

ADB

Summary of the Handbook on Resettlement

A Guide to Good Practice



Asian Development Bank

© 1998 by Asian Development Bank
Printed and published by Asian Development Bank

The Asian Development Bank encourages the use of the materials presented herein, with appropriate credit given to the published author.

Please address inquiries for copies to the Chief, Information Office, Asian Development Bank, P.O. Box 789, 0980 Manila, Philippines.

ISBN 971-561-152-4
Publication Stock No. 010298

Preface

The Bank's Board approved the Policy on Involuntary Resettlement in November 1995. Complementing this policy, the *Handbook on Involuntary Resettlement: A Guide to Good Practice*, has been prepared for use by Bank staff, especially operations staff, consultants, and staff of developing member country executing agencies who play a role in resettlement planning, management, monitoring and evaluation in Bank-funded projects.

This summary publication is intended to supplement the *Handbook on Resettlement: A Guide to Good Practice*. This supplement was designed to serve as a handy reference guide for Bank staff and consultants on mission. Patterned after the structure of the *Handbook* itself, the supplement includes a glossary of common terms and concepts related to resettlement, key elements of resettlement plans, issues, and the checklists showing key points for action in the project cycle.

Abbreviations

ADB	Asian Development Bank (“Bank”)
APs	Affected persons
BME	Benefit monitoring and evaluation
CBO	Community-based organization
DMC	Developing member country
EA	Executing agency
EIA	Environmental impact assessment
GRC	Grievance redress committee
ISA	Initial social assessment
LAR	Land acquisition and resettlement
LAS	Land acquisition survey
M&E	Monitoring and evaluation
MRM	Management Review Meeting
NGO	Nongovernment organization
OESD	Office of Environment and Social Development
PPTA	Project preparatory technical assistance
PRA	Participatory Rapid Appraisal
PRC	People’s Republic of China
RP	Resettlement plan
RRP	Report and Recommendation of the President
SES	Socioeconomic survey
SOCD	Social Development Division
SRC	Staff Review Committee
TA	Technical assistance
TOR	Terms of reference

Glossary

Affected person (or household)	People (households) affected by project-related changes in use of land, water or other natural resources
Compensation	Money or payment in kind to which the people affected are entitled in order to replace the lost asset, resource or income
Expropriation	Government's action in taking or modifying property rights in the exercise of sovereignty
Eminent domain	Regulatory measure by government to obtain land
Entitlement	Range of measures comprising compensation, income restoration, transfer assistance, income substitution, and relocation which are due to affected people, depending on the nature of their losses, to restore their economic and social base
Host population	Community residing in or near the area to which affected people are to be relocated
Income restoration	Reestablishing income sources and livelihoods of people affected
Involuntary resettlement	Development project results in unavoidable resettlement losses, that people affected have no option but to rebuild their lives, incomes and asset bases elsewhere
Relocation	Rebuilding housing, assets, including productive land, and public infrastructure in another location
Rehabilitation	Re-establishing incomes, livelihoods, living, and social systems

Replacement rates	Cost of replacing lost assets and incomes, including cost of transactions
Resettlement effect	Loss of physical and non-physical assets, including homes, communities, productive land, income-earning assets and sources, subsistence, resources, cultural sites, social structures, networks and ties, cultural identity, and mutual help mechanisms
Resettlement plan	A time-bound action plan with budget setting out resettlement strategy, objectives, entitlement, actions, responsibilities, monitoring and evaluation
Social Preparation	Process of consultation with affected people undertaken before key resettlement decisions are made, to build their capacity to deal with resettlement
Usufruct	The right to use and profit from land belonging to others or to a larger entity, e.g., to a tribe, community or collective
Vulnerable groups	Distinct groups of people who might suffer disproportionately from resettlement effects

Contents

Abbreviations	iv
Glossary	v
Contents	vi
Chapter 1: Introduction	
Table 1.1: Major Types of Resettlement Loss and Mitigative Measures Required	1
Box 1.1: Objectives and Principles of ADB Involuntary Resettlement Policy	1
Table 1.2: Resettlement in Different Project Types	2
Issues in Land Acquisition and Resettlement	4
Good Practice	10
Chapter 2: The Resettlement Plan in the Project Cycle	
Box 2.1: Concept of Significance in Resettlement	11
Table 2.1: Full Resettlement Plan – Significant Resettlement	12
Table 2.2: Short Resettlement – Insignificant Resettlement	14
Table 2.3: Sector Projects	14
Table 2.4: Full Resettlement Plan: A Recommended Outline	16
Table 2.5: Short Resettlement Plan: A Recommended Outline	19
Table 2.6: Land Acquisition and Resettlement in the Project Cycle: Key Action Points for Sector Loans/ Subprojects	20
Table 2.7: Land Acquisition and Resettlement in the Project Cycle: Key Action Points	22
Chapter 3: Resettlement: Key Planning Concepts	
Table 3.1: Identifying Requirements for Resettlement Policy and Capacity Building during Project Preparation	26
Box 3.4: Safeguarding Women’s Interests in Resettlement	28

Box 3.5: Social Preparation	29
Table 3.2: Types of Losses from Land Acquisition	30
Table 3.3: Entitlement Matrix of a Proposed Compensation and Resettlement Policy	32
Table 3.4: Types of Losses Eligible for Compensation in Jamuna Bridge Project Resettlement	36
Table 3.5: Preparing Resettlement Cost Estimates and Budget	38
Checklist: Key Planning Concepts	39

Chapter 4: Consultation and Participation

Table 4.1: Participation by APs, NGOs and Hosts in the Project Cycle	40
Table 4.2: Consultation and Participation in the Project Cycle: Key Action Points	42
Checklist: Consultation and Participation	43

Chapter 5: Socioeconomic Information

Table 5.1: Methods of Data Collection	44
Table 5.2: Data Collection and Surveys in the Project Cycle: Key Action Points	46
Checklist: Socioeconomic Information	47

Chapter 6: Relocation

Table 6.1: Relocation Options and Support	48
Box 6.1: Four Phases of Site Selection	49
Table 6.2: Relocation in the Project Cycle: Key Action Points	50
Checklist: Relocation	51

Chapter 7: Income Restoration

Issues in Income Restoration	52
Figure 7.1: Identifying Income Restoration Programs	53
Box 7.1: Key Steps in Income Restoration Programs	54
Table 7.1: Income Restoration in the Project Cycle: Key Action Points	55
Checklist: Income Restoration	56

Table 1.2
Resettlement in Different Project Types

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

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

Issues in Land Acquisition and Resettlement

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

4

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

forests, waterways, or grazing lands, they should be provided with replacements in kind. Measures to restore incomes and living standards can substitute for compensation payments in public safety zones, providing that such measures are sufficient to meet the policy objective. However, landlords who had gained illegal rents from public safety zones would not be compensated.

How can land speculation be contained?

The Bank and the borrower will agree on a specific cut-off date for determining eligibility for entitlements. The Bank's policy states that genuine APs, whether titled or not, should be identified at the earliest possible point in project preparation. This would normally be the census or survey which is undertaken during the PPTA Feasibility Study. Aerial mapping or review of land use records can provide a valuable supplement to the survey work in separating genuine from non-genuine cases.

Are people affected indirectly eligible for compensation?

A definition of "indirectly" affected people is required, both for identification and implementation purposes. The basis for defining eligibility is the direct loss of assets, subsistence, or income affecting livelihood. To set the limits, the indirect impact of the project should be reviewed and considered carefully. Special measures to assist vulnerable groups might be introduced, even if formal compensation payments are not required under the policy.

What are the time limits to the Bank policy?

Bank policy states that resettlement should be dealt with from the earliest stages of the project cycle. It is good practice to resolve any past inequities before Bank investment proceeds. Because complete recovery from relocation and income loss can take a long time, M&E might be required well after APs are relocated, sometimes even after project facilities are commissioned and Bank financing is complete.

If communities volunteer land for project works, does the policy apply?

Bank policy would not be applied in cases where communities volunteer small parcels of land in exchange for project benefits, such as health clinics, schools, water supplies, or irrigation channels, providing that there are no squatters on the land, that the owners and users verify publicly that they

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.

8

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.

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.

Table 2.1
Full Resettlement Plan – Significant Resettlement

Severity	Number of Affected Persons
Loss of productive and other assets (including land), incomes, and livelihoods	200 plus
Loss of housing, community structures, systems, and services	200 plus
Loss of household or community resources, habitat, sites	200 plus
APs are indigenous people or in some other way vulnerable, e.g., the poorest, isolated communities, households headed by women, those without legal title to assets, pastoralists	100 plus
Cases of “insignificant” resettlement having special target group or other sensitivities	50 plus

Table 2.2
Short Resettlement – Insignificant Resettlement

Severity	Number of Affected Persons
Loss of productive and other assets (including land), incomes and livelihoods	below 200
Loss of housing, community structures, systems, and services	below 200
Loss of household or community resources, habitat, sites	below 200
APs are indigenous people or in some other way vulnerable, e.g., the poorest, isolated communities, households headed by women, those without legal title to assets, pastoralists	below 100
APs have special sensitivities or are particularly vulnerable	below 50

Table 2.3
Sector Projects

Severity	Number of Affected Persons
Project as a whole is expected to have significant resettlement effects as described above in full RP	As for full RP

Requirement

- Compensation at replacement costs, transfer and income substitution for down time, income restoration measures
- Compensation at replacement rates, transfer assistance and relocation plans, measures to restore living standards
- Replacement if possible, restoration, compensation
- Social preparation phase — special measures might be required to ensure full rehabilitation
- Social preparation phase — special measures might be required to ensure full rehabilitation.
- *For projects in this category:*
 - ❖ Prepare summary RP for draft RRP for MRM and for RRP for Board circulation, based on short RP.

Requirement

- Above requirements apply for appraisal of at least one subproject involving resettlement effects under full RP.
- *For selected subproject(s):*
 - ❖ Prepare summary RP for draft RRP for MRM and for RRP for Board circulation, based on short RP.
- *For remaining subproject(s):*
 - ❖ Confirm policies and entitlements to be applied: confirm procedure for preparing RPs for subprojects.
 - ❖ Describe criteria and outline of RP for draft RRP for MRM and Board circulation.

Table 2.4
Full Resettlement Plan: A Recommended Outline

Topic	Contents
Scope of land acquisition and resettlement	<ul style="list-style-type: none"> • Describe, with the aid of maps, scope of land acquisition and why it is necessary for main investment project. • Describe alternative options, if any, considered to minimize land acquisition and its effects, and why remaining effects are unavoidable. • Summarize key effects in terms of land acquired, assets lost, and people displaced from homes or livelihoods. • Specify primary responsibilities for land acquisition and resettlement.
Socioeconomic information	<ul style="list-style-type: none"> • Define, identify and enumerate people to be affected. • Describe likely impact of land acquisition on people affected, taking into account social, cultural, and economic parameters. • Identify all losses for people affected by land acquisition. • Provide details of any common property resources. • Specify how project will impact on the poor, indigenous people, ethnic minorities, and other vulnerable groups, including women, and any special measures needed to restore fully, or enhance, their economic and social base.
Objectives, policy framework, and entitlements	<ul style="list-style-type: none"> • Describe purpose and objectives of land acquisition and resettlement. • Describe key national and local land, compensation and resettlement policies, laws, and guidelines that apply to project. • Explain how Bank Policy on Involuntary Resettlement will be achieved. • State principles, legal and policy commitments from borrower executing agency for different categories of project impacts. • Prepare an eligibility policy and entitlement matrix for all categories of loss, including compensation rates.

Topic	Contents
<p>Consultation, and grievance redress participation</p>	<ul style="list-style-type: none"> • Identify project stakeholders. • Describe mechanisms for stakeholder participation in planning, management, monitoring, and evaluation. • Identify local institutions or organizations to support people affected. • Review potential role of nongovernment organizations (NGOs) and community-based organizations (CBOs). • Establish procedures for redress of grievances by people affected.
<p>Relocation of housing and settlements</p>	<ul style="list-style-type: none"> • Identify options for relocation of housing and other structures, including replacement housing, replacement cash compensation, and self selection. • Specify measures to assist with transfer and establishment at new sites. • Review options for developing relocation sites, if required, in terms of location, quality of site, and development needs. • Provide a plan for layout, design, and social infrastructure for each site. • Specify means for safeguarding income and livelihoods. • Specify measures for planned integration with host communities. • Identify special measures for addressing gender issues and those related to vulnerable groups. • Identify any environmental risks and show how these will be managed and monitored.
<p>Income restoration strategy</p>	<ul style="list-style-type: none"> • Identify livelihoods at risk. • Develop an income restoration strategy with options to restore all types of livelihoods. • Specify job opportunities in a job creation plan, including provisions for income substitution, retraining, self-employment and pensions, where required.

Table 2.4

Full Resettlement Plan: A Recommended Outline *(continued)*

Topic	Contents
<p>Institutional framework</p>	<ul style="list-style-type: none"> • Prepare a plan to relocate and restore businesses, including income substitution, where required. • Identify any environmental risks and show how these will be managed and monitored. • Identify main tasks and responsibilities in planning, negotiating, consulting, approving, coordinating, implementing, financing, monitoring and evaluating land acquisition and resettlement. • Review the mandate of the land acquisition and resettlement agencies and their capacity to plan and manage these tasks. • Provide for capacity building, including technical assistance, if required. • Specify role of NGOs, if involved, and organizations of APs in resettlement planning and management.
<p>Resettlement budget and financing</p>	<ul style="list-style-type: none"> • Identify land acquisition and resettlement costs. • Prepare an annual budget and specify timing for release of funds. • Specify sources of funding for all land acquisition and resettlement activities.
<p>Implementation schedule</p>	<ul style="list-style-type: none"> • Provide a time schedule showing start and finish dates for major resettlement tasks. • Show how people affected will be provided for before demolition begins.
<p>Monitoring and evaluation</p>	<ul style="list-style-type: none"> • Prepare a plan for internal monitoring of resettlement targets, specifying key indicators of progress, mechanisms for reporting, and resource requirements. • Prepare an evaluation plan, with provision for external, independent evaluation of extent to which policy objectives have been achieved. • Specify participation for people affected in M&E.

Table 2.6
**Land Acquisition and Resettlement in the Project Cycle:
 Key Action Points for Sector Loans/Subprojects**

Stage in Project Cycle	Key Action Point
Initial Social Assessment	<ul style="list-style-type: none"> • As for 2.7
TORs for PPTA Feasibility Study	<ul style="list-style-type: none"> • If resettlement effects are likely to be “significant”, commission a full RP for one or more subsector project(s).
PPTA <ul style="list-style-type: none"> • Feasibility study for one or more subprojects with resettlement effects • Bank assists government to prepare RP 	<ul style="list-style-type: none"> • <i>For selected subprojects:</i> <ul style="list-style-type: none"> ❖ As for 2.7 • <i>For remaining subprojects:</i> <ul style="list-style-type: none"> ❖ Broadly assess the scope of likely resettlement e.g., using survey or rapid appraisal. ❖ Develop subproject screening criteria to minimize resettlement effects. ❖ Develop appraisal and selection criteria to address any such effects which remain. ❖ Prepare outline of RP for other subprojects.
MRM	<ul style="list-style-type: none"> • Review complete subproject RP(s), outline RP, summary RP and SOCD comments.
Appraisal	<ul style="list-style-type: none"> • Finalize and agree on subproject RPs. • Verify cut-off date for entitlements. • Prepare assurance on land acquisition and resettlement.
Staff Review Committee (SRC)	<ul style="list-style-type: none"> • Review complete subproject RP(s), outline RP, summary RP and SOCD comments
Loan negotiations	<ul style="list-style-type: none"> • Verify progress in subproject RP(s), schedule, and assurances covering both complete and outline subproject RPs. • Prepare for TA during implementation, if required.

Table 2.7
**Land Acquisition and Resettlement in the Project Cycle:
 Key Action Points**

Stage in Project Cycle	Responsibility
Initial Social Assessment PPTA Fact-Finding or earlier	Mission Leader (Consultant)
PPTA Feasibility Study	Consultant with DMC resettlement planners
Draft RRP for the MRM	Mission Leader, SOCD
Before appraisal	Government or private project sponsor
Appraisal	Mission Leader
Final RRP for Board circulation	Mission Leader, SOCD
Project Profile	Mission Leader

Table 2.7
Land Acquisition and Resettlement in the Project Cycle:
Key Action Points *(continued)*

Stage in Project Cycle	Responsibility
Loan negotiations	Mission Leader
Implementation	Projects Department, DMC personnel
Monitoring and reporting	Projects Department, DMC personnel

Table 3.1
**Identifying Requirements for Resettlement Policy and
 Capacity Building during Project Preparation**

Issue	Yes	No
Does borrower/EA already have a resettlement policy?		*
Do existing land acquisition and compensation policies cover all losses and categories of APs?		*
Do these policies meet Bank standards?		*
Do existing policies need to be modified?	✓	
Are government and EA willing to adapt policy to achieve project-specific solutions?	✓	
Does EA have any previous resettlement planning and implementation experience?		*
Is there any need for institutional capacity building?	✓	
Are there agencies aside from EA to be involved in resettlement planning and implementation?	✓	
Does borrower/EA have adequate budgetary resources to meet all expenses involving resettlement planning and implementation?		*

Box 3.4

Safeguarding Women's Interests in Resettlement

- Surveys identify separately the socioeconomic conditions, needs, and priorities of women; and the impact on women is monitored and evaluated separately.
- Surveys and entitlement criteria recognize female-headed households.
- Entitlements ensure that women are not disadvantaged by the process of land acquisition and resettlement.
- Land titles at the resettlement site or any grants included are in the name of both spouses.
- Female staff are hired by the resettlement agency to work with and assist women in all kinds of resettlement activities, including planning and implementation of income restoration programs.
- Women's groups are involved in resettlement planning, management, and operations and in job creation and income generation.

Table 3.2
Types of Losses from Land Acquisition

Category	Types of Loss
Land	<ul style="list-style-type: none"> • Agricultural land • House plot (owned or occupied) • Business premises (owned or occupied) • Access to forestland • Traditional use-rights • Community or pasture land • Access to fishponds and fishing places
Structures	<ul style="list-style-type: none"> • House or living quarters • Other physical structures • Structure used in commercial/industrial activity • Displacement from rented or occupied commercial premises
Income and livelihood	<ul style="list-style-type: none"> • Income from standing crops • Income from rent or sharecropping • Income from wage earnings • Access to work opportunities • Income from affected business • Income from tree or perennial crops • Income from forest products • Income from fishponds and fishing places • Income from grazing land • Subsistence from any of these sources
Community and cultural sites	<ul style="list-style-type: none"> • Schools, community centers, markets, health centers • Shrines, other religious symbols or sites • Places of worship (church, temple, mosque) • Cemeteries, burial sites • Rights to food, medicines and natural resources • Intellectual property rights
Environment-related	<ul style="list-style-type: none"> • Losses due to environmental impacts that might result from land acquisition or from project itself

Table 3.3

Entitlement Matrix of a Proposed Compensation and Resettlement Policy

Type of loss	Application	Definition of entitled person
Loss of arable land	a) Arable land located in the right-of-way (ROW) of the road	a) Farmers who cultivate the land
Loss of residential land	a) Residential land located in ROW	a) Legal occupants of the land with certification from a relevant authority or a verbal permit from the commune b) Illegal occupants of the land
Loss of structure	a) Structures located in right-of-way	a) Legal owner of the structure

Compensation policy	Implementation issues
<ul style="list-style-type: none"> a) Provide equivalent land nearby. b) If land is not available, use intensification and diversification of existing land. c) Farming will be permitted in the clear area (2–7m from the toe of the embankment). 	<ul style="list-style-type: none"> a) A list of available arable land in each affected commune is required b) Assistance to farmers to develop new crops and intensify production
<p><i>For both legal and illegal occupants:</i></p> <ul style="list-style-type: none"> a) If remaining land is enough to absorb APs, replacement land will be provided within the commune. b) If remaining area is not enough an alternative house-plot (minimum 60 m²) or equivalent to the former plot will be offered close to the highway. 	<ul style="list-style-type: none"> a) To avoid procedural problems due to the absence of written permits, permits will be issued before compensation begins b) The minimum area on which APs would be allowed to reorganize has to be discussed with district and commune authorities c) The value of the new site has to be equivalent but not less than the value of the current property of APs. If the assessed value of the new site is larger than the assessed value of their current property, the difference should not be collected from the APs. d) APs will have to conform to all existing regulations. Assistance will be given to those who need it.
<ul style="list-style-type: none"> a) Compensation in kind in materials. Owners will build their structures with technical assistance. b) Allowance for lost income in kind. c) Transportation of building materials to families who are relocated (not payable in cash). 	<ul style="list-style-type: none"> a) A wide variety of building materials would be made available for APs. b) During the survey, the amount and type of building materials needed will be evaluated.

Table 3.3
Entitlement Matrix of a Proposed Compensation and Resettlement Policy
(continued)

Type of loss	Application	Definition of entitled person
Loss of standing crops	a) Crops located in the widening of the road	a) Farmers who cultivate the land
Loss of trees	a) Trees located in ROW of the road and in the clear area if they affect traffic safety (visibility)	a) Persons who utilize the land where trees are located

Adapted from Design Report for TA No. 1997 VIE: *Second Road Improvement Project*, for \$2,100,000, approved on 29 November 1993.

Table 3.4

Types of Losses Eligible for Compensation in Jamuna Bridge Project¹

Type of loss	Definition of Entitled Person
Loss of agricultural land	<ul style="list-style-type: none"> • Owner(s) of plot as per land record at cut-off date
Loss of homestead land	<ul style="list-style-type: none"> • Owner of a homestead plot as recorded at cut-off date
Loss of living quarters and other physical structures	<ul style="list-style-type: none"> • Legal owner of structure
Loss of economically valuable perennial crops	<ul style="list-style-type: none"> • Owner of a plot as per record at cut-off date
Loss of occupied homestead (illegal or with permission of owner) land	<ul style="list-style-type: none"> • Households living on land as <i>uthulis</i> or squatters
Loss of tenant contract for farming or pasture	<ul style="list-style-type: none"> • Farmers leasing or sharecropping on land acquired for project
Loss of wage income	<ul style="list-style-type: none"> • Persons living in affected areas and engaged in wage labor in agri/ nonagriculture sectors and whose means of livelihood is affected
Loss of commercial plots	<ul style="list-style-type: none"> • Owner of the commercial plot at cut-off date
Loss of structure used in commercial/industrial activity	<ul style="list-style-type: none"> • Legal owner of structure

Table 3.5
Preparing Resettlement Cost Estimates and Budget

Category	Cost Items
Resettlement preparation and compensation	<ul style="list-style-type: none"> • Cost of census and survey of affected people and inventory of assets • Cost of information and consultation • Compensation for assets lost (land, structures, etc.) • Costs of replacement land • Cost of preparation of replacement farmland
Relocation and transfer	<ul style="list-style-type: none"> • Cost of moving and transporting movable items • Cost of replacement housing • Cost of site and infrastructure development and services • Subsistence allowances during transition • Cost of replacement businesses and downtime
Income restoration plans	<ul style="list-style-type: none"> • Cost estimates for income restoration plans (e.g., training, small business, community enterprise) • Cost of incremental services (extension, health, education) • Environmental enhancement packages (forestry, soil conservation, grazing land, etc.)
Administrative costs	<ul style="list-style-type: none"> • Physical facilities (office space, staff housing, etc.) • Transport/vehicles, materials • Operation staff (managerial, technical), and support staff • Training and monitoring • Technical assistance • Evaluation by independent agency

Source: Cernea, Michael, 1988. *Involuntary Resettlement in Development Projects*, The World Bank, Washington, D.C.

Table 4.1
Participation by APs, NGOs and Hosts in the Project Cycle

Project Stage	Affected Person
Fact-Finding	<ul style="list-style-type: none"> • Participate in public meetings. • Identify alternatives to avoid or minimize resettlement. • Assist in developing and choosing alternative options for relocation and income restoration.
Feasibility Study and Resettlement Planning	<ul style="list-style-type: none"> • Help to choose resettlement site. • Participate in survey. • Contribute to formulating relocation and income restoration options through public meetings, groups, household survey. • Participate in meetings with host population. • Provide inputs to entitlement provisions. • Assist in RP preparation. • Suggest mechanisms for grievance redress and conflict resolution.
Project Implementation	<ul style="list-style-type: none"> • Join local groups to take part in implementation support activities. • Join local decision-making committees. • Decide on management of common property. • Use established mechanisms for grievance redress.

Table 4.2
**Consultation and Participation in the Project Cycle:
 Key Action Points**

Project Cycle	Key Action Point
Project Identification/ ISA	<ul style="list-style-type: none"> • Identify stakeholders. • Identify vulnerable groups. • Involve stakeholders and vulnerable groups in consultative processes. • Prepare information campaign and plans for dissemination. • Organize public meetings. • Decide on the need for social preparation phase.
PPTA Feasibility Study	<ul style="list-style-type: none"> • Convene consultative meetings with APs/host communities. • Arrange AP inputs to entitlements, income restoration, and resettlement options. • Institutionalize a participatory framework for compensation, income restoration and resettlement. • Design social preparation phase, if required. • Obtain AP/NGO inputs to development of resettlement sites. • Involve APs in developing income restoration strategies. • Establish grievance redress procedures.
MRM	<ul style="list-style-type: none"> • Ensure APs and NGOs have provided inputs to the resettlement planning process. • Ensure that project management has carried out consultative processes.
Appraisal	<ul style="list-style-type: none"> • Review participatory mechanisms outlined in the RP. • Arrange participation of local NGOs or CBOs in implementation.
Loan Negotiation	<ul style="list-style-type: none"> • List any outstanding issues as conditions and compliance for loan effectiveness.

Table 5.1
Methods of Data Collection

Type	Data Collection Technique	Objectives
Land Acquisition Survey	Review of land records and ownership deeds (100 percent sample)	<ul style="list-style-type: none"> • To identify extent and effects of land loss • To assess entitlements • To prepare land compensation award papers
Census	Complete enumeration of all affected households and their assets through household questionnaire	<ul style="list-style-type: none"> • To prepare a complete inventory of APs and their assets as a basis for compensation • To identify non-entitled persons • To minimize impact of later influx of "outsiders" to project area
Socioeconomic Survey	20-25 percent sample of affected population using household questionnaire	<ul style="list-style-type: none"> • To prepare profile of APs • To prepare RP • To assess incomes, identify productive activities, and plan for income restoration • To develop relocation options • To develop social preparation phase for vulnerable groups
Follow-up Survey	Sample survey and participatory rapid appraisal techniques	<ul style="list-style-type: none"> • To update list of APs • To prepare appropriate entitlement packages • To investigate specific issues for particular groups of APs

Table 5.2
**Data Collection and Surveys in the Project Cycle:
 Key Action Points**

Project Cycle	Key Action Point
Project Identification/ISA	<ul style="list-style-type: none"> • Review existing data. • Determine level and amount of information required. • Clearly establish purpose of data collection for resettlement planning, monitoring and evaluation.
PPTA Feasibility Study	<ul style="list-style-type: none"> • Draw up TOR for data collection. • Identify expertise required. • Commission data collection and agree upon implementation arrangements and reporting requirements. • Draft report on the findings of the data collection. • Publish preliminary list of APs. • Draft programs for income restoration and relocation of the APs. • Prepare M&E plan for resettlement based on baseline survey or census.
MRM	<ul style="list-style-type: none"> • Review prepared RP (based on results of data collection) • Conduct follow-up survey of APs, if update is necessary • Prepare income restoration, and indigenous peoples development plans (if appropriate).
Appraisal	<ul style="list-style-type: none"> • Finalize RP.
Loan Negotiation	<ul style="list-style-type: none"> • Include outstanding issues as condition for loan effectiveness.
Implementation	<ul style="list-style-type: none"> • Establish computerized data bank on APs for implementation and monitoring purposes. • Involve AP groups and NGOs in implementation. • Conduct follow-up surveys for M&E.
Monitoring and Evaluation	<ul style="list-style-type: none"> • Monitor progress for reporting purposes. • Use PRA, focus group meetings and surveys to M&E purposes. • Conduct external independent evaluation through evaluation survey.

Table 6.1
Relocation Options and Support

Type	Compensation	Transfer Allowance	Subsistence or Resettlement Allowance	Site Planning and Development	Assistance to Host Population	M&E
No relocation	✓ (if assets are lost)	–	–	–	–	✓
On-site relocation	✓ (if assets are lost)	✓	✓ (minor)	–	–	✓
Self-relocation	✓	✓	✓	–	– (minor)	✓
Relocation to site selected by EA	✓	✓	✓	✓	✓	✓
✓ : Yes – : not required						

Table 6.2
Relocation in the Project Cycle: Key Action Points

Stage	Key Action Points
Project Identification/ISA	<ul style="list-style-type: none"> • Consider various alternative settlement options. • Minimize loss of housing where feasible.
PPTA Feasibility Study	<ul style="list-style-type: none"> • Identify other options including self-relocation. • Identify relocation sites. • Conduct feasibility study of the sites. • Involve APs and hosts in site selection. • Draft RP for review and comments.
MRM	<ul style="list-style-type: none"> • Review RP. • Review budget and sources of funding. • Review RP and targets.
Appraisal	<ul style="list-style-type: none"> • Verify all preparations for relocation.
Loan Negotiation	<ul style="list-style-type: none"> • Include any outstanding issues as conditions.
Implementation	<ul style="list-style-type: none"> • Develop all infrastructure, social and civic amenities. • Involve APs, hosts, and NGOs (if appropriate) in implementation. • Involve women and women's groups in the development of layout and all social amenities at sites. • Pay allowances and transfer costs.
Monitoring and Evaluation	<ul style="list-style-type: none"> • Implement monitoring by the resettlement agency. • Conduct independent evaluation of relocation performance.

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?

Checklist: Institutional Framework

- Identify the scope of displacement and resettlement.
- Establish a resettlement unit or agency to deal with policy, planning, implementation, and monitoring of resettlement-related issues, if resettlement is significant.
- Calculate detailed costs of all land acquisition, income restoration and resettlement components and make provision for budget.
- Provide information on a continuous basis to resettlers and hosts.
- Establish high-level coordination committees for resettlement management.
- Involve resettlers, hosts, and NGOs or CBOs in all stages of resettlement planning and implementation.
- Promote field procedures (e.g., minutes of meetings, progress reports) to enhance institutional knowledge about implementation practices.
- Computerize the database for implementation and monitoring purposes.

Table 9.1
Potential Monitoring Indicators

Type of Monitoring	Basis for Indicators
Budget and Time Frame	<ul style="list-style-type: none"> • Have all land acquisition and resettlement staff been appointed and mobilized for the field and office work on schedule? • Have capacity building and training activities been completed on schedule? • Are resettlement implementation activities being achieved against agreed implementation plan? • Are funds for resettlement being allocated to resettlement agencies on time? • Have resettlement offices received the scheduled funds? • Have funds been disbursed according to RP? • Has the social preparation phase taken place as scheduled? • Has all land been acquired and occupied in time for project implementation?
Delivery of AP Entitlements	<ul style="list-style-type: none"> • Have all APs received entitlements according to numbers and categories of loss set out in the entitlement matrix? • Have APs received payments on time? • Have APs losing from temporary land borrow been compensated? • Have all APs received the agreed transport costs, relocation costs, income substitution support and any resettlement allowances, according to schedule? • Have all replacement land plots or contracts been provided? Was the land developed as specified? Are measures in train to provide land titles to APs? • How many APs households have received land titles? • How many APs have received housing as per relocation options in the RP?

Type of Monitoring	Basis for Indicators
	<ul style="list-style-type: none"> • Does house quality meet the standards agreed? • Have relocation sites been selected and developed as per agreed standards? • Are the APs occupying the new houses? • Are assistance measures being implemented as planned for host communities? • Is restoration proceeding for social infrastructure and services? • Are APs able to access schools, health services, cultural sites and activities? • Are income and livelihood restoration activities being implemented as set out in the income restoration plan, for example utilizing replacement land, commencement of production, numbers of APs trained and provided with jobs, micro-credit disbursed, number of income generating activities assisted? • Have affected businesses received entitlements including transfer and payments for net losses resulting from lost business and stoppage of production?
<p>Consultation, Grievance and Special Issues</p>	<ul style="list-style-type: none"> • Have consultations taken place as scheduled including meetings, groups, community activities? Have resettlement leaflets been prepared and distributed? • How many APs know their entitlements? How many know if they have been received? • Have any APs used the grievance redress procedures? What were the outcomes? • Have conflicts been resolved? • Was the social preparation phase implemented? • Were special measures for indigenous peoples implemented?

Table 9.1
Potential Monitoring Indicators *(continued)*

Type of Monitoring	Basis for Indicators
Benefit Monitoring	<ul style="list-style-type: none"> • What changes have occurred in patterns of occupation, production and resource use compared to the pre-project situation? • What changes have occurred in income and expenditure patterns compared to pre-project situation? What have been the changes in cost of living compared to pre-project situation? Have APs incomes kept pace with these changes? • What changes have taken place in key social and cultural parameters relating to living standards? • What changes have occurred for vulnerable groups?

Table 9.2
Indicators for External Monitoring and Evaluation *(continued)*

Monitoring Indicators	Basis for Indicators
	<ul style="list-style-type: none"> • Did transfer and relocation payments cover these costs? • Did income substitution allow for re-establishment of enterprises and production? • Have enterprises affected received sufficient assistance to re-establish themselves? • Have vulnerable groups been provided income earning opportunities? Are these effective and sustainable? • Do jobs provided restore pre-project income levels and living standards?
Levels of AP Satisfaction	<ul style="list-style-type: none"> • How much do APs know about resettlement procedures and entitlements? Do APs know their entitlements? • Do they know if these have been met? • How do APs assess the extent to which their own living standards and livelihoods have been restored? • How much do APs know about grievance procedures and conflict resolution procedures?
Effectiveness of Resettlement Planning	<ul style="list-style-type: none"> • Were the APs and their assets correctly enumerated? • Were any land speculators assisted? • Was the time frame and budget sufficient to meet objectives? • Were entitlements too generous? • Were vulnerable groups identified and assisted? • How did resettlement implementors deal with unforeseen problems?
Other Impacts	<ul style="list-style-type: none"> • Were there unintended environmental impacts? • Were there unintended impacts on employment or incomes?

Box 9.2

Steps in Conducting Participatory Evaluation

- Decide on the degree and nature of participation.
- Prepare the evaluation scope of the work.
- Conduct the team planning meetings through mini-workshops.
- Conduct the evaluation.
- Analyze the data and build consensus on results.
- Prepare further mitigative plans, if required.

Source: *Conducting a Participatory Evaluation*, USAID, Center for Development Information and Evaluation, 1996.

Box 9.3

Participatory Rapid Appraisal

- **Key informant interviews:** select local leaders, village workers or persons with special knowledge or experience about resettlement activities and implementation.
- **Focus group discussion:** specific topics (e.g., land compensation payments, services at resettlement sites, income restoration, gender issues) discussed in open-ended group sessions.
- **Community public meetings:** open public meetings at resettlement sites to elicit information about performance of various resettlement activities.
- **Structured direct observations:** field observations on status of resettlement implementation, plus individual or group interviews for cross-checking purposes.
- **Informal surveys/interviews:** informal surveys of APs, hosts, village workers, resettlement staff, and implementing agency personnel using non-sampled methods.
- **In-depth case studies** of APs and host populations from various social classes to assess impact of resettlement.

Source: *India: Handbook for Resettlement and Rehabilitation*, The World Bank, 1994.

Checklist: Monitoring and Evaluation

- Establish system of internal monitoring to assess progress in meeting key targets in the Resettlement Plan: budget and time frame, delivery of AP entitlements, consultation, grievance and special issues and benefits.
- Provide sufficient time, resources and funds for internal monitoring.
- Conduct regular reviews, based on monitoring and evaluation reports, involving key stakeholders including AP representatives. Reach consensus on actions required to improve resettlement performance and implement them.
- Establish a system for external monitoring and evaluation to assess achievement and suitability of resettlement objectives.
- Establish monitoring and evaluation reporting methods and reporting requirements.
- Involve APs, hosts, NGOs, and community in project monitoring and evaluation, using PRA and other methods.
- Include an ex-post evaluation of resettlement conducted by the independent external agency after completion of the project.
- Review lessons learned for resettlement policy making and planning.

Appendix

Sample Terms of Reference for Full Resettlement Plan

Objectives

The study objective is to prepare a Resettlement Plan (RP) which sets out strategies to mitigate adverse effects and to maintain living standards of those affected by land acquisition and any other resettlement effects. It will set the parameters for the entitlements package for those affected, the institutional framework, mechanisms for consultation and grievance resolution, the timeframe and cost estimates.

The agreed entitlements package will include both compensation and measures to restore the economic and social base for those affected. It will address the policy objectives of the Bank and of the government for land acquisition and resettlement.

Time Frame

The full RP will be completed before Appraisal. A total of three person-months is allocated for the international consultant. The international consultant will prepare a summary RP before the Management Review Meeting.

Personnel

The study requires one international consultant together with three local assistants for survey work. The consultants will work in close cooperation with the PPTA Feasibility Study Team and the Executing Agencies, who will provide personnel to assist in the preparation of the RP.

Tasks

1. Document any steps taken to reduce land acquisition and resettlement impacts through changes in the alignment or scope of project components. Prepare options for discussion with other team members to minimize resettlement effects through modifying the preliminary and final technical designs.
2. Conduct participatory rapid appraisal (PRA) in the area. Identify key stakeholders and consult closely with them on their views about the

project and resettlement effects, including the people likely to experience resettlement effects. Identify any vulnerable groups (for example the very poor, those without formal title, pastoralists, households headed by women, indigenous peoples, isolated groups, the disabled) who might require special assistance and consult with them. Decide whether a process of social preparation is required for some or all of the people affected in order to build their capacity to address resettlement issues. If so, design a social preparation phase as part of the RP preparation. If not, choose methods to foster the participation of all key stakeholders in the process of resettlement planning and implementation.

3. Conduct a census of all of the people potentially affected, to determine the scope and magnitude of likely resettlement effects, and to list likely losses. Suggest a cut-off date for entitlements.
4. Conduct a socioeconomic survey of a sample of 20 percent of the people affected. Establish a baseline of incomes and expenditures, occupational and livelihood patterns, use of resources, arrangements for use of common property, social organization, leadership patterns, community organizations, and cultural parameters.
5. Consult with the agencies responsible for land acquisition and resettlement on the Bank policy on Involuntary Resettlement. Review the laws, regulations and directives of the government that apply to land acquisition and resettlement to determine whether they would allow full restoration of living standards and livelihoods, including for those without formal title. In this review, consider the scope of the power of eminent domain, the method for valuing assets, the timing and method for paying compensation, the legal and administrative procedures applicable, land titling and registration procedures, and the framework for environmental protection.
6. Prepare an entitlements matrix listing all likely effects, both of permanent and of temporary land acquisition. Establish criteria for the resettlement eligibility of affected households. Prepare standards for compensation and restoration of the social and economic base of the people affected to replace all types of loss. Prepare a formula for setting replacement values for assets lost, including land. Establish options for culturally acceptable replacements for lost services, cultural sites, common property or access to resources for subsistence, income or cultural activities.
7. Prepare options for relocation and for income restoration which build upon the existing social, economic and cultural parameters both of the people affected and of any host populations. Make special provision for any vulnerable groups, including those without legal title to assets.

