

Social Safeguards

Business Opportunities Fair

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ADB

ADB's Social Safeguards

- Involuntary Resettlement Policy (1995)
- Indigenous People's Policy (1998)
- Safeguard Policy Statement (2009)

Objectives of IR Safeguards

- Avoid involuntary resettlement whenever possible
- Minimize involuntary resettlement by exploring project and design alternatives
- Enhance, or at least restore, the livelihoods of all displaced persons in real terms relative to pre-project levels
- Improve the standards of living of the displaced poor and other vulnerable groups

IR Policy Scope and Triggers

The IR safeguards cover both

Physical Displacement and Economic Displacement
as a result of

- (i) involuntary acquisition of land, or
- (ii) involuntary restrictions on land use or on access to legally designated parks and protected areas

It covers them whether such losses and involuntary restrictions are full or partial, permanent or temporary

Policy Scope and Triggers

Special Cases

- Resettlement in anticipation of ADB support
- Failed negotiated settlements
- Adverse impacts other than LA impacts

How to Address Impacts of Activities other than Land Acquisition?

- If potential adverse economic, social or environmental impacts from project activities other than land acquisition are identified, they will be avoided, minimized, mitigated, or compensated for, through the environmental assessment process.
- If these impacts are found to be significantly adverse at any stage of the project, the borrower/client will be required to develop and implement a management plan to restore the livelihood of affected persons to at least pre-project levels or better.

Objectives of IP Policy Safeguards

To design and implement projects that fosters **full respect** for IP identity, dignity, human rights, livelihood systems, cultural uniqueness **as defined by IP themselves...**

- Receive culturally appropriate social and economic benefits
- Do not suffer adverse impacts as a result of projects
- Can participate actively in projects that affect them

IP Policy Scope and Triggers

When projects ...

- Affect IP directly or indirectly
- Affect the dignity, human rights, livelihood systems & culture of IP
- Affect territories or natural or cultural resources that IP own, use, occupy, or claim as an ancestral domain or asset

Who are IP under the Policy?

Social or cultural groups who are:

- **Distinct**, possessing in varying degrees
 - Self identification & recognition by others
 - Collective attachment to habitats & natural resources
 - Separate customary cultural, economic, social or political institutions
 - Distinct language
- **Vulnerable** (historically, economically, socially)

** Take into account national legislation, customary law, and international convention*

Policy Principles and Requirements

- Compensation at replacement value, assistance and benefits for the displaced persons
- Social impact assessment and planning process
- Implementation, monitoring and reporting

Compensation, Assistance and Benefits for Displaced Persons

Displaced Persons (DP) could be of three types:

- (i) Owners of land/assets with titles
- (ii) Land users with customary claims
- (iii) Occupiers without titles or customary claims

Compensation, Assistance and Benefits for Displaced Persons

The borrower/client will be required:

- For type (i) and (ii) DP, provide adequate and appropriate replacement land and structures or cash compensation at full replacement cost and relocation assistance
- For type (iii) DP, compensate them for the loss of assets other than land, such as dwellings, and also for other improvements to the land, at full replacement cost

Compensation, Assistance and Benefits for Displaced Persons

- Preference will be given to land-based resettlement strategies for DP whose livelihoods are land-based
- Whenever replacement land is offered, DP are provided with land for which a combination of productive potential and locational advantages, is at least equivalent to the advantages of the land taken
- If land is not the preferred option of the DP, or sufficient land is not available, non-land-based options built around opportunities for employment should be provided in addition to cash compensation
- The lack of land will be demonstrated and documented to the satisfaction of ADB

Compensation, Assistance and Benefits for Displaced Persons

The rate of compensation for acquired housing, land and other assets will be calculated at full replacement costs, based on:

- (i) fair market value
- (ii) transaction costs
- (iii) interest accrued
- (iv) transitional and restoration costs
- (v) other applicable payments, if any

Compensation, Assistance and Benefits for Displaced Persons

- Where market conditions are absent, the borrower/client will be required to consult with the DP and host populations to obtain adequate information
- Baseline data will also be collected and documented
- Qualified and experienced experts will undertake the valuation of acquired assets
- Depreciation of structures and assets should not be taken into account

Compensation, Assistance and Benefits for Displaced Persons

Why replacement value?

- At least to restore pre-project livelihood – core principle
- Replacement value - a tool to achieve it
- Options:
 - Land-for-land (preferred)
 - Cash-for-land (practical, easy, budget)
- Replacement cost – cash-for-land mode

Compensation, Assistance and Benefits for Displaced Persons

In the case of physically DP, provide

- (i) relocation assistance, secured tenure to relocation land, better housing at resettlement sites with comparable access to employment and production opportunities, and civic infrastructure and community services
- (ii) transitional support and development assistance,
- (iii) opportunities to derive appropriate development benefits from the project

Compensation, Assistance and Benefits for Displaced Persons

In the case of economically DP,

- promptly compensate for the loss of income or livelihood sources at full replacement cost.
- provide assistance such as credit facilities, training, and employment opportunities
- provide opportunities to displaced persons to derive appropriate development benefits from the project.

Compensation, Assistance and Benefits for Displaced Persons

No physical/economic displacement will occur until:

- compensation at full replacement cost has been paid to each DP for project components that are ready to be constructed
- other entitlements have been provided to DP
- a comprehensive income & livelihood rehabilitation program is in place

Social Impact Assessment & Planning Process

Social Impact Assessment (SIA)

The borrower/client will be required to

- conduct socioeconomic survey(s) and a census to identify all persons who will be displaced
- establish a cut-off date for eligibility, in the absence of host country's procedures
- prepare a SIA:
 - (i) identified past, present and future impacts
 - (ii) an inventory of DP and their assets
 - (iii) an assessment of their income/livelihoods
 - (iv) gender-disaggregated information

Social Impact Assessment & Planning Process

Social Impact Assessment (SIA)

(cont.)

- As part of the SIA, identify poor and vulnerable individuals and groups
- Where they are identified, propose and implement targeted measures so that adverse impacts do not fall disproportionately on them and they are not disadvantaged in relation to sharing the benefits and opportunities resulting from development

Social Impact Assessment & Planning Process

Information Disclosure

ADB will post on its website:

- a draft RP/RF before project appraisal
- the final RP after the census has been completed
- a new or an updated RP, and a corrective action plan during project implementation, if any
- the resettlement monitoring reports

Borrower/Clients will provide:

Relevant information, including information from the above documents in a timely manner, in an accessible place and in a form and language(s) understandable to affected persons and other stakeholders

Social Impact Assessment & Planning Process

Consultation

The borrower/client will be required to conduct meaningful consultation with DP, host and concerned NGOs, which should be a process that:

- (i) begins early and is carried out on an ongoing basis
- (ii) provides timely disclosure of relevant & adequate information that is understandable and accessible to affected people
- (iii) is undertaken in an atmosphere free of intimidation
- (iv) is gender inclusive and responsive, and tailored to the needs of disadvantaged and vulnerable groups
- (v) enables the incorporation of all relevant views of affected people and other stakeholders into decision making

Social Impact Assessment & Planning Process

Grievance Redress Mechanism

The project will be required to establish a mechanism to receive and facilitate resolution of AP's grievance

- The mechanism should be scaled to the risks and impacts
- It should address AP's complaints promptly, using a transparent process that is gender responsive and readily accessible to the AP
- It should not impede access to the country's judicial or administrative remedies
- The AP will be appropriately informed about the mechanism

Social Impact Assessment & Planning Process

Resettlement Plan (RP)

The borrower/client will be required to

- prepare a RP, if the project IR impacts are identified
- the RP will address all relevant requirements specified in Safeguard Requirements 2
- the level of detail/comprehensiveness will be commensurate with the significance of impacts

Social Impact Assessment & Planning Process

Resettlement Plan (RP)

An RP will be based on the SIA and will include measures to ensure that

- DP are informed about their entitlements
- DP are consulted on resettlement options and choices
- DP are provided with resettlement alternatives
- pay attention to gender concerns, and the needs of poor and vulnerable groups
- support socio-cultural institutions
- provide a social preparation time frame

Social Impact Assessment & Planning Process: Resettlement Plan (RP)

The RP will

- analyze and summarize national laws and regulations pertaining to land acquisition, compensation payment, and relocation of DP
- compare and contrast such laws and regulations with ADB's requirements
- where there is a gap, propose a suitable gap-filling strategy in consultation with ADB

Social Impact Assessment & Planning Process

Resettlement Plan (RP)

- All costs of compensation, relocation, and livelihood rehabilitation are considered project costs
- Projects with significant IR impacts need adequate contingency funds
- Resettlement expenditure is eligible for ADB financing if incurred in compliance with ADB's SPS and with ADB-approved RP
- If ADB funds are used for resettlement costs, such expenditure items will be reflected in the RP

Project Categorization

IR Cat	Impact	Reports Required
A	Significant	Resettlement Plan
B	Less Significant	Resettlement Plan
C	No impact	None **

Significant = 200 or more displaced persons are (i) physically displaced and/or (ii) 10% or more of productive assets are lost. **A due diligence report may be required.

Social Impact Assessment & Planning Process

Resettlement Plan

- The information contained in an RP may be tentative until a census has been completed
- The entitlement matrix of the RP may be updated at the stage of RP finalization to reflect the changes but the standards set in the original entitlement matrix cannot be lowered
- The final RP (i) adequately addresses all IR issues, (ii) describes specific mitigation measures addressing them, and (iii) ensures the availability of sufficient resources

Social Impact Assessment & Planning Process

Resettlement Plan

- The borrower/client will use qualified and experienced specialists to prepare the social impact assessment and the RP
- For highly complex and sensitive projects, independent advisory panels of experts not affiliated with the project will be used during project planning and implementation

Issues in Resettlement Planning

- Dedicated team of professionals
- TOR for Social Impact Assessment and Land Acquisition to be exhaustive
- Team composition for SIA and LA
- Effective consultations
- Outputs of SIA should feed into the design
- Resettlement sites – quality and host's views
- Experts for complex and sensitive resettlement
- Monitoring and evaluation

Resettlement Planning Challenges

- Large deviations from survey results
- Inaccurate LA plans/litigation
- Unidentified categories
- No integration of social inputs in deciding the alignment and design
- No concern on indirect impacts
- Poor/weak consultation with people

Implementation, Monitoring and Reporting

The borrower/client will

- implement the RP, monitor and measure the progress of the RP implementation
- for projects with significant IR impacts/risks, retain qualified and experienced external experts or qualified NGOs to verify the monitoring information
- if any significant IR issues are identified, prepare a corrective action plan (CAP)
- until such CAP is formulated, disclosed and approved, do not proceed with implementing the specific project components for which IR issues are identified

Implementation, Monitoring and Reporting

The borrower/client will be required to prepare and submit to ADB semiannual monitoring reports for category A and B projects.

Special Considerations for Indigenous Peoples (IP)

The borrower/client will

- explore to the maximum extent possible alternative designs to avoid physical relocation of IP
- in consultation with ADB, formulate a combined RP and IP plan
- the combined plan will also meet all relevant requirements specified under Safeguard Requirements 3: Indigenous Peoples

Thank You

For queries about the SPS, please call:

SPS Helpdesk at local 6673

For more information, please visit:

<http://www.adb.org/Safeguards>