

This is not an ADB material. The views expressed in this document are the views of the author/s and/or their organizations and do not necessarily reflect the views or policies of the Asian Development Bank, or its Board of Governors, or the governments they represent. ADB does not guarantee the accuracy and/or completeness of the material's contents, and accepts no responsibility for any direct or indirect consequence of their use or reliance, whether wholly or partially. Please feel free to contact the authors directly should you have queries.

2016 DFI SOCIAL EXPERTS MEETING

LIVELIHOOD RESTORATION



Shaza Zeinelabdin & Robert Barclay

How Land Acquisition started...



....and where we are today



Right to Land
& Fair
Compensation

Commitment
to Positive
Social
outcomes

International
Standards:
Do No Harm

Civil Society /
Media

Accountability:
Ombudsman



We all agree we need to get it right....

Lessons and recommendations

- Strive to integrate resettlement communities, and reach agreement on access to resources and any improved services prior to resettlement.

ICMM
International Council
on Mining & Metals

Land acquisition and resettlement: Lessons learned




LESSON 5: Compensation for PAPs Needs to Be Timely and Based on Sound Valuation Methodologies

Challenges

- On many projects resettlement site location is not properly planned, leaving resettlers without access to replacement land for farming or unable to access the economic opportunities offered by the company.

LESSON 7: Livelihood Restoration Works Best When Transitional Support, Development Assistance, and Culturally Appropriate Resettlement Alternatives Are Provided

EMERGING LESSONS SERIES NO. 1 THE INSPECTION PANEL



Involuntary Resettlement

ip THE WORLD BANK
International Finance Corporation
WORLD BANK GROUP

....and getting it right matters



Livelihood Restoration in Practice: Key Challenges and Opportunities

Challenge 1: What is successful livelihood restoration?

Improvement or restoration of livelihoods is the objective of most international resettlement standards, but...

- No established paradigm for how we measure progress with restoring 'livelihoods'
- Not even clarity about how livelihoods should be defined

Newmont Ahafo mine, Ghana

- RAP Completion Audit - 6 years after physical relocation:
- Living standards – significantly improved
- 75% of households had access to land/ well developed crops – livelihoods restored or close to being restored
- 25% had not reached point of secure livelihood – illness, drug dependency, bad luck with land, fire, drought, lack of finance, etc.

Challenge 1: Questions for the floor



1. How should we define 'livelihoods'?
2. What models do we have for restoring livelihoods?
 - E.g. Sustainable Livelihoods (Chambers), IRR Model (Cernea)
3. In your experience, what constitutes successful livelihood restoration?

Defining livelihoods...

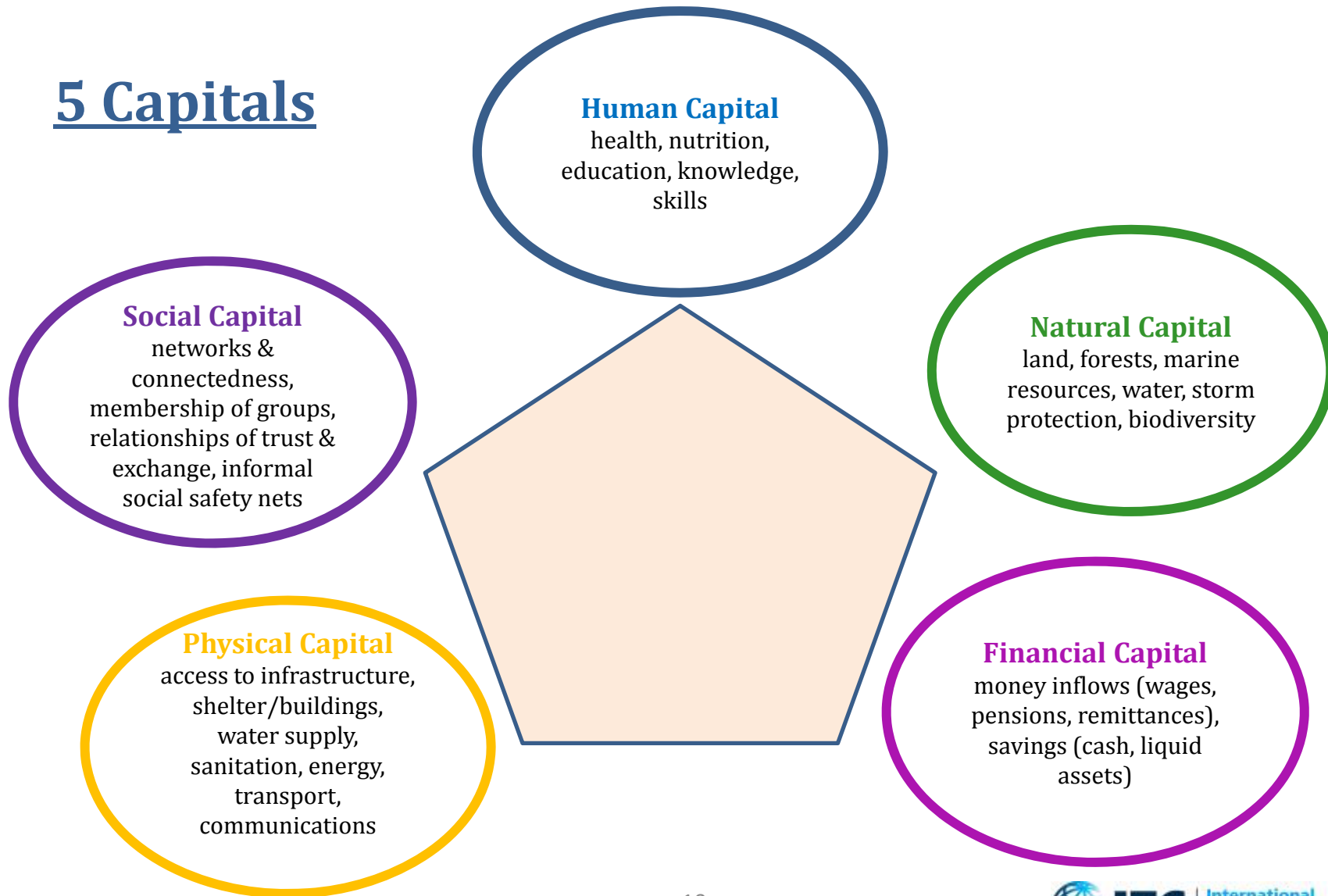
*A **livelihood** comprises the capabilities, assets (including both material and social resources) and activities required for a means of living.*

*A livelihood is **sustainable** when it can cope with and recover from stress and shocks and maintain or enhance its capabilities and assets both now and in the future, while not undermining the natural resource base.*

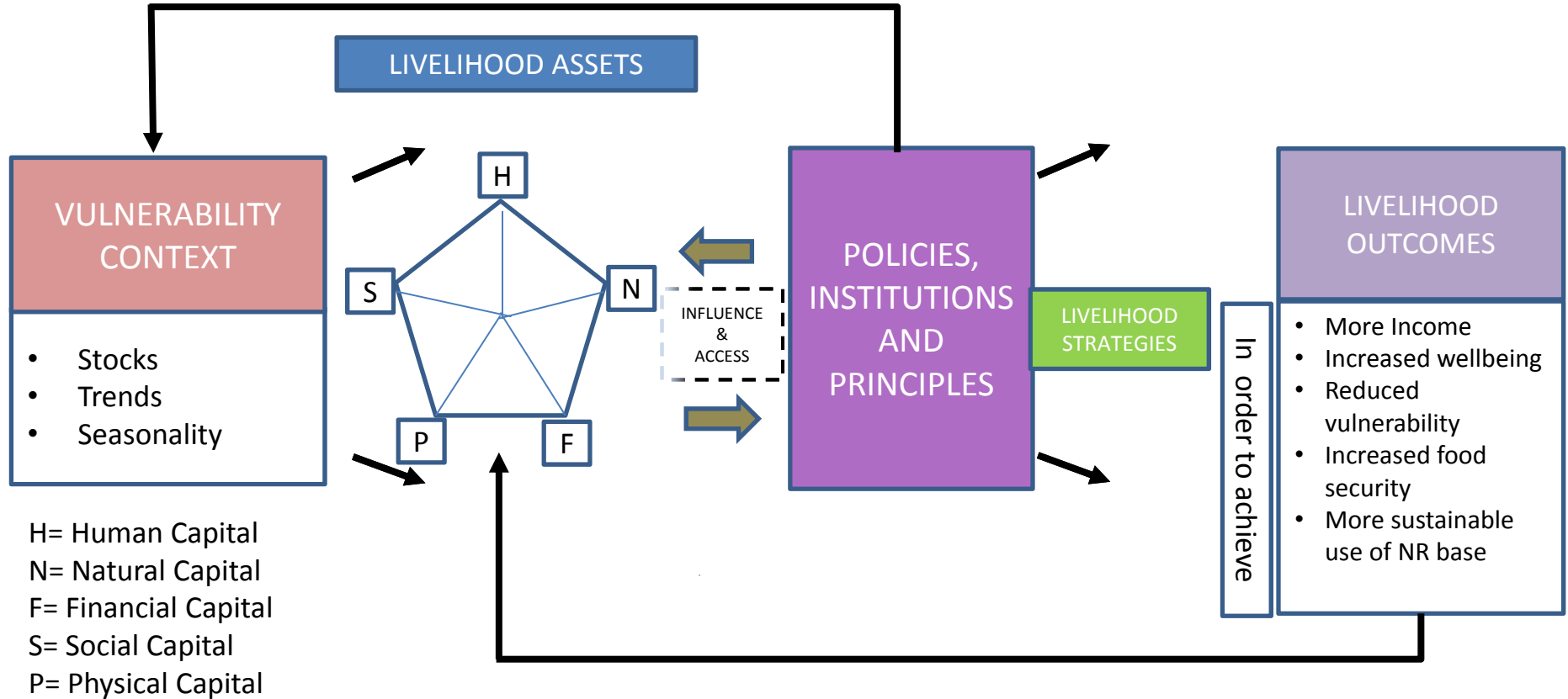
(Chambers & Conway, 1991)

Sustainable Livelihood Framework

5 Capitals



Sustainable Livelihood Framework



Source: DFID

Challenge 2: Cut-off Dates

Legitimacy/enforceability of a Project declared cut-off date – where there is no supporting statutory mechanism

Validity of census and asset surveys ~ 2 years – how do you manage a cut-off when the use-by date of census/asset surveys has expired?

Problems where project is delayed and moratorium restricts affected peoples rights to develop for a protracted period – compensable?

Managing customary/ancestral claims over land - the claimants live elsewhere (e.g. PNG post clan/tribal conflict) – not present at the cut-off?

Examples

- LNG Project, West Africa - cut-off date and restriction on new development announced – project never proceeded
- Petrochemical project, China – affected villagers subjected to a cut-off and restriction on new development for 12 years, before the Project finally proceeded

Challenge 2: Questions for the floor



1. What challenges are you facing related to cut-off dates?
2. Is it reasonable to declare a cut-off and restrict development before a project has been approved?
3. Has anyone paid compensation for protracted restriction of use arising from imposition of a cut-off and moratorium on new development?
4. How do you deal with absentees in post conflict situations, who are unable to come forward and declare interests in land/ property before or after declaration of a cut-off date?

Challenge 3: Comprehensive Livelihood Baseline Studies

Often insufficient data is collected to fully understand or describe pre-resettlement livelihoods

Failure to account for full suite of livelihood resources that communities or households utilize (esp. in subsistence settings) – losses are significantly undervalued

Linear project in Sub-Saharan Africa - poor data, difficult to reconstruct livelihoods retrospectively (e.g. women's coastal gathering overlooked by baseline)

Mozambique Gas Development Project – comprehensive agriculture, foraging, fisheries, coastal gathering, small trading studies including value chain analysis and gender disaggregation

Challenge 3: Questions for the floor



1. Do you find livelihood baseline studies are being adequately undertaken?
2. How could they be improved?
3. Good practice examples to share?

Challenge 4: Insufficient replacement land – how much intensification is possible?

Often there is insufficient replacement agricultural land to provide full replacement as advocated by IFI policies

Pushes Project sponsors towards riskier agricultural intensification models that rely on fertilizer, pesticides or even irrigation

Tenke Fungurume Mining, DRC

- Strategy based on agricultural intensification was adopted
- Initial 3-year livelihood restoration program proved insufficient
- After 6 years, some affected people are still struggling
 - 1) Farmers are slow to abandon traditional practices/ adopt new techniques
 - 2) Alternative livelihoods (incl. employment) did not meet expectations/ people reverted to farming

Challenge 4: Questions for the floor

1. Is insufficient replacement agricultural land the exception or the rule?
2. How do you determine what level of agricultural intensification is acceptable?
3. How can risks be managed (e.g. crop insurance experience)?
4. Is self-relocation acceptable? Under what circumstances?
5. Do you have Sustainable good practice examples of intensification?



Challenge 5: Use Livelihood Restoration Program Delivery Partners

Most Private Sector sponsors have no expertise in livelihood restoration

Emerging model is to partner with development NGOs, Consultants, Buyers to design/implement multi-faceted programs

BTC pipeline

- Sponsor was oil and gas operator, not a livelihood specialist
- Used 'umbrella NGOs' as Project Managers,
- Local NGO, Institutions and Consultant partners to deliver programs
- All programs/sub-programs based on logical frameworks
- Performance based evaluation

Challenge 5: Questions for the floor

1. Public sector vs private sector livelihood restoration – how do delivery partners differ?
2. What best practices can you share?



Challenge 6: Partnering with government/ strengthening capacity

Private sector sponsors usually cannot sustain livelihood programs indefinitely

Government capacity needs to be developed for longer term sustainability (e.g. vulnerable peoples support; agricultural extension, SME support etc.)

CNOOC Shell Petrochemical Project, Daya Bay, PR China

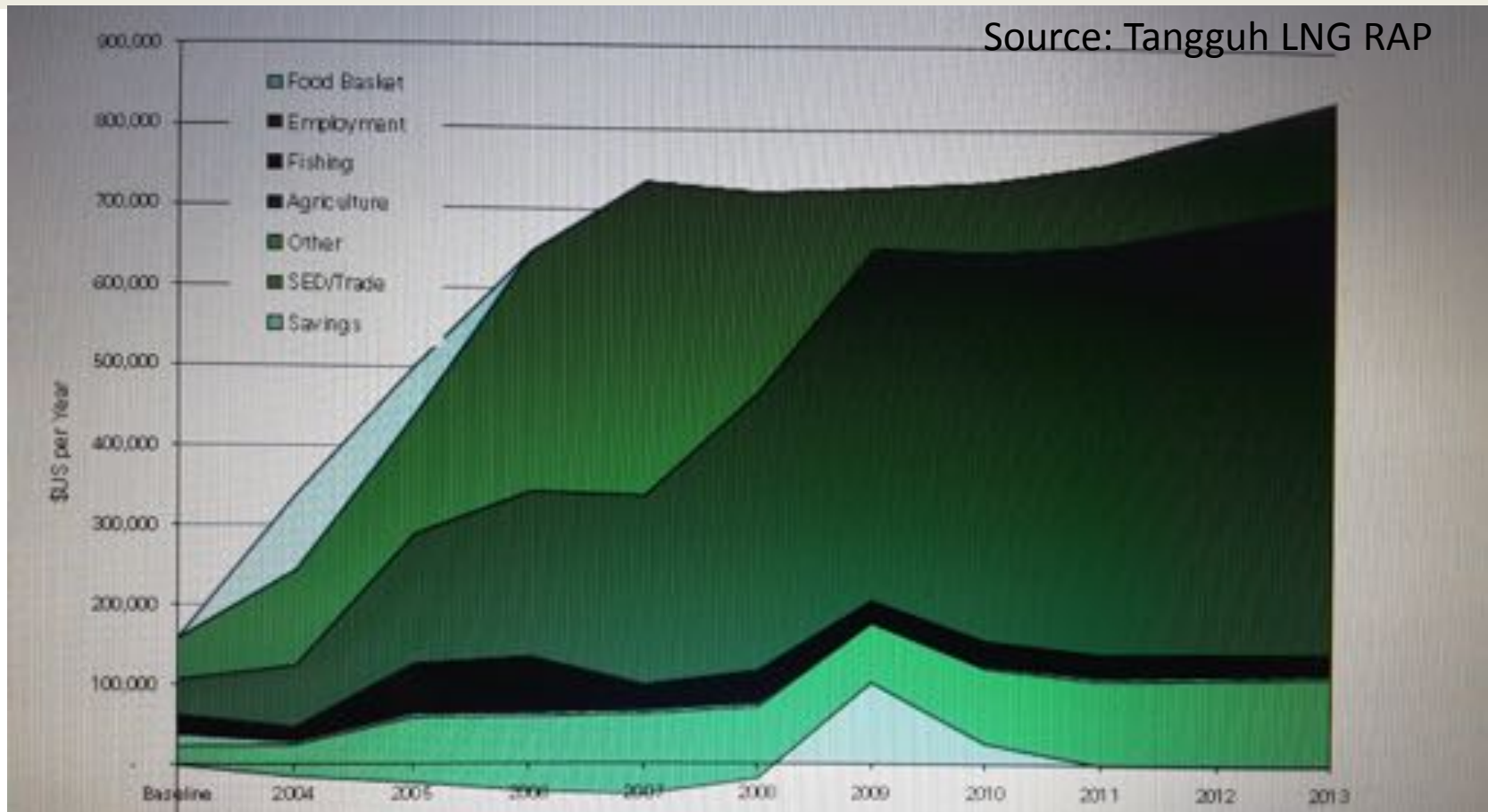
- Jointly led, government executed resettlement
- Project Sponsor provided:
 - Construction and operations employment
 - Skills training and paid work experience
 - Mentored formation of village construction companies
- Government provided:
 - Provided transitional support, industrial land
 - Registered those needing employment
 - Provided bidding opportunities for village companies

Challenge 6: Questions for the floor

1. Can you share any experience with government capacity building related to livelihood restoration? What worked? What didn't work? How long?
2. Exit strategy?



Challenge 7: Design multiple programs - not all will succeed



Livelihood restoration is an imprecise art – a few programs succeed; some succeed for certain phases of resettlement program, then fail; some fail

Good practice requires multiple programs – don't put all your eggs in one basket

Challenge 7: Design Multiple Programs - not all will succeed

Tangguh LNG Project, Indonesia

- Based on IRR model
- Agriculture, agro-forestry, fisheries development, Savings schemes/SME development, training and employment
- Revenue contribution of each program at village level calculated & plotted to show cumulative revenue
- Reality proved less straightforward!

Questions for the floor

1. Resettlement is littered with failures – what livelihood restoration successes are you aware of?
2. What factors made these programs successful?

Quick Stretch!



Challenge 8: Duration of livelihood programs?

How long do livelihood programs need to be maintained?

Sponsor perception is often that livelihood support need only be short duration/ is easy to execute

To effect changes in traditional agricultural practices/adopt new methods takes time (trials, demonstration, adoption, assistance in overcoming problems)

Tenke Fungurume Mining, DRC - Agricultural intensification with introduction of irrigation, fertilizers: **7-8 yrs.**

BTC Pipeline: **3 yrs.** to restore production levels on good soils; **>10 yrs.** on alpine grazing land

CNOOC-Shell Petrochemical Project - Rural to urban resettlement: **6-8 yrs.**

Challenge 6: Questions for the floor



1. Do we do enough dialogue upfront with our sponsors to help them understand livelihood implications?
2. Are these kind of livelihood support durations (3-7 years) being met in practice? Examples?



Challenge 9: Monitoring & adaptive management

Monitoring is often an afterthought – not integral part of program design

Designing/ implementing livelihood restoration programs is an imprecise science – programs often need mid-term adjustment to improve effectiveness

External factors (political, economic, natural disasters) can change the project context, necessitating mid-program adjustments

Major Private Sector Projects (BTC Pipeline, Newmont Ahafo Gold, Chad Cameroon, Tangguh LNG, PNG LNG)

- Internal Monitoring by Sponsor's resettlement team
- External Monitoring by Independent Environmental and Social Consultant
- Completion Audit – by independent third party unremoved from the Project (livelihood/resettlement completion)
- (Others: Government EIA monitoring, NGO Monitoring, High Level IAP)

Challenge 9: Questions for the floor

1. Can you please share your insights on Public Sector livelihood monitoring vs Private Sector monitoring - frequency?
2. In your experience, do clients understand the nature of internal vs external monitoring?
3. Should we ask our sponsors to conduct Completion audits and under what circumstances?



Challenge 10: RAP Completion Audits

A satisfactory completion audit denotes the end of RAP commitments & resettlement monitoring obligations

Timing of the Resettlement Completion Audit

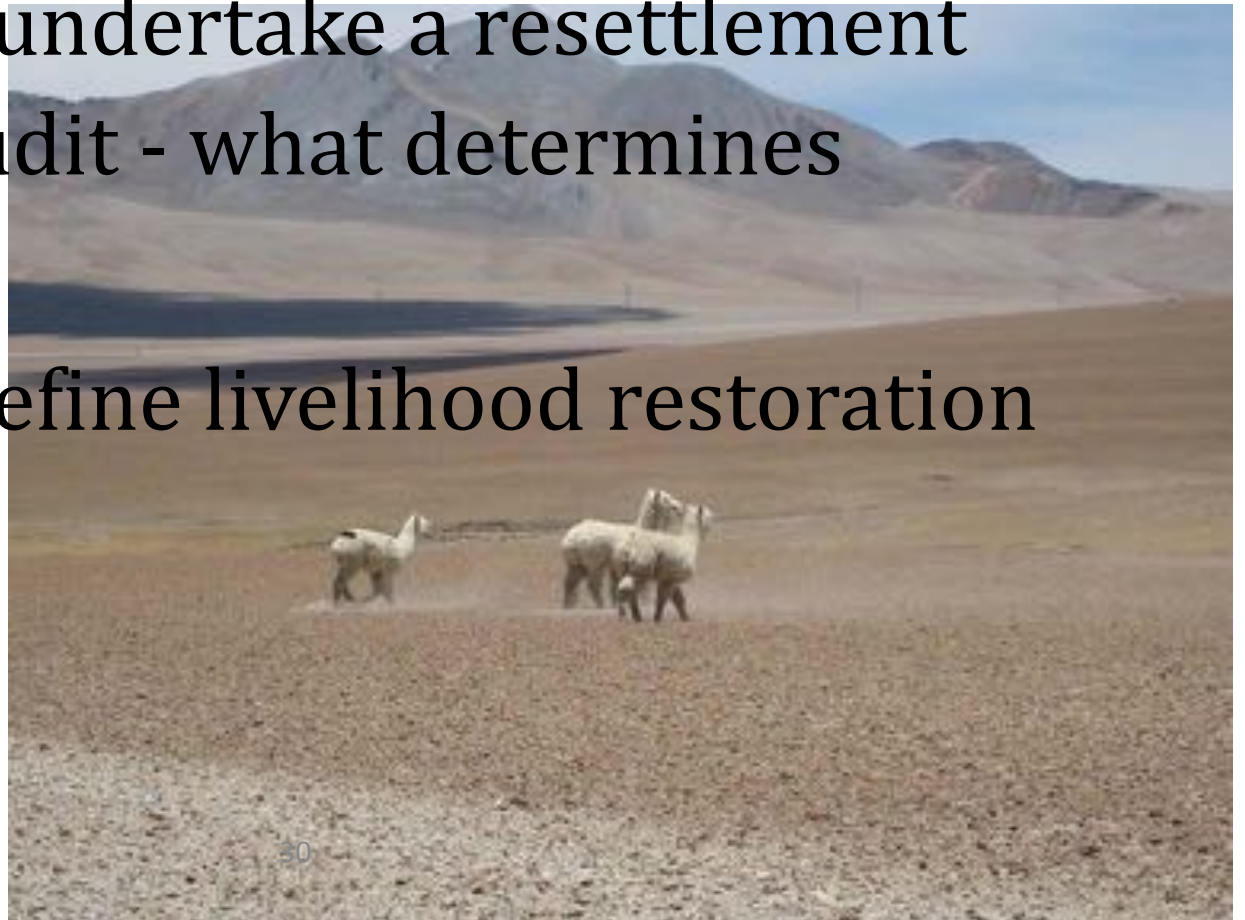
Communicating to affected people – the livelihood restoration programs are over; you must now walk on your own!

Newmont Ahafo, Ghana - Highlighted importance of communicating resettlement completion to affected people:

“We realized Newmont was not going to support us forever. We had to stand on our own feet and work hard to produce from our farms”

Challenge 10: Questions for the floor

1. How many of you have been involved in RAP completion audits?
2. When do you undertake a resettlement completion audit - what determines timing?
3. How do you define livelihood restoration completion?



CHALLENGES OF INFORMAL LIVELIHOOD RESTORATION

MICHAELA BERGMAN - EBRD



Other Emerging Issues

- Legacy resettlement (usually government managed)
- Forced eviction vs legal eviction
- Buffers – ‘should have been resettled, but weren’t’
- Land donation – acceptable in private sector resettlement?
- Staged resettlement (e.g. for large mines) where there is incremental loss of productive land with each expansion
- Civil society (Oxfam, Human Rights Watch):
 - Addressing cost of access to services post resettlement
 - Raised challenges of engagement/consultation in repressive countries
 - Incidence of reprisals against people making complaints
 - Challenges of customary law vs national/ statutory law
 - Predatory loan schemes targeting resettlement beneficiaries
- Clearer guidance on gender considerations in resettlement projects
- Expanding concept of marginalized groups – LGTBs
- Refugees/ IDPs
- Climate change induced resettlement
- Fragile States – special considerations
- Indigenous People & how IFC PS 5 is applied



THE GRASS ROOTS
GUIDE TO PAPUA
NEW GUINEA PIDGIN

Brown

KOMPENSESEN

(EVERYBODY KNOWS HOW TO PRONOUNCE THAT!)



THINK OF A NUMBER... DOUBLE IT... MULTIPLY BY THE NUMBER
OF RELATIVES YOU HAVE...



SCRATCH...
SUBTRACT THE NUMBER OF HONEST POLITIGENS YOU KNOW PERSONALLY...
ADD SIX ZEROS AND CONVERT IT TO KINA (AT THE PRE-DEVALUATION RATE)

DIMAN
SIKIS MILYAN
ORI FRANCISOMA
YOU!



THEN **DEMAND IT** FROM THE GAVMAN FOR THE LOSS OF YOUR PIG OR DOG OR OTHER CLOSE FAMILY MEMBER (SPESELY IF THEY ARE NEARBY)

THANK YOU!

