
VI. Recommendations

A. Asian Development Bank

The analysis of the RETA studies suggests that improvements are required to ensure that: (i) compensation standards more closely reflect market realities by requiring that replacement values be paid, (ii) income restoration for APs is improved, (iii) resettlement planning is done more comprehensively especially by improving the analysis of the socioeconomic conditions of affected people, (iv) monitoring and evaluation procedures are enforced more strictly, and (v) grievance redress processes are made more effective. Another significant inference from the RETA is that ADB staff should review resettlement implementation at more frequent intervals, especially in countries that do not have the expertise and the experience to plan and implement involuntary resettlement.

The resettlement issues identified in the RETA point to significant deficiencies in two areas in all three RETA countries: (i) inappropriate legislative and policy frameworks, and (ii) weak organizational and management capacity. Even though loan covenants require countries to conform to ADB resettlement policy, the studies show that this is not being achieved in many instances. Thus, ADB should address this fundamental challenge if it were to make a real impact on people affected by involuntary resettlement. However, this requires commitment at the highest levels of government, so that it can lead to action in the form of better legislation, greater involvement of senior officials, increased human and material resources for resettlement, and finally to sound resettlement planning and implementation. Without this, resettlement will continue to be an add-on to the main investment and thus receive much less attention.

B. RETA Countries

1. Cambodia

In Cambodia, there is already an appreciation that the priority is to get the legal framework in place to ensure fair and just compensation. The results of the Highway 1 Project have clearly demonstrated that without a legal basis, compensation was not provided in a comprehensive way and a significant number of APs are still waiting for relocation and compensation. Second, one institution currently plans, finances, implements, monitors, and arbitrates resettlement. This has not worked and was changed to permit EAs to have responsibility for the planning and implementation aspects of resettlement. Third, Cambodia needs to develop human resource capacity for this work.

2. India

In the highway sector, the National Highways Act is used to acquire land but this Act has not significantly hastened the acquisition process nor has it improved compensation. The LAA is still the basis for computing awards and it does not recognize replacement value. Consequently, statutory compensation is always less than real market value for acquired assets, although NHAI tops up compensation to achieve replacement value. NPRR recognizes that impoverishment can result from resettlement but the Government must integrate these positive elements into the LAA.

The National Highway Authority of India's ambitious highway development program involves significant land acquisition and resettlement but its human resource capacity to manage this huge responsibility is

very limited. It should seriously consider increasing the social science expertise at its head office. It should also encourage more NGOs to get involved in resettlement implementation, especially in income restoration programs, where weaknesses have been identified.

Greater attention must be paid to internal monitoring as well as external monitoring and evaluation as a means of identifying and addressing resettlement implementation issues. Grievance redress processes should be improved.

3. People's Republic of China

The country report and the four thematic papers have clearly identified the key resettlement issues in the PRC and proposed specific measures to address them: (i) wide scope of the current interpretation of “public interest” in land acquisition, (ii) low compensation

levels, and (iii) absence of guarantees of livelihoods for APs. The Government needs to review the phased strategy proposed for narrowing the scope of land acquisition with a view to implementing an appropriate plan. The recommendation made to diversify the current single resettlement compensation mode that is based on land productivity also needs to be considered. Recent pilot studies in a number of provinces have demonstrated the feasibility of other compensation and resettlement modes that could be adopted in projects. Compensation based on recognition of the property rights of farmers that more closely reflects market conditions will go a long way toward ensuring adequate compensation. The recommendations for improving income restoration, public participation, and social security for APs and transparency of the whole land acquisition and resettlement process also need the government's attention.