

Issues in Income Restoration

- How will the project affect sources of income and livelihood?
- What are the income levels of APs?
- Are there other non-monetary sources of livelihood?
- What are the constraints and opportunities for income generation?
- Is replacement agricultural land available?
- Will it be possible to continue with agricultural activity?
- How many of the APs *cannot* be reabsorbed back into their previous occupations?
- What are the existing skills of the APs?
- What type of training do APs need and is there capacity to provide it?
- How many APs would like to start their own businesses?
- Are there any employment opportunities or income generation in the main investment project?
- Is the project management committed to income restoration beyond compensation?
- Are there any ongoing income-generating or livelihood development programs (e.g., poverty alleviation) in the project area?

If a relocation site is being developed:

- Have any income restoration options been designed in consultation with and approved by APs?
- Are there any provisions for group-specific, targeted income restoration plans (e.g., microcredit or small business development for women, indigenous people, the disabled)?
- Are there enough funds and resources to implement income restoration plans?
- What formal and informal credit sources are available to APs?
- Are there any government agencies, community organizations, or NGOs who can provide technical or financial assistance for relocation and income restoration?

Box 7.1

Key Steps in Income Restoration Programs

- Analyze economic activities of all APs (by gender, age group, education, skills, income, household size, preference, options) to assess their needs.
- Identify multiple income restoration programs (both individual and group-specific) through beneficiary consultation and through market and financial feasibility analysis.
- Test training and income-generating programs with selected APs on a trial basis.
- Develop a framework for institutional supervision and budget.
- Allow for product marketing within and outside relocation site.
- Evaluate the program and provide additional technical assistance, if required.

Checklist: Income Restoration

- Develop multiple options for income restoration of APs (e.g., replacement land, employment, business, community enterprises, training and skills development) based on assessment of existing income-generating patterns.
- Develop special measures for APs who are disadvantaged in terms of income-generation and employment.
- Consult women and women's groups, and establish women-centered income generation activities.
- Consider both short- and long-term strategies for effective income restoration plans.
- Involve NGOs, women's groups, and other CBOs in income restoration planning and implementation.

Issues Concerning the Institutional Framework

- Does the borrower or executing agency have any experience in resettlement?
- Is there any existing institutional arrangement for resettlement planning and operations? Or will a new institution be needed?
- Is there a need for a separate resettlement unit under the project? If so, what are the administrative and financial mandates of the unit?
- Is there any need for training to build institutional capacity?
- Are mechanisms for interdepartmental coordination for resettlement activities at local and higher levels in place?
- What plans are there to involve NGO and AP groups in the planning and implementation of resettlement?