous extension and financial services • Maintenance allowance
05.	Landed farmers with cash package	<ul style="list-style-type: none"> • Loss of sustainable productive assets • Loss of income sources • Possible misuse of cash compensation • Possible failure of schemes for income generation 	<ul style="list-style-type: none"> • Maintenance allowance • Income generation activity identified • Training • Extension services • Financial services • Market analysis

No.	APs with Different Compensation Package	Impact on Income	Income Restoration Activities
06.	Landed farmers provided jobs	<ul style="list-style-type: none"> • Job insecurity • Possible failure due to no knowledge or technique required 	<ul style="list-style-type: none"> • Employment guarantee for three years • Training
07.	Landless agriculturist seriously affected due to displacement of the community	<ul style="list-style-type: none"> • Loss of income • Loss of livelihood 	<ul style="list-style-type: none"> • Minimum economic holding of land or a cash package sufficient for purchasing economic holding • Technical training • All previous extension and financial services • Any new necessary services • Maintenance allowance
08.	Landless tenants affected through marginal land acquisition	<ul style="list-style-type: none"> • Contract termination • Loss of income 	<ul style="list-style-type: none"> • Minimum economic holding or a cash package sufficient for purchasing economic holding • Other rehabilitation assistance • Maintenance allowance
09.	Other landless agriculturist affected through marginal land acquisition	<ul style="list-style-type: none"> • Loss of job opportunity • Loss of income 	<ul style="list-style-type: none"> • Maintenance allowance
10.	Employees in affected enterprises that can resume the same line of operation	<ul style="list-style-type: none"> • Possibility of greater distance to work • Relocation cost 	<ul style="list-style-type: none"> • Satisfactory relocation of enterprises • All relocation costs • Continued employment

Gender Checklist: Relocation Issues

Site Selection

TIP	Key Issue
<u>Selection of site location of water tanks, stand pipes, toilets, or other facilities should be negotiated with women because issues of safety, privacy, and cultural norms tend to be of greater concern to women.</u>	<p>→ Reasons for selecting or rejecting a site can differ widely between women and men. For women, distance from the workplace, physical safety, availability of facilities, especially for children, and proximity of kin and other social networks are some of the key considerations.</p>
	Key questions
	<p>→ Have affected women representing all socioeconomic groups been shown the alternative sites?</p> <p>→ How many alternatives were the women shown?</p> <p>→ How far is the site from their existing homes?</p> <p>→ Have women approved the site?</p> <p>→ Are schools and health centers easily accessible?</p> <p>→ Is the site close to the women's current places of employment or income generation?</p>

Key Strategies

- Ensure that at least 50% of the representatives taken for site selection and viewing are women.
- List women's concerns regarding site options.
- Take women's concerns into account before the site is approved and finalized.
- Address the need for civic amenities like health care centers.
- Ensure that details about the sites—location, issues of safety, adequacy, and appropriateness—are shared with all affected women.

TIP

Safety and distance from income sources, schools, and health care centers are key concerns for women in site selection.

Housing

TIP

Encourage women's participation in the design and layout of housing.

Key Issue

- Women's requirements should be integrated into housing design and the provision of other facilities.

Key Questions

- Were women consulted on the structure and design of the housing? What are the specific needs?
- What kind of assistance is required by women?
- Do women prefer to undertake the construction on their own with money or materials from government or do they want the government to provide the housing?
- Are women willing to contribute toward housing finance?
- What measures are being taken to address women's concerns regarding housing?
- What are the women's suggestions regarding settlement design?
- Do women prefer cluster housing, e.g., people of one community housed together?

"Women could participate in the design and layout of housing. Infrastructure development within the site should ensure that women have easy access to basic social amenities like water and household energy sources. Women in subsistence communities often depend on forest for basic needs such as food, fuel or animal forage. These would need replacement."

Key Strategies

- Ensure provision of assistance to women for construction of houses in the new site.
- Ask for and encourage women's input in settlement planning and design, housing structure and plans, and location of amenities and facilities.

Civic Infrastructure

Key Issues

- Women's needs in civic infrastructure are governed by cultural and safety considerations or what they see as important for their children, especially girls. They are also governed by the need to provide water, fuel, and fodder.
- Maintenance of civic infrastructure often goes unattended, adding to the problems.

Key Questions

- What infrastructure needs have women identified?
- What services might be required by women and children in relation to civic infrastructure?
- How will the site and services be maintained?

Key Strategies

- Ensure the establishment of community systems for maintenance of sites and services, especially all garbage disposal systems; and maintenance of sanitation facilities, especially common toilets, bathing or washing areas, and drinking-water facilities.
- Explore the need for a children's playground, community center, place for waste disposal, electricity, and health center.

The following sections deal with some of the basic needs.

Sanitation

Key Issue

- Lack of appropriate and adequate toilet and sanitation facilities affect women the most. Their inputs on such facilities must be obtained and incorporated in the resettlement plan.

Key Questions

- Is there a requirement for separate bathing places/toilet facilities/washing slabs for women?
- What is the best design and location for these facilities?
- Where are the community toilets located? How many families are there per toilet?
- It is important that the community takes responsibility for maintaining its toilets. What will be the role of the women?
- Should lighting of public spaces and areas around toilet facilities be included to ensure safety of women?
- What are the mechanisms for waste disposal and sewage disposal and what is the role of the community?
- Will there be bathing areas within the houses or common bathing spaces? How many families will use each common facility? What are the mechanisms for maintaining these?

Key Strategies

- Plan and design toilet and bathing facilities in consultation with women.
- Ensure women's views are obtained on location of facilities.
- Obtain men's and women's commitment on maintenance of all facilities beyond the project period and establish mechanisms for it.
- Ensure that responsibility for garbage and sewerage management and disposal is shared between the community and government, and between men and women.
- Training or orientation in garbage management and disposal should include women.

Education

TIP

Check the physical and social accessibility of schools.

Key Issue

- ➔ In situations of involuntary dislocation, provision of free and compulsory education should be one of the first amenities to be developed, along with housing and sanitation.

Key Questions

- ➔ How many school children are there?
- ➔ How far do children currently travel to attend school?
- ➔ Are there existing facilities in the relocation site, such as elementary or a high school?
- ➔ Is it physically accessible to the new settlers?
- ➔ Can existing facilities accommodate the children of the new settlers?
- ➔ If not, what are the requirements to meet their schooling needs?

Key Strategies

- ➔ Assess the schooling needs and level of education required.
- ➔ Ensure that educational infrastructure is provided. Note: the cost of construction should be borne by the project proponents while regular running of the schools should be the responsibility of the government.

Health

Key Issues

- Involuntary dislocation and displacement can increase morbidity. It can affect people both physically and psychologically. Loss of land or livelihood can result in loss of self-esteem in men, which in turn sometimes leads to violence against women and children.
- Environmental impact of projects can also affect the displaced persons if it is not managed from the outset. Dam projects are known to generate fluorosis and schistosomiasis while thermal power plants may increase the incidence of tuberculosis or bronchial tract infections.
- Medical facilities, both preventive and curative, need to be carefully planned.
- Decrease or loss of food resources may result in severe nutritional impact on women and children.

Key Questions

- What are the common diseases of women in the area?
- Are they related to existing living conditions?
- What is the current state of medical facilities?
- Do they need upgrading for persons who do not need relocation?
- What facilities are available at the new site?
- Will they be sufficient for new settlers?
- Is there any potential for introduction of new diseases in the relocation site?
- Are health facilities accessible to women and children?

Key Strategies

- Assess current health problems and interventions needed to address them.
 - Link up with the government health system.
 - Plan for reproductive health needs of women.
 - Build monitoring mechanisms to track introduction of new diseases.
-
- Ensure proximity and availability of health care centers.
 - Ensure adequate budget and resource allocation to maintain new health infrastructure.

Day Care Centers

Key Issue

- Often, girls are unable to go to school because they have to look after younger siblings. Hence, the need to explore establishing child care centers that would have the added benefit of enabling women to take up paid employment. Setting up crèches could also provide a source of livelihood for some women.

Key Questions

- How many children are there in the 0–6 age group?
- What are the current child care arrangements?
- Will they be affected by displacement? How?
- What are the current cultural child rearing and caring methods?
- Are people willing to look for alternatives?
- Are women willing to place their children in day care?
- Are women in the community willing to establish or manage day care centers?
- Are women willing to pay for day care?

Key Strategies

- Assess the need for day care centers.
- Assess women’s willingness to contribute and take responsibility for day care centers.
- Look into existing government programs and schemes.

TIP

Providing day care facilities serves multiple purposes:

- Cares for the crucial 0–6 age group.
- Allows mothers to go out to work.
- Provides potential self-employment to women in the community.

Transition Issues

Key Issues

- Some women may need special assistance for transportation and transit.
- For relocation to the new site, the transition period between dismantling of one home and resettling in the new is crucial.
- Temporary arrangements often do not provide for basic needs of women and children, such as sanitation, drinking-water facilities, and schools.

Key Questions

- Have women been consulted on transportation and transit issues?
- Is transportation provided? Are women aware of the transportation arrangements?
- Have women and other vulnerable groups, who may need special assistance with transportation, been identified?
- Is ample time provided for dismantling and resettlement, especially for female-headed households and the elderly?
- What arrangements have been made for ensuring access to basic facilities and access to schools for children in the transit phase?

Key Strategy

- Adequate provision should be made for transportation assistance for women, especially single, pregnant, and elderly women, and female-headed households.
- To facilitate smooth and painless transition, ensure that shelters and temporary housing are easily accessible to basic amenities.
- Ensure that families move out together.

Source: Gender Checklist Resettlement, ADB, February 2003, pages 16-24

Gender Checklist: Consultation and Participation in Resettlement

Key Issues

- ➔ Social and cultural factors may exclude women from participating actively in planning, implementing, and executing resettlement activities. Special efforts need to be made to ensure their inclusion.
- ➔ Often, planners operate via male elite, who may not represent the community in its entirety and especially women.
- ➔ Unless women's participation is ensured, male biases in administration and legal systems might both undermine women's rights in customary institutions and disadvantage vulnerable women. Widows, the elderly, divorced women, and women-headed households may suffer as a result of this bias.
- ➔ The key to participation is full information. If the affected persons are to exercise their rights to rehabilitation, they must be fully informed.

Key Questions

- ➔ Have women representing all socioeconomic categories been consulted about the project?
- ➔ Do women have any information about the proposed project?
- ➔ Have women been consulted on the resettlement plan?
- ➔ Were women involved in developing the resettlement plan and were their inputs solicited?

- ➔ Have women been consulted in identifying affected persons?
- ➔ How will the plan be shared with affected women?
- ➔ Is there a mechanism for ensuring women's participation at each stage of the project?
- ➔ Should there be separate meetings for women?

Key Strategies

- ➔ Ensure adequate representation and presence of women from different socioeconomic groups.
- ➔ Ensure proportionate or 50% representation of women during planning and disclosure of the resettlement plan and seek women's opinion on it.
- ➔ Consider separate meetings with women, using female facilitators to solicit women's views, especially on such sensitive issues as toilets, sanitation, water, and house plan.

Source: Gender Checklist: Resettlement, ADB, February 2003, page 7.

Public Consultation and Participation in Project Cycle

<p>Project Identification and Preliminary Study</p>	<p>Activity 1. Meeting between project owner and relevant local government entities to:</p> <ul style="list-style-type: none"> ▪ Discuss the general concept of the sub-project ▪ Discuss/explain the requirements of the sub-project and its likely social and environmental impacts. ▪ Present tentative schedule of activities. ▪ Create awareness and appreciation among the local government units about the sub-project. ▪ Identify key stakeholders. ▪ Set an agenda for general orientation meeting with key stakeholders at local level.
	<p>Activity 2. Public meeting with the community & key stakeholders to:</p> <ul style="list-style-type: none"> ▪ Provide overview of the sub-project, including overall objectives. ▪ Inform stakeholders of likely social and environmental benefits and impacts of the sub-project ▪ Provide schedule for major activities ▪ Discuss and obtain feedback from community and the stakeholders on the sub-project and record objections, if any. ▪ Provide information on the expected roles of the community during the conduct of the above-mentioned activities. <p>Based on the feedback from the community and other key stakeholders, make appropriate modifications in sub-project design to avoid or minimize adverse social impacts.</p>
	<p>Activity 3. Public Information Campaign performed prior to the Census & Inventory; and Socio-economic surveys, where necessary. The following information will be provided:</p> <ul style="list-style-type: none"> ▪ description of sub-project components, types of impacts, the content and schedule for census and inventory surveys ▪ a request to APs to prepare necessary documents related to tenure status, ownership of assets, payment of taxes on assets, etc. <p>It is a <u>good practice</u> to make public announcements through mass media (newspaper insertions, announcements on radio and TV) on project objectives. It is also advisable to hold public meetings at the community level to inform affected population about the project and its objectives.</p>

<p>Project Preparation</p>	<p>Activity 1. Information dissemination and consultation with APs during field surveys:</p> <ul style="list-style-type: none"> ▪ project description and its likely impacts ▪ objective and contents of the surveys ▪ general provisions of compensation policy ▪ mechanics and procedures for public participation and consultation ▪ resettlement options (reorganization on remaining land, relocation to a fully developed resettlement site, or cash compensation) ▪ grievance redress procedures ▪ feedback on the availability of APs to participate in income generation activities in the sub-project, where relevant <p>It is a <u>good practice</u> to prepare a brief Public Information Booklet (PIB) for distribution to all the APs. The PIB should very briefly explain the sub-project objectives, likely benefits and adverse impacts, general provisions of the compensation policy, and grievance redress mechanisms.</p>
	<p>Activity 2. Information dissemination to local authorities after completion of census & inventory and during the SA/RP/EMDP preparation:</p> <ul style="list-style-type: none"> ▪ Sub-project components ▪ proposed policies and procedures including proposed resettlement strategies ▪ a summary of impacts ▪ request for identification of resettlement sites, if necessary ▪ tentative implementation schedule <p>roles and responsibilities of the sub-project owners and local authorities</p>

	<p>Activity 3. Consultation with community and other key stakeholders:</p> <ul style="list-style-type: none"> ▪ feedback regarding relocation site(s) ▪ preferences for the mode of compensation for affected fixed assets (i.e., cash or land-for-land) ▪ In case an ethnic minority community will be affected by the project, the consultation will also touch on the socio-cultural implications of the draft RP / EMDP and the project ▪ When the draft RP / EMDP are available they should be provided to key stakeholders in their native language and put in a public place. Feedback should be requested and incorporated into the final documents ▪ Gender-specific consultation with special attention to guarantee women's assets, property, and land-use rights, and to ensure the restoration of their income and living standards. <p>It is <u>good practice</u> to document details of all the public meetings held with people and local government officials with dates, location and the information provided and the major emerging issues. It is recommended that RPs and other documents include this list, as an attachment. Where public announcements are made, the details, together with a copy of the text of the announcements should be provided in the documents.</p> <p>Many ethnic minority communities have their own representative organizations that provide effective channels for communicating local preferences. Traditional leaders occupy pivotal positions for mobilizing people and should be brought into the planning process, with due concern for ensuring genuine representation of the ethnic population. Non-benefit organizations can also act as partners in development.</p> <p>The draft RP/EMDP/SA should be discussed with local authorities and a copy of the document should be kept with provincial and district level authorities. APs should be informed through public announcements on the availability of the draft documents at the district and local government level. The draft RP/EMDP/SA must be disclosed to affected people in a form and language that they can understand. This may be in the form of a resettlement information brochure or leaflet, a summary resettlement plan, or a complete resettlement plan. The final RP/EMDP/SA must also be disclosed to affected people.</p>
--	---

Implementation	<p>Activity 1. Information dissemination and training after finalization of the RP/ EMDP:</p> <ul style="list-style-type: none"> ▪ schedule for start-up of the sub-project ▪ provide training workshops on waste collection and recycling, and community roles in EMP where relevant ▪ arrange resettlement training workshops for the local government officials on RP implementation (AP representatives should be included in the workshops) and training on any issues related to each institution's role in implementation of the EMP. ▪ provide detailed information on project policies and implementation procedures
	<p>Activity 2. Public Meeting – Information to be provided to APs on:</p> <ul style="list-style-type: none"> ▪ project components ▪ APs' Rights and Entitlements ▪ the grievance mechanism and the appeals process ▪ rights to participate and be consulted ▪ schedule for resettlement activities and follow-up activities for revalidation of inventory and finalization of entitlements ▪ organizational responsibilities ▪ RP / EMDP and institutional arrangements <p>Adequate time should be given to local authorities to contact and inform APs about the purpose, time and place of the meetings. Both men and women from affected households, as well as other interested community members should be encouraged to attend. Explanations should be given verbally and in visual format. Adequate opportunities should be provided for APs to provide feedback, ask questions and to contribute their ideas for income generation activities and rehabilitation options. A complete list of all APs present at the meetings, record of all questions, comments, opinions and decisions that arise during the information/consultation meetings should be maintained.</p>
	<p>Activity 3. Inventory Follow-up Visit to APs for:</p> <ul style="list-style-type: none"> ▪ updating of inventory and finalization of entitlements ▪ getting APs' concurrence on final inventory and entitlements ▪ completion of 'summary compensation form' for each AP and obtain their signature on the forms ▪ record any grievance on inventory or entitlement ▪ record their preferred options for cash or land-for-land, and for rehabilitation assistance measures. Document their preferences for planning of resettlement sites and for appropriate rehabilitation assistance measures ▪ obtain their concurrence on the amounts they would be charged for the extension of services under the sub-project <p>It is a <u>good practice</u> to provide each AP with a copy of the final 'summary compensate form' in which their affected assets, compensation entitlements and final compensation amounts are recorded. The AP should be asked to sign the form to indicate his/her agreement with the inventory recorded, and with entitlements and compensation amounts.</p>
	<p>Activity 4. Information to APs about Compensation Payment</p> <p>A letter of notification should be sent to each AP with the time, location and procedures for compensation payment. The APs should also be informed in advance on the documents (letter of authority, identification card, land title, etc.) that they are required to bring with them for compensation payment purposes.</p> <p>Record of all grievances and the actions taken should be maintained.</p>

<p>Implementation (contd.)</p>	<p>Activity 5. Consultation with APs to confirm preferences for rehabilitation assistance (income restoration) measures APs entitled to income restoration and other rehabilitation assistance should be contacted personally to confirm their preferences for the type of rehabilitation assistance and preferred scheduled for delivery of such assistance.</p> <p>It is a <u>good practice</u> to give preference to APs in implementation of various sub-project activities in order to provide them with additional sources of income during the implementation stage.</p>
	<p>Activity 6. Information to APs on Relocation and Site Clearance, where applicable: APs should be consulted and informed about the timing of relocation and clearance of the sub-project area and coordination with the beginning of physical works. APs should be given sufficient time to harvest their crops and make arrangements to salvage any private assets, where applicable, prior to start-up of civil works.</p>
	<p>Activity 7. Information to the general public and APs about the beginning and on going schedule for physical works: Sub-project owners, local authorities should notify the general public within and in the vicinity of the sub-project area about the schedule for physical works. Public announcements should be made through notices in the newspapers, and radio and TV announcements.</p> <p>It is a <u>good practice</u> to provide a mechanism for participation of affected community members in monitoring of resettlement and other sub-project implementation activities. Participation of APs in monitoring will provide project management with a more accurate reflection of APs reactions and perceptions.</p>
	<p>Activity 8. Assistance during relocation: APs should be assisted in relocation to their new sites by providing assistance in transportation, settling in assistance, counselling. This should be carried out with the assistance of Non-benefit organizations, where possible, and through local officials and project staff.</p>
	<p>Activity 9. Record and Respond to Any Environmentally-related complaints: Project affected groups and the general public should be provided with a means of filing complaints in regards to environmental issues (including noise and other nuisance effects) to the project owner. The project owner should respond to the complaint and provide records of complaints and responses to the Regulatory Agencies as part of their supervision reports.</p>
<p>Ex-Post Evaluation</p>	<p>Ex-post project evaluation will likely require some measure of consultation with APs, key stakeholders and Non-benefit organizations. It is a <u>good practice</u> to consult APs in the planning and implementation of ex-post evaluation, especially with regard to fundamental resettlement objectives such as restoration of incomes and living standards, and especially if follow-up plans or remedial actions are known to be likely.</p>

Sample Public Consultation and Disclosure Plan

Activity	Task	Timing (Date/Period)	No of People	Agencies	Feedback/Issues/Concerns Raised	Remarks
Stakeholder Identification	Mapping of the project area					
Project Information Dissemination	Distribution of information leaflets to affected persons (APs)					
Consultative Meetings with APs during Scoping Phase	Discuss potential impacts of the project					
Public Notification	Publish list of affected lands/ sites in a local newspaper; Establish eligibility cut-off date					
Socio-Economic Survey	Collect socio-economic info on APs as well as AP's perception on the project					
Consultative Meetings on Resettlement Mitigation Measures	Discuss entitlements, compensation rates, income restoration, site selection, grievance redress mechanisms					
Publicize the resettlement plan (RP)	Distribute Leaflets or Booklets in local language					
Full Disclosure of the RP to APs	Distribute RP in local language to APs					
Web Disclosure of the RP	RP posted on donor and/or project owner's website					
Consultative Meetings during DMS	Face to face meetings with APs	During DMS				
Disclosure after Detailed Measurement Survey (DMS)	Disclose updated RP to APs	After DMS				
Web Disclosure of the Updated RP	Updated RP posted on ADB and/or EA website	After ADB Approval of RP				
Consultation and disclosure arrangements during (i) implementation, (ii) monitoring and evaluation						

Gender Checklist: Grievance Redress Mechanisms in Resettlement

Key Issues

- Complicated mechanisms that utilize formal legal structures are likely to work against women, because women are generally unfamiliar with formal institutions.
- The GRC must be adequately constituted to deal with gender issues that may arise and include mechanisms to provide specific services for women.

Key Questions

- Is the grievance redress mechanism structured to address gender issues?
- Is the GRC gender sensitive?
- Does it take into account special problems faced by women?
- Are there any women members on the GRC or related group that has been or will be constituted?

Key Strategies

- Discuss the proposed grievance redress mechanism structure with women.
- Can women easily access and use this mechanism?
- Ensure the presence of women on any GRC or related group at the formal or informal level.
- Training GRC personnel in the handling of gender-sensitive issues should be included.
- As far as possible, mechanisms should be established that do not require women to go to court, because women generally find it difficult to access legal machinery.

Source: Gender Checklist: Resettlement, ADB, February 2003, page 31

Gender Checklist: Monitoring and Evaluation in Resettlement

Key Issue

- Indicators for monitoring and evaluation (M&E) should include gender-specific questions and indicators. M&E should be done jointly by project authorities, external monitors, and the community.

Key Questions

- Do the M&E indicators include issues of women's livelihood restoration, safety, habitability, and other issues addressed in this checklist?
- Are the appointed agencies gender sensitive?
- Is the budget sufficient to address gender issues?
- Is the M&E baseline gender inclusive?
- Have appropriate mechanisms been developed for participatory monitoring and are women included?
- Are gender issues included in the terms of reference of supervisory consultants?

TIP

Monitor and evaluate impact on women separately.

Key Strategies

- Promote participation of women in planning, design, and implementation of M&E.
- Ensure that the institutional mechanisms set up at both the level of the project authorities and the community include women in the team.
- Ensure that M&E include specific inputs from women.
- Ensure that community-based mechanisms have proportionate representation of women.
- Include gender in the terms of reference of consultants.
- Ensure that implementation of gender aspects is reviewed and reported by staff undertaking review missions.

Source: Gender Checklist: Resettlement, ADB, February 2003, page 33

Sample Terms of Reference for External Monitoring of RP Implementation

1. Background of the Project

2. Summary of Project Impacts

3. External Monitoring

Objectives

Broad objectives of monitoring include the following:

- a) To provide project management with an effective tool for assessing Resettlement Plan implementation at various stages and to identify problem areas and recommend remedial measures for efficient implementation of the policy.
- b) To assess the effectiveness of 'income restoration' and other rehabilitation measures for affected households/communities.

Monitoring Targets and Functions

The monitoring targets and functions will include the following:

- Review the existing baseline and data gather additional socio-economic baseline data, if necessary, on sample families which are entitled to receive compensation for all of their lost assets or for resettlement and rehabilitation;
- Monitor implementation of the compensation policy and public information campaign;
- Identify and discrepancy between the policy requirements and actual practice, as well as any local level grievances;
- Provide recommendations for improving implementation of its policy.

Methodology

Monitoring methodology will consist of the following:

- a. Random review of acquisition and compensation documents to ensure full compliance with policy's requirements. This review should sample about 30% of all project's entitlements.
- b. Random site visits, where land acquisition processes are taking place, to ascertain that compensation has been duly paid prior to the start up of construction works under the projects; compensation is assessed based on the principle of replacement cost and grievances, if any, are solved. This activity should cover at least 20% of all concerned families each year. For these purposes monitoring will include the following aspects:
 - Inventory of affected assets;
 - Assessment of compensation for all types of affected assets based on replacement cost;
 - Compensation is paid prior to initiation of works.
- c. special studies aimed to ascertain adequacy of compensation paid for land acquisition and/or other fixed assets, against current market prices.
- d. Periodic field visits and survey, at least every three months, to ascertain that affected people are adequately informed of project objectives, impacts, compensation policy and

entitlements through an effective public information campaign. This activity should cover at least 30% of all the project affected families each year.

- e. Periodic field visits, at least every three months, to assess if grievance procedures are adequately explained to the affected people and implemented. This activity should cover at least 30% of all the project affected families.

Sample

To verify the quantitative aspects of implementation, sample surveys of various types of impacts should be conducted. A stratified sample as specified should cover target groups for each category, such as land-owners, affected house owners, tenants or workers. While making quantitative assessments of land acquisition activities all the provinces should be covered.

Data Collection Methods

Data and information will be gathered through:

- Questionnaires, to be personally administered.
- Direct interviews with affected households
- Specific focus group interviews aimed at identifying the specific problem issues related to groups such as self-employed persons with businesses, farmers and workers affected by loss of job, tenants affected by loss of place of residence, men heads of households, etc.
- Community meetings to discuss problem issues and identify solutions
- Project staff in the field

Data Analysis

Data and information collected will be analyzed by project, affected area, resettlement sites, levels of compensation, type of impact, etc.

Data Base Storage

The Monitoring Team will maintain a data base of resettlement monitoring information that will be updated every three months. It will contain certain files on each affected household and will be updated based on information collected in successive rounds of data collection. All data bases compiled will be fully accessible to the project authorities.

Monitoring and Evaluation Indicators

The following aspects of the resettlement policy will be monitored and evaluated regularly by the MA:

a) Payment of Compensation

- (i) Whether assessment of compensation for all types of affected assets, especially for affected land, is based on the current market values;
- (ii) The compensation for affected structures should be equivalent to the replacement cost of materials and labor based on standards and special features of construction, and no deductions made for depreciation or value of salvageable materials;
- (iii) Full payments to be made to all affected persons sufficiently before land acquisition

(iv) Payment of all the allowances to APs prior to the start up of civil works and their shifting to the new sites, where applicable

b) Linkage to Resettlement and Construction

(i) The completion of land acquisition and resettlement activities on a phase, section or sub-section of the project at least one month before the start of physical works on that phase, section or sub-section.

c) Provision of Resettlement Site

- (i) Affected people who are entitled to land-for-land option and for relocation to a resettlement site and who opt for relocation to a resettlement site, should be consulted about the location of the site;
- (ii) Site location, site design, infrastructure, and plot allocation should enable affected people to restore living standards;

d) Provision of Training, Employment and Availability of Credit Assistance

- (i) Training should be provided for one member of each eligible affected family who will be relocated, if the family chooses to opt for training;
- (ii) The kind of training will depend on the preference of the affected person and the availability of a training course;
- (iii) The option of post-training credit assistance should be provided to affected persons on the basis of low interest rates, and credit eligibility for otherwise ineligible groups such as women and low-income earners;
- (iv) Training should be provided within three months of the date of relocation;
- (v) Job placement to entitled persons should be provided within 2 months of the date of land acquisition

e) Public Consultation

- (i) Affected persons should be informed and consulted about resettlement activities, such as implementation schedule for the project and shifting of APs from their present location, resettlement site design, location and plot allocation;
- (ii) The monitoring team should attend at least one public consultation meeting each month to monitor public consultation procedures, problems and issues that arise during the meetings, and solutions that are proposed

f) Level of Satisfaction

- (i) The level of satisfaction of affected persons with various aspects of the RP should be monitored and recorded;
- (ii) The operation of the mechanisms of grievance redress and the speed of redress of grievances should be monitored.

g) Standard of Living

(i) Throughout the implementation process, the trends of living standards should be observed and the potential problems in the restoration of living standards should be identified and reported

h) Awareness of Compensation Policy

- (i) Public awareness of the compensation policy and their entitlements among the APs will be assessed;
- (ii) Assessment of awareness of various options available to APs as provided for in Decree 192.

The following outputs are expected from the assignment:

- a. A brief methodological inception report submitted to the Project Manager and a copy to the project authorities within one month of beginning of the assignment.

REPORTING REQUIREMENT

Reports:

The External Monitoring Agency (EMA) shall prepare and submit the Client six copies of each of the following reports:

- Inception report: to be submitted 30 days after work begins; the report shall contain a brief methodological inception and schedule for the completion of the work described herein with the attention to use all outcomes of available reports.
- Monthly reports: at the end of each month a brief progress report summarizing the works on-going or accomplished by the EMA during the past month.
- Quarterly and special reports: EMA shall prepare a comprehensive report summarizing all activities under the service at the end of each quarter and also at other times when EMA finish any special survey or sampling and its analysis and outcomes

Notes:

Quarterly Monitoring Report should be prepared and submitted to the project authorities with a copy to the financing agency by the last day of every three months. The report should contain:

- (i) A report of progress of implementation of all aspects of RPs;
- (ii) Deviations, if any, from the provisions and principles of the Decree 192;
- (iii) Identification of problem, issues and recommended solutions, so that the project owner is informed about the ongoing situation, and can resolve problems in a timely manner; and
- (iv) Report progress on the follow-up of problems and issues identified in the previous report.

Semi-annual and annual reports shall summarize all the works done during the past semi or annual period and recommendation on problems, solutions and final status.

Generic Outline for External Monitoring Report

1. INTRODUCTION

1.1 *Project Outline*

1.2 *Resettlement Plan*

When was it prepared? Number of people affected?

Original schedule for completion of land acquisition and resettlement activities.

2. PROGRESS

2.1 *Progress of work (provide table)*

Total number of APs by the type of losses, cumulative progress achieved at the beginning and during the monitoring period.

2.2 *Problems identified (delays etc.)*

3. MONITORING

3.1 *Review of Documents (30% sample required)*

(i) *Sample size covered during the period*

(ii) *Indicators*

- Inventory forms
- Identification of marginal/severe impacts (include 1 or 2 forms checked in the Appendix)
- Entitlements
- Compensation Assessment: whether procedures followed to assess compensation at replacement costs are proper.
- Record of payment

(iii) *Problems Identified*

3.2 *Field Survey (Questionnaire Survey)*

(i) *Sample size covered (provide ref. To canal section, bridge, district and province - completed questionnaire survey form)*

Show breakdown of sample by categories covered such as: land owners, house owners, tenants, share-croppers, marginally (<20%) and severely (20% or more) affected APs, illegal

(ii) *Monitoring Indicators*

- Preparation of Inventory (cross-check with the DMS forms in the office)

- Entitlements & Assessment of compensation
 - Payment of compensation
 - Public Consultation and Participation
 - Awareness
 - General level of satisfaction with adequacy & payment of compensation
 - Information provided or level of satisfaction with compensation payment procedures
 - Level of satisfaction
 - Knowledge of grievance redress procedures

(iii) Problems Identified

3.3 Field Supervision

(i) Activities supervised during the monitoring period (give ref. to canal section, district and province)

- Describe activities supervised
- Public meetings and information
- Preparation of inventory
- Compensation assessment and negotiations
- Compensation payment

(ii) Problems identified

4. ISSUES ARISING FROM PREVIOUS REPORT

4.1 *Problems identified and recommendations made*

4.2 *Actions taken by Project Authorities*

4.3 *Outstanding problems and issues*

5. SUMMARY AND RECOMMENDATIONS

Format for Resettlement Cost

DESCRIPTION	No. of HHs	UNIT	RATE \$/UNIT	QUANTITY	AMOUNT \$	AMOUNT USD
Compensation for Land and Structures and other fixed assets						
Land						
- Agricultural						
- Residential						
- Commercial						
Structures (Residential and Shops)		m2				
- Permanent		m2				
- Semi-Permanent		m2				
- Temporary						
Other Fixed Assets: Boundary walls, wells, retaining walls, porch, garage, pig-pans etc.		-	Lump Sum	Lump Sum		
Allowance to cover Repair cost: (Residential+shops+Miscellaneous.)		hh				
-Permanent structures		hh				
-Semi Permanent		hh				
-Temporary						
Compensation for Loss of electricity and Water Connection		hh				
Compensation for Land Preparation		m2				
Rent Allowance		hh				
Crops/Trees						
- Arable crops	-	m2	-	-	-	-
- Trees	-	Number	-	-	-	-
Sub-Total	-	-	-	-	-	-
Subsistence Allowance		hh			-	-
Inconvenience Allowance		hh				
Rehabilitation Assistance		hh				-
Material Transport Allowance to Relocating APs		hh				-
Sub-Total	-	-	-	-	-	-
Water Tanks	-	No.				-
Waiting Sheds	-	No.				-
Clinic	-	No.				-
Sub – Total	-	-				-
External Monitoring and Post-Implementation Evaluation	-	I.s.			-	-
TOTAL	-	-	-	-	-	-
Management cost 0.4%	-	-	-	-	-	-
Price contingencies 15%	-	-	-	-	-	-
GRAND TOTAL						

Notes: 1. Allowances for repair cost also cover repairs to fixed assets other than residential or commercial shops.

Gender Checklist for Resettlement Budget

Key Questions

- Does the resettlement plan identify the financial resources required for gender-targeted activities?
- Are specific provisions to address gender issues included in the budget line items?

Key Strategies

- Ensure that the resettlement budget has allocated adequate funds for gender-related activities.
- If possible, include a separate budget to address gender concerns specifically.
- Try to provide a separate budget for dealing with the concerns and needs of women.
- Ensure that women are aware of the budgetary allocation to address their concerns.
- Trace expenditures and ensure that funds are used appropriately.

Source: Gender Checklist: Resettlement, ADB, February 2003, page 32

Eligibility for Resettlement Cost under the Loan

No.	Category	Description	Mode of Compensation Payment	Eligibility for Financing out of the Bank Loan
01.	Compensation	Land	Cash or in Land	Not Eligible.
		Structures	Cash	Not Eligible*
			Building Material	The cost of building material and labor is eligible
			Built Housing	Eligible. The cost of built house provided to AP in lieu of compensation for affected structure can be covered out of the Bank loan
		Crops/trees	Cash	Not Eligible*
02.	Allowances	Transition Subsistence Allowance	Cash or in kind	Not Eligible*
		Training cost Allowance	Payment to Training Institute Payment to AP during the Training	Eligible Not Eligible*
		Allowance for Business loss	Cash	Not Eligible*
		Repair Cost	Cash	Not Eligible*
		Transport	In kind	Eligible. Cash payment is not eligible
03.	Resettlement Site	Civil Works		Eligible
		Consultants' Fee for Surveys, Site-planning, and Technical Design during Project Implementation		Eligible
		Management and Supervision Fee to Consultants during Project Implementation		Eligible
		Fee paid to government departments for review and approval of plans and designs		Not Eligible
04.	RP Preparation	Costs incurred by Executing Agency		Eligible through Project Preparation Tech. Assistance
05.	Public Facilities and Infrastructure	Costs of replacement of affected infrastructures		Eligible
06.	Fee and Taxes	Fee and taxes paid to different government agencies for review of designs and RPs		Not Eligible
07.	RP Implementation and Supervision	Costs incurred by Executing Agency		Only the incremental costs incurred for RP implementation are eligible
08.	External Monitoring	Fee paid to independent monitoring agency or consultants		Eligible

***The eligibility in the matrix for these items is based on the current practices in WB funded projects.**

Resettlement Activities and Targets

No.	RP implementation Activities	Canal A	Canal B	Canal C
	Number of APs	643	504	1341
	APs received compensation	639	504	1341
1	Demarcation and Stake-out	X	X	X
2	DMS and finalization of Inventory	X	X	X
3	Distribution of PIB	X	X	X
4	Finalization of Current Market Rates	X	X	X
5	Data Processing	X	X	X
6	Preparation of Linear maps	X	X	X
7	Finalization of entitlements to each AP	X	X	X
8	Final rechecking of entitlements and cost estimates and summary by commune and districts	X	X	X
9	Public information and consultation on Entitlements	X	X	X
10	Distribution of individual entitlement forms	X	X	X
11	Reconfirmation of options for relocation (self, group), cash or land-for-land	X	X	X
12	Compensation payment:			
	a. First Installment 70%	4 remain.	X	X
	b. Second Installment 30%	X	X	X
	c. Repair costs & number of APs	X	X	X
	Total	146	6	31
13	Identification and finalization of RS in consultation with APs	X	X	NA
			2 sites	
14	Finalization of RS designs, cost estimates and ratification by management	X	X	NA
		21 APs	54 APs	

No.	RP implementation Activities	Canal A	Canal B	Canal C
15	Public consultation on RS design	X	X	NA
16	RS land transfer	X	X	NA
17	Development of RS, with power and water connections	Electric Remaining	Elect, water Remaining	NA
18	Public information on RS development and relocation schedule	X	X	NA
19	Reorganization and relocation to RS	X	X	NA
20	Award of LURC and Building Permits to APs	X	X	NA
21	Handing over the site for civil works	X	X	X
22	Rehabilitation Assistance:			
	a. List and number of entitled APs:	116	305	231
	a.1. Severe loss of business	18	14	11
	a.2. Severe loss of agriculture income	0	168	0
	a.3. Relocating APs due to loss of houses	98	123	220
	b. Consultation with APs on the type of assistance			
	c. Finalization of the rehabilitation types			
23	Number of APs opted for training	42	29	63
24	APs opted for farming inputs or Other types of assistance			
25	Preparation of report on rehabilitation for review & approval			
26	Rehabilitation implementation			
27	Rechecking of DMS for repair allowance and balance compensation for unviable remaining portion & APs	X		
28	Rechecking of DMS for balance compensation for unviable remaining land & APs			

**A sample of sequence of activities determined
for a waterways project in Vietnam**

Province.....
District
Village

Minutes on compensation for lost assets

Mr/Mrs:..... Household No:....., Village:.....,
District:....., Province:.....

In accordance with payment of compensation and allowance money that provincial authority:....., issues:

1. Mr/Mrs:....., representative of Waterway Project.
2. Mr/Mrs:, representative of resettlement committee of district:, Province:
3. Mr/Mrs:, representative of district finance:
4. Mr/Mrs:, Head of family or the representative of head of family:

Agree with details of compensation, the entitlement to get assistance and allowance to affected people as below:

I. Compensation for lost assets:

No.	Descriptions	Units	quantities	Rates (Dong)	Total (Dong)
1	Large house				
2	Small house 1				
3	Small house 2				
4	Land use				
5	Structures				
6.	Trees and Crops				
Sub -Total (I):					

Note: Detail of compensation for structures, crops and trees as below in other document

II. Assistance and Allowance:

- Peridium:.....
- Fee of transportations:
- Training fee:
- DSA:
- Other allowances:

Due to lost of income: gardening/products:
 Shops:

➤ Assistance on agriculture activities:.....

Sub-total (II):

III. Special Assistance:

1. Mother of hero:
 2. Family of disable soldier or died:
 3. Alone elders household:
 4. More poverty household:
- Sub-Total (III):

Sub-Total (I) + (II) + (III):

IV. Preferance of affected people:

1. Cash, Move to other places, none 'land-for-land';
2. Improve remaining land:
3. Build household by himself/herself:.....
4. Need new house:

Mr/Mrs: Promise after receiving compensation, will not
 construct or remove to areas that transfer to resettlement committee of district.

Date / /

There are 7 original minutes and will send to:

- | | |
|--|---|
| 1. Ministry of Transport and Communication | 1 |
| 2. Ministry of Finance | 1 |
| 3. Management Unit of Project | 1 |
| 4. Resettlement Committee of District | 1 |
| 5. Affect Peoples | 1 |

Project Management Unit

Resettlement Committee
 of Project

Financial Officer of District

Head of Families/The representative of Affected
 People

Details of compensation for structures, crops and trees

No.	Types of infrastructures	Unit	Quantity	Rate	Total
	1. infrastructures				
	Sub-Total				
	2. Crops				
	Sub-Total				
	3. Trees				
	Sub-Total				