

# Chapter 11

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## RESETTLEMENT MONITORING AND EVALUATION

*This chapter contains major contributions from Katsuji Matsunami of ADB and Gordon Appleby of the World Bank. The first part is the paper by Appleby in which references to “the Bank” are to the World Bank. However, it should be noted that there is no conflict between the practices of the World Bank and of ADB in regard to project monitoring and evaluation. The matters presented by Matsunami at the Manila workshop are summarized in the second half of the chapter.*

### Monitoring and Evaluation of Involuntary Resettlement Operations: A Perspective

Involuntary resettlement and rehabilitation (R&R) operations are invariably complex because they entail not merely compensation for lost assets but also—and much more importantly—the relocation of people and their economic re-establishment in a new place. The World Bank instituted its Operational Directive 4.30 on Involuntary Resettlement and Rehabilitation in 1980 in order to implement several universally held principles—minimization of resettlement, participation of affected populations, compensation at market rates, and economic rehabilitation—and to improve planning. However, plans provide a guideline, not a blueprint, for resettlement operations. Almost the minute project agencies begin implementing their resettlement plans, conditions, expectations, and options all start changing, requiring revisions in the planning documents.

Monitoring and evaluation (M&E) are invaluable in providing the information necessary for revising the plans knowledgeably. M&E can provide critical information, in a timely manner, to project authorities, who must make decisions about how to proceed as the project progresses. From a project perspective, monitoring systems are the more important of the two activities because evaluations are essentially one-time assessments that help project planners more than project implementers while monitoring systems provide more continuous, and timely, information. Among monitoring systems, however, administrative monitoring for land acquisition is much more commonly done than socioeconomic monitoring of the adjustment and recovery of the affected population. This difference in implementing workable monitoring systems warrants examination, so that feasible socioeconomic monitoring systems can be implemented.

This paper discusses the categories of monitoring and evaluation systems. It suggests several reasons why socioeconomic monitoring systems have seldom been put in place successfully, and it suggests a small number of socioeconomic indicators that could be used for effective monitoring of the recovery of populations affected by resettlement operations. The paper concludes with an overview of the other requirements, beyond a workable indicator system, necessary to implement a viable socioeconomic monitoring system.

## Types of Monitoring and Evaluation

Both monitoring and evaluation are assessments of project progress. Monitoring differs from evaluation in its periodicity and purpose. Evaluations are usually done only once or twice, at mid-project and/or at the conclusion of the project. Evaluations sum up activities intended to provide guidance for the second half of the project (mid-term evaluations) or for future projects (end-of-project evaluations). By contrast, monitoring is done more regularly and more frequently. The periodicity of the studies depends upon the aim of the monitoring work. In resettlement operations, it is necessary to track land acquisition, new housing construction, relocation of affected populations, and their economic rehabilitation. The periodicity of these surveys could be weekly, monthly, semi-annually, or longer; periodicity depends upon the need for the information. The physical move might be reported weekly; land acquisition or new housing construction, monthly or quarterly; economic rehabilitation, semi-annually or longer. The determinative factor here is that monitoring is done expressly to collect critical information in a timely manner so that any necessary decisions can be taken in order to avoid delays and to improve project performance, so enough time must elapse between each survey for measurable change to have occurred. Table 11.1 presents the key characteristics of each of these three tracking systems.

**Table 11.1**  
**Key Characteristics of Administrative Monitoring, Socioeconomic Monitoring, and Evaluation**

	<b>Administrative Monitoring</b>	<b>Socioeconomic Monitoring</b>	<b>Final or Mid-Term Evaluation</b>
Purpose	Ensure project remains on schedule	Ensure affected population is compensated and recovers economically	Learn lessons from operation for last half of project or new projects
Users of Information	Project management	Project management (and planners)	Planners
Implementing Agency	Project authority	Project authority or contractor (research firm or university)	Research institute or university
Periodicity	Weekly to monthly	Monthly, semi-annually, annually	One time only

Most resettlement operations routinely conduct administrative monitoring so that the project authorities can manage the physical relocation of the affected population. At a minimum, administrative monitoring reports on financial flows—the amount of money spent on land acquisition, or spent on new housing and on community infrastructure, or spent on transport for the physical relocation. Even such minimal administrative monitoring systems provide some guidance to management on progress in the resettlement operation. Strong administrative monitoring systems go beyond the minimal financial information and provide information on the stage and location of land acquisition, new housing construction, and community infrastructure for both the current reporting period and to-date.

Few resettlement operations, however, institute socioeconomic monitoring systems to monitor the economic rehabilitation of the affected population. For an exception, see Box 11.1 in the conclusions. Several factors appear to underlie this failure. The normal sequencing of project activities necessitates administrative monitoring in order to make the construction site available to project authorities in a timely manner. By contrast, socioeconomic monitoring takes place after the project has ended. Some projects may monitor the re-establishment process of the affected population for a year or two after the move. But the facts are that project funds end once the construction project is completed, and there is neither interest nor ability to continue. Secondly, socioeconomic concerns are not the usual purview of engineers who oversee the construction of major infrastructure projects. They may be sympathetic individuals, but their professional competence lies in physical, not social, engineering. Thirdly, and perhaps even more importantly, social scientists have for the most part failed to devise comprehensive, but comprehensible, indicators to track people's adjustment and recovery after the physical move.

### Socioeconomic Indicators for Monitoring Involuntary Resettlement Operations

In a series of related articles, Michael Cernea has distinguished eight important risks of impoverishment that have afflicted populations in one or another resettlement operation around the world.<sup>1</sup> These are, in Cernea's order of presentation: landlessness, joblessness, homelessness, marginalization (e.g., loss of economic power), increased morbidity, food insecurity, loss of access to common property, and social disarticulation. The last-mentioned is defined in his Oxford address of 1995 as "the dismantling of communities' social organization structures, the dispersion of informal and formal networks, associations, local societies, etc."

With some minor modifications, this list can be organized into three major categories of impoverishment risk: economic, health, and social risks. Table 2 presents the impoverishment risks in this way. The economic risks include landlessness (including loss of access to common property), joblessness, and homelessness. The health risks include nutrition (or food insecurity), morbidity, and mortality. And, the social risks include disarticulation.

This simple reordering clarifies some of the interrelationships between the impoverishment risks. Loss of land, or for the very poor, loss of access to common property, "removes the main foundation upon which people's productive systems, commercial activities, and livelihoods are constructed" (Cernea 1995, p. 12). In rural areas especially, loss of land can mean loss of employment, not only for farmers but also for agricultural laborers and thus also for craftsmen and artisans, service providers, and small businessmen. In urban areas, relocation often results in job loss as relocatees cannot afford the increased transport costs or commuting time. Homelessness, by contrast, is more commonly a temporary condition, but if special considerations are not shown, may happen to urban renters and squatters who are moved to new areas they cannot afford.

The health indicators can constitute a logically ordered series. If nutrition declines, disease rates may increase, which, in the worst instances, might result in increased death rates. The causality may not be that simple: disease rates can increase without greater

<sup>1</sup> See Michael M. Cernea, *Poverty Risks from Population Displacement in Water Resources Projects*. Cambridge, Mass.: Harvard University (HHD/DDP 335), 1990 or "Preventing Impoverishment from Displacement" in Hari Mohan Mathur, ed., *The Resettlement of Project Affected People*. Jaipur: The HCM Institute of Public Administration, 1995a, pp. 197-201, or "Understanding and Preventing Impoverishment from Displacement: Reflections on the State of Knowledge", Keynote Address at the International Conference on Development-induced Displacement, University of Oxford, 3-7 January, 1995.

malnutrition if, for example, potable water supplies are contaminated. Also, the sophisticated statistical techniques that are required to determine death rates in small populations may outstrip the available databases, so that mortality is a potential, but not practical, measure. In short, whether the health indicators constitute a logical series of events or not, all factors must be tracked even though mortality is admittedly a difficult measure to implement.

Finally, the social risk, disarticulation, is a nebulous term that covers both loss of communities, organizations, and networks, as well as social pathologies. On the one hand, it means the demise of formal and informal community groups and networks, such as cooperatives and voluntary labor groups, savings groups, informal credit networks, and the like. On the other, it denotes abnormal social behavior—alcoholism, drug use, spouse and child abuse, assault and mugging, burglary—that may occur when people are left with too much time and without productive jobs and money.

**Table 11.2**  
**Impoverishment Risks, Categorized by Type**

Type of Risk	Definition
<i>Economic Risks</i>	
Landlessness	Loss of individually held land
Loss of Access to Common Property	No replacement forest, grazing land or, water bodies that are communally owned
Homelessness	Loss of home (also placelessness)
Joblessness	Loss of job or employment
<i>Health Risks</i>	
Nutrition	Food intake declines
Morbidity	Disease rates increase
Mortality	Death rate increases
<i>Social Risks</i>	
Disarticulation	Social organization collapses; atypical social pathologies (e.g., alcoholism, spouse or child abuse) occur

### Operationalizing the Socioeconomic Indicators

Operationalizing the socioeconomic indicators is a necessary, though technically tedious task, so this section provides a guide to critical considerations in the practical definition of each measure.

All resettlement operations undertaken in concert with the Bank's policy include the conduct of an initial baseline census to determine who are the affected people, how each family will be affected and the extent to which they are affected; that is, whether the family will lose land or home or both, how much land will be lost, and the consequences of this loss for the family; and, in the instance of the house, the number of rooms, windows and doors, the size of home, type of construction materials, and other domestic infrastructure (e.g.,

wells, fences, fruit trees). This census also records economic information in its demographic section: current employment, estimated income and sources, not only from a primary occupation but also from secondary and seasonal jobs performed by each member of the family. The baseline census may also include other income, such as rents and remittances, as well as the extent of use of common property resources. Where the original baseline census provides all of this information, it covers all of the elements necessary for periodic monitoring of the economic risks of impoverishment—landlessness, homelessness, and joblessness.

Landlessness is actually tracked by income measures rather than a simple acreage quotient, and the impoverishment risks of landlessness and joblessness can usually be combined into a single measure of income or standard of living. The amount (and type) of land a family holds before and after the move is more important for farm families who continue in agriculture than for agricultural laborers, craftsmen, or urban residents—or for farmers who change occupation. But even here it is not the landholding *per se* that is important. It is the value of the agricultural produce grown on that land. For the value of agricultural sales (or monetized home consumption) is one of various income streams for the farm family—and the policy aim is to at least restore resettlers' incomes to previous levels in as short a period of time as possible. Farm families who lose some or all of their land may be able to replace their income through other productive activities, in which case the amount of agricultural sales—or land lost—is less relevant. Even more importantly from an analytic perspective, the one measure of income or living standards applies to all groups of resettlers, not just a single group, so it provides a standard measure for all groups.

In this view, joblessness and landlessness are simply aspects of the standard of living measure that is the basic economic indicator. If an affected family loses its primary job, their income and standard of living decline. This is true whether a farmer loses his land, an agricultural worker loses his employer, a craftsman loses his clients, or an urban dweller loses his job. In any and all of these cases, the affected person's income and standard of living will decline. In short, income or standard of living is the most useful unitary measure of resettlement success.

The comparison of pre- and post-move housing conditions would appear to be relatively straightforward since detailed descriptions of both the old and the new houses are available. Operationally, the problem that arises is whether the resettlers actually live in the new housing. If so, the comparison is straightforward, and almost always positive so that the measure loses its usefulness in monitoring rehabilitation.<sup>2</sup> However, where resettlers were offered, and accepted, the possibility of finding their own housing or where resettlers were offered, and refused, project-provided housing, the researcher must locate the resettlers and determine the actual condition of the new housing. Finding the resettlers may be relatively easy if they remained near their original home, for they probably maintain contact with other resettlers. Finding resettlers who moved a greater distance or who moved to a large city may be much harder, but it is even more important because it is precisely these groups who are most vulnerable to deterioration in housing conditions.

The health measures pose different operational concerns. Nutritional measures can be notoriously difficult if researchers insist on measuring actual caloric intake—actually weighing amounts of each foodstuff eaten by each family member. This is obviously not a feasible

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<sup>2</sup> Unless there has been a dreadful failure in the resettlement operation, housing conditions are very apt to improve for most, if not all, the resettled population. This may be true even if every other indicator has declined. For this reason, it is important to keep the indicators separate and distinct, and not create some scale that combines all of the indicators into an indistinct, composite number. Mashing apples and oranges in this way produces a flavorless concoction.

approach for large-scale studies. A workable alternative is to focus on known vulnerable groups that would quickly suffer from malnutrition—children under the age of five—and to use a relatively simple measure—such as measuring the diameter of the upper arm with a simple paper band with color zones for amply nourished, malnourished, and seriously malnourished. This approach will not cover all potentially vulnerable groups, such as women of child-bearing age or the elderly, but it does cover one especially vulnerable group that would indicate whether further studies with other vulnerable groups would be necessary. And it provides a timely, quantitative measure if the studies are done every six months or so, especially in the first few years after resettlement when people are most at risk.

Morbidity rates—the incidence of disease—may be included on questionnaires for periodic surveys of the resettlers, but it can probably be collected more readily from the records of medical clinics in the resettlement area. Clinic intake records will not indicate the prevalence of the disease because, it can be assumed, many people will not be coming to the clinic because of cost or travel difficulties or personal views. But an unexpected increase in the number of people coming to the clinic with a particular disease does indicate that prevalence of that disease is probably greater. For that reason, project authorities can commission quick, corroborating studies among the resettler population in order to determine the actual need for remedial medical services.

Mortality rates are too belated a measure to be of real use to project implementers. Project authorities are under a moral obligation to act before people start dying at a greater than usual rate. This measure is of more practical value to evaluators carrying out long-term studies, though even here one would hope that no increase will be discerned.

The measures of social disarticulation or disintegration pose the greatest difficulties of operationalization. The measures of organizational demise are necessarily mostly qualitative. A simple comparison of the number of groups that existed before the move and that exist afterwards is an inadequate measure of social organization. It is the meaning or importance of those groups for different sectors of the affected population that matters. In other words, five moribund cooperatives are not more important to people than one active savings association, which could be the conclusion from a simple numerical comparison. Researchers can, and should, record people's membership in proper perspective. Nutrition provides an important short- to medium-term indicator for vulnerable groups, and morbidity provides an indicator on the health status of the general population resettled. By contrast, housing almost always improves, except for people who have moved out of the project area and thus no longer receive project benefits, so it is too insensitive a measure for any project monitoring system. And, while the social indicators of disarticulation could contribute to systematic monitoring once they are precisely defined, the fact is that to date they remain too imprecise and difficult-to-obtain for systematic inclusion in a socioeconomic monitoring system.

### Conclusion: Implementing a Workable Monitoring System

The development of workable monitoring indicators will help overcome a serious obstacle in the implementation of socioeconomic monitoring systems for involuntary resettlement operations. First, determine what information is needed for project management at the outset of the operation, and use these same indicators throughout the project. Adding or changing indicators complicates analysis, and often leads to convoluted presentations to management. Second, strictly limit the number of indicators; that is, keep the system simple. Adding more and more questions in order to cover every conceivable topic only lengthens interview time and reduces the probability that all the information will be coded, entered, analyzed, written up, and presented. Third, and relatedly, keep the costs down. A simple, useful system will

require fewer staff and less equipment, and thus less money than elaborate monitoring systems, which too often provide little useful information and thus condemn all monitoring efforts in the minds of project officials.

Defining pertinent indicators is a major step in implementing workable socioeconomic monitoring systems, but it is only one step. Information needs determine the questionnaire that must be pre-tested and revised, as well as the coding manual that instructs coders on how to interpret responses. The social research process also requires the selection and training of qualified interviewers, who must build rapport with the communities where they will work. Data collection must be closely supervised, and data entry must be done in a timely manner if analysis is to produce results that can be useful for project management. All this implies that project management will establish (or contract) a monitoring unit with sufficient authority and resources to carry out the work. And, too, the reporting system must allow information to reach the project authorities within the corporation in a timely manner, so they can react appropriately when necessary.

### Box 11.1

#### An Example of Socioeconomic Monitoring

The most successful socioeconomic monitoring system implemented to date in a World Bank assisted project was devised by the East China Investigation and Design Institute (ECIDI) for the Shuikou Dam Project.

The nature of the monitoring systems, and their different foci, are instructive.

- The Shuikou Reservoir Resettlement Office (SRRO), part of the project authority, undertook the administrative reporting on land acquisition and the like.
- ECIDI, an independent agency, undertook under contract the socioeconomic reporting, specifically the monitoring of income restoration.
- This approach worked very well because of the good relations between SRRO, ECIDI, and the affected population.

Source: The World Bank Operations Evaluation Department, Report No. 17539, *Recent Experience with Involuntary Resettlement, China—Shuikou (and Yantan)*, 2 June 1998, (especially pp.18-19.)

None of these requirements should be surprising—but none of them is commonly met. Socioeconomic monitoring is a technical job that must be done by trained professionals. Most project agencies, however, do not have a cadre of social scientists to undertake this work, so the work has either not been done or has not been properly guided and supervised. The solutions are several: the agency can hire trained social scientists as staff in the organization itself, or it can contract the work out to a qualified research institute, such as a university unit, or consulting firm, or NGO. Whatever the solution, the project agency must be willing to support the work and listen to the results, which is in everyone's interest. Pertinent, timely socioeconomic monitoring provides critical information for revising development plans appropriately. The necessary ongoing revisions help avoid costly delays and subsequent local resentment and resistance; they also help ensure that the affected populations at least regain their former standards of living in as short a time as possible—and that is the basic aim of every resettlement operation.

## Monitoring and Evaluating the Effectiveness of Resettlement and Rehabilitation

Katsuji Matsunami provided an insight into the procedures followed by ADB and put primary emphasis on the importance of knowing the interests of the audience to whom the monitoring report is being addressed. ADB practice and ADB requirements from project executing agencies have evolved over the years from simply reports on inputs and outputs (money spent—road laid) to reports that contribute to project performance management. The three clearcut steps in this process are set out in Box 11.2.

### Box 11.2

#### The Evolution of Project Monitoring at ADB

Three clearcut stages are detectable:

Stone Age	“Blueprint Monitoring” largely based on pre-defined monetary and/or physical targets established in the project design phase.
Middle Age	Introduction of benefit monitoring and evaluation concepts but without any serious degree of feedback during project implementation. A main concern with this monitoring was to generate the information needed for project completion review and retrospective (ex post) evaluation.
Modern Age	Introduction of the project performance report system. This requires that inputs, outputs, and development impacts (both project and sectoral) be monitored systematically with feedback to the continuing project that will assist in the design of modifications to satisfy unmet needs.

Monitoring and internal audit functions are modern aids to management and the information collected and the way in which it is analyzed should reflect this fact. Monitoring and internal audit (as well as evaluation) are tools in the general management kit that can help to:

- make your decisions more efficient and effective;
- increase the likelihood that project output is implemented or performed better; and
- ensure that your organization achieves its goals.

A monitoring report needs to be tailored to the specific interests of the audience to whom the report is addressed. There is no such thing as a generic formula for monitoring—it all depends on who is expected to read it. (But, for a guide to the coverage of any such report, see the pro-forma project performance report in the attachment at the end of this paper.) In the case of ADB, it is important that those doing project monitoring for reporting to the Bank should be aware of the broad strategic objectives that guide the entire work program and by which the Bank itself will be judged by its Board of Directors. For example, as guidance for the years 1995-1998, ADB adopted five strategic objectives and five operational emphases. These are set out in Box 11.3.

Armed with knowledge of these broad objectives, a project monitor reporting to ADB would be wise to ensure that all issues pertinent to these objectives and emphases are given prominence in the report. In the case of projects involving resettlement, it is possible to set out how the full range of standard administrative steps in a project can be made a part of the overall monitoring system. The standard interventions start with the basic project documents, the act of approval of a loan, and inception reporting. Next, in the course of the project execution, there are reports of review missions, specially commissioned reports, and the mid-term review. At the close of the project there will be a completion review and, possibly, an ex post evaluation.

### Box 11.3

#### Asian Development Bank: Medium-Term Strategic Framework, 1995–1998

##### Strategic Development Objectives

Economic Growth  
Poverty Reduction  
Human Development  
Improvement of the Status of Women  
Protection of the Environment

##### Medium-Term Operational Emphases

Governance  
Catalytic Investment Strategy  
Selectivity and Long-Term Partnership  
Regional and Subregional Cooperation  
Project Quality

The ways in which these items are linked to monitoring and adjustment actions on the design of the project are set out in Table 11.3.

Matsunami emphasized that reports required by ADB should be given substantive responses when received in the Bank. If such responses were not forthcoming within a reasonable time, the project should ask the Bank staff concerned for an explanation. If implementing agencies just let the matter go on one occasion, it was bound to be the case that there would be less effective reporting in future. It would also lead to a sense of disillusionment among project staff, especially those concerned with monitoring.

The frank way in which Matsunami dealt with the scope for misunderstandings between the Bank and project staff on monitoring issues was very well received by all the workshop participants. The discussion that followed touched on:

- ways in which monitoring reports and supervision visits could be used to raise critical issues with the senior management of government departments;
- the importance of having reports prepared by and relevant to the needs of implementing agencies; and
- the desirability of ensuring that project reports that provide good management information are also accepted by funding agencies as meeting their own requirements and so avoid duplication of effort.

**Table 11.3**  
**Resettlement Plan—Monitoring and Evaluation Tools and Actions**

<b>Stage of Project</b>	<b>Monitoring and Evaluation Tools and Actions</b>
Project Documents	<ul style="list-style-type: none"> <li>• Loan Agreement, Report and Recommendation of the President, Full or Short Resettlement Plan; Project Administration Mission</li> </ul>
Specific Approval	<ul style="list-style-type: none"> <li>• Engagement of external monitoring agent (consultants or NGOs)</li> <li>• Modifications in resettlement plan</li> </ul>
Inception and Progress Reports	<ul style="list-style-type: none"> <li>• Monitoring agent's reporting:               <ul style="list-style-type: none"> <li>□ Changes or developments in policy framework</li> <li>□ Resources (budget and staffing)</li> <li>□ Participation of and consultation with project affected people (AP)</li> <li>□ Relocation and land acquisition</li> <li>□ Delivery of AP entitlements</li> <li>□ Income and livelihood restoration</li> </ul> </li> </ul>
Review, or Special, Project Administration Missions	<ul style="list-style-type: none"> <li>• Review of milestone events—progress and performance</li> <li>• Review Borrower's compliance with covenants</li> <li>• Review performance of monitoring unit</li> <li>• Connection with other project activities</li> </ul>
Special Reports	<ul style="list-style-type: none"> <li>• Review of independent or external evaluation of resettlement performance</li> </ul>
Mid-Term Review	<ul style="list-style-type: none"> <li>• Project design review</li> <li>• Reconfirm the investment need (money/time)</li> <li>• Review policy framework and entitlements</li> <li>• Review of implementation and monitoring arrangements for resettlement plan</li> </ul>
Project Completion Review and Ex Post Evaluation	<ul style="list-style-type: none"> <li>• Ex post evaluation of resettlement activities, performance, and impacts</li> <li>• Lessons and recommendations for future policy and project formulation and planning</li> </ul>

## ATTACHMENT

## Asian Development Bank

## PRO-FORMA PROJECT PERFORMANCE REPORT

Project Performance Report As of			
Project No.	Name	Project Rating	
		Implementation Progress	Development Objectives
<b>I. Project Rating (Narrative Assessment)</b>			
<i>Implementation Progress:</i>			
<i>Development Objectives:</i>			
<b>II. Longer Term Objectives</b>			
<i>Performance Target</i>		<i>Assessment of Progress-to-Date</i>	
<i>Key Assumptions/Risks</i>		<i>Assessment of Current Status</i>	
<b>III. End-of-Project Objectives/Impacts</b>			
<i>Performance Target</i>		<i>Assessment of Progress-to-Date</i>	
<i>Key Assumptions/Risks</i>		<i>Assessment of Current Status</i>	
<b>IV. Project Outputs</b>			
<i>Components</i>		<i>Assessment of Progress-to-Date</i>	
<b>V. Key Project Tasks/Inputs</b>			
<i>Tasks/Inputs</i>		<i>Assessment of Progress-to-Date</i>	
<b>VI. Development Since Last Quarter</b>			
<b>VII. Major Problems/Issues for Guidance</b>			
<i>Problems/Issues</i>		<i>Actions Taken/Proposed</i>	