



Table 1.2  
Resettlement in Different Project Types

Sector	Project Components likely to have Resettlement Effects
<b>Transport</b>	<ul style="list-style-type: none"> <li>• Road or rail alignment</li>   <li>• Associated stations, terminals, bridges</li>   <li>• Airports, seaports, river ports</li> </ul>
<b>Power and energy</b>	<ul style="list-style-type: none"> <li>• Transmission alignment</li>   <li>• Power generation plants, transmission stations, substations, and access roads</li>   <li>• Hydroelectric power reservoirs</li> </ul>
<b>Water supply and sanitation</b>	<ul style="list-style-type: none"> <li>• Reticulation systems</li>   <li>• Pumping stations, treatment sites</li>   <li>• Reservoirs for water supply</li> </ul>
<b>Solid waste</b>	<ul style="list-style-type: none"> <li>• Transfer stations, landfill sites</li> </ul>
<b>Urban renewal</b>	<ul style="list-style-type: none"> <li>• Urban infrastructure sites</li> </ul>
<b>Health</b>	<ul style="list-style-type: none"> <li>• Sites for hospitals, clinics, teaching facilities</li> </ul>



Sector	Project Components likely to have Resettlement Effects
Education	<ul style="list-style-type: none"> <li>• Sites for schools, training institutions, etc.</li> </ul>
Irrigation and Flood control	<ul style="list-style-type: none"> <li>• Canal alignments; protective embankments, and associated works</li> <li>• Dams</li> </ul>
Mining operations	<ul style="list-style-type: none"> <li>• Strip mining</li> </ul>
Forestry developments	<ul style="list-style-type: none"> <li>• Reforestation, industrial plantations, forest closure</li> </ul>
Parks, conservation sites	<ul style="list-style-type: none"> <li>• National parks or biodiversity areas</li> </ul>

## Issues in Land Acquisition and Resettlement

This section addresses some common questions on resettlement planning and implementation. Subsequent chapters provide more detail.

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### *Who are the Affected Persons?*

Affected Persons (APs) are defined as those who stand to lose, as a consequence of the project, all or part of their physical and non-physical assets, including homes, communities, productive lands, resources such as forests, range lands, fishing areas, or important cultural sites, commercial properties, tenancy, income-earning opportunities, social and cultural networks and activities. Such impacts may be permanent or temporary. This most often occurs through land expropriation, using eminent domain or other regulatory measures. They have no option but to reestablish elsewhere. People can also be affected through exposure to health and safety hazards which then force them to relocate.

### *What is the difference between voluntary and involuntary resettlers?*

Voluntary resettlers are generally self-selected, young, and willing to pursue new opportunities. Involuntary resettlers are people of all ages,



### ***When a project does not involve relocation of housing, is a Resettlement Plan needed?***

If assets are lost and livelihoods affected, Bank policy counts this as a resettlement effect, for which there should be a RP.

### ***Is cash the only appropriate mode of compensation for land acquisition?***

Cash for land acquisition has never been a satisfactory mode of compensation if it is not paid at replacement values. There is also the risk that APs might spend their cash quickly and become impoverished, or that women's and children's subsistence needs might not be met if cash compensation is paid to the head of the household. In many cases, land-based resettlement programs work better than non-land options. Where there is insufficient replacement land of reasonable quality, income-generating and retraining schemes may be suitable alternatives. The aim is to establish multiple options to enable APs to select the best option to restore their lost incomes.

### ***Is it necessary to consult with people affected?***

Yes. The people affected are ultimately the best placed to select the strategies which will, often, bring dramatic change to their lives. They may well have a much better sense than an outsider of what will work for them, and their participation is likely to lead to a greater sense of ownership and more sustainable solutions. Bank policy states that social preparation is an important process for reducing tension and obtaining cooperation when resettlement is likely to cause social resistance, or when vulnerable people are displaced.

### ***Are people without formal title or rights to be assisted?***

Yes, if they are APs. The Bank policy is inclusive; it recognizes all persons affected by the project as eligible for compensation and rehabilitation irrespective of legal or ownership titles. For example, Bank policy covers sharecroppers or tenant farmers losing user rights; users depending on customary land use rights but without formal land title; seasonal migrants; and squatters. The amount and level of compensation and other benefits depend on the nature of losses incurred by individual households. Where people affected lose access to hitherto unregulated resources such as



agree to provide the land for project purposes, and that grievance redress mechanisms are in place.

### ***Does temporary land borrow count under the Bank policy?***

People affected temporarily are counted as APs and must be compensated and assisted accordingly. However, they would not be counted in determining the number affected for level of significance. Temporary losses might include land or assets borrowed during construction (for borrow pits, quarries, work sites, temporary access, or storage), loss of crops and income foregone on agricultural land, loss of housing or community services, loss of business income due to construction work, or loss of wages to employees. If the losses are to be prolonged, it might be better to count them as permanent losses.

### ***Is a Resettlement Plan required for all Bank projects involving resettlement?***

Yes. Bank policy applies to all resettlement impacts, regardless of the numbers of people involved or the level of severity experienced. However, the level of details contained in the documentation varies according to the target group, complexity, scale, and severity of resettlement.

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### ***Are co-financed projects subject to Bank policy?***

Yes. Where Bank investment is used to finance projects, Bank policy applies. Many other donors have resettlement policies that are similar to those of the Bank. It is good practice for donors to agree on resettlement standards, both to safeguard the interests of the people affected and to reduce the complexity for the executing agency (EA) involved. Bank policy also applies to loans to development finance institutions.

### ***Are Resettlement Plans required for private sector projects?***

Yes. Bank policy applies to private sector projects that involve involuntary resettlement. Usually the private developer responsible for executing the project prepares the RP, with the approval of the government agency exercising eminent domain. A policy and procedural framework for resettlement is required if there are multiple subprojects. Project agreements would legally bind private sector partners to Bank policies.

### ***When is a Resettlement Plan due in the project cycle?***

A preliminary assessment of the scope of land acquisition and the likely effects is due during project identification. At ISA, the Mission Leader decides on the time, effort, and resources required to prepare the RP, and defines the scope of the terms of reference (TOR) to prepare the RP during the PPTA Feasibility Study. Bank policy requires that a summary RP is included in the draft RRP for MRM, and the full resettlement plan before Appraisal. A summary RP must also be included in the final RRP for circulation to the Board.

### ***How is resettlement addressed in sector loan subprojects?***

Sector loans are covered by Bank policy, and are discussed in Chapter 2. In addition to subproject resettlement planning, a policy, procedure, and implementation framework for involuntary resettlement in all potential subprojects involving land acquisition would be established and agreed with the EA. Based on the experience of ongoing subprojects, a policy to minimize resettlement in subsequent subprojects would be included.

### ***What happens if projects cross multiple administrative boundaries?***

Projects requiring large sites (reservoir projects) or projects involving lengthy linear developments (roads, rail, telecommunications, canals, power lines) may cross more than one administrative boundary. Local government units might have different guidelines on resettlement, different practices, different capabilities, and different resource levels. It is important to reach an agreement with all local administrative entities on the package of entitlements. Special measures might be required to consult with all people affected along alignments or dispersed over large distances. Separate RPs might be appropriate for each jurisdiction, but the entitlements should all meet the Bank's policy objective of restored, or enhanced, economic and social life.

### ***Do indigenous peoples or other vulnerable groups need special treatment during resettlement?***

Yes. Resettlement often provides an opportunity to introduce measures to enhance the economic and social conditions of vulnerable groups, rather than simply restoring them to their pre-project levels of vulnerability. Bank

policy recognizes this explicitly, and also states that special attention will focus on the needs of the poorest, female-headed households, indigenous peoples, and other social groups. These groups will be assisted to improve their status. Chapter 3 addresses the special needs of vulnerable groups.

## Good Practice

Good practice in resettlement planning and implementation mirrors the Bank's policy objectives for involuntary resettlement. The key elements of good practice are:

- Take all steps to minimize or eliminate involuntary resettlement where feasible by exploring viable alternative design options.
- Define the parameters of likely resettlement at the ISA stage, and include appropriate TORs in the PPTA Feasibility Study.
- Conceptualize and implement resettlement measures as development programs, to be part of all projects, including sector, private sector and co-financed projects, and loans to development finance institutions.
- Complete socioeconomic surveys and census of people affected early in the project preparation to identify all losses from land acquisition and all affected persons, and to avoid an influx of outsiders or speculators.
- Involve all stakeholders in a consultative process, especially all affected persons, including vulnerable groups.
- Compensate all affected persons, including those without title to land, for all their losses at replacement rates.
- Where relocation of housing is required, develop relocation options in consultation with affected persons and host communities, in order to restore living standards.
- Where people will lose income and livelihoods, establish appropriate income restoration programs with objectives to improve, or at least restore, their productive base.
- Provide a social preparation process for people affected when they are vulnerable, or when there is social tension associated with displacement.
- Prepare a time-bound RP with appropriate provisions and sources of funding before appraisal, with a summary RP before MRM. Include a summary resettlement plan in the draft RRP to the Board.
- Involve specialists in resettlement and social sciences, and people affected, in the planning, implementation, and monitoring of the RP.