

The view expressed in this paper are the views of the authors and do not necessarily reflect the views or policies of the Asian Development Bank (ADB), or its Board of Directors or the governments they represent. ADB makes no representation concerning and does not guarantee the source, originality, accuracy, completeness or reliability of any statement, information, data, finding, interpretation, advice, opinion, or view presented.

# **GENERAL GUIDELINES FOR PLANNING AND IMPLEMENTATION OF Involuntary Resettlement**

**Ministry of Lands**

June 2003

Prepared by Mr Sam Pillai  
for the Ministry of Lands  
Colombo, Sri Lanka

June 2003

This report is available upon request from:  
Ministry of Lands  
Govijana Mandiraya  
80/5 Rajamalwatte Road  
Battramulla  
Sri Lanka  
Tel: 94-1-888907





# CONTENTS

<b>Foreword</b>	<b>iii</b>
<b>Abbreviations</b>	<b>vi</b>
<b>Glossary</b>	<b>vi</b>
<b>1 Objective</b>	<b>1</b>
<b>2 Basis for Guidelines</b>	<b>1</b>
<b>3 Approach and Assumptions</b>	<b>1</b>
<b>4 Legal Framework</b>	<b>1</b>
<b>5 Types of Resettlement Action Plans</b>	<b>2</b>
<b>6 Organisation of the Guidelines</b>	<b>2</b>
<b>7 Stages in Addressing Involuntary Resettlement Impacts in the Project Cycle</b>	<b>2</b>
7.1 Project Identification Stage	3
7.2 Project Feasibility Study Stage	3
7.3 Project Proposal Stage – Preparing the Final Draft of the Rap	5
7.4 Project Approval Stage – Finalising the Rap	5
7.5 Project Implementation Preparation Stage – Preparing to Imp. the RAP	5
7.6 Project Implementation Stage – Implementing the RAP	7
7.7 Project Monitoring, Review and Evaluation Stage	12
Annex 1 – Terms of Reference for Socioeconomic Surveys	13
Annex 2 – Recommended Outline for a Full Resettlement Action Plan	14
Annex 3 – Recommended Outline for a Short Resettlement Action Plan	17
Annex 4 – Outline for Terms of Reference for a Full Resettlement Action Plan	18
Annex 5 – Social Safeguards in Involuntary Resettlement: STDP Experience	21
Annex 6 – Resettlement Monitoring Indicators	22
Annex 7 – Indicators for External Monitoring and Evaluation	23
Annex 8 – Ministry of Lands: Organizational Relationships in Resettlement and Land Acquisition	24
Annex 9 – Coordination for Planning and Implementing the National Involuntary Resettlement Policy	25
Annex 10 – General Procedure for Approval of Resettlement Action Plans and Land Acquisition by the Ministry of Lands	27
Annex 11 – Improving the Efficiency of the Land Acquisition Process	30
Annex 12 – Institutional Arrangements for Involuntary Resettlement at the Central Environmental Authority (CEA)	32
<b>References</b>	<b>35</b>



## Foreword

The National Involuntary Resettlement Policy (NIRP) was formulated through a long and extensive process of study, consultation and consensus, and was accepted by the Government. It was recognized that an institutional structure was necessary to implement the policy and to develop and strengthen public and civil society organisations in the area of involuntary resettlement. The NIRP Capacity Building Project, working closely with the Ministry of Lands and the Ministry of Environment and Natural Resources, has been assisting in identifying these needs and in designing appropriate strategies.

The institutional strengthening activity centred on: (i) improvements to the legal framework, which basically amounted to amendments to the Land Acquisition Act (LAA), the National Environmental Act (NEA), and Regulations under them, (ii) proposing management systems, and (iii) human resources development for effective implementation of the Policy.

A number of amendments to the Land Acquisition Act (LAA) were recognized as necessary to give effect to the NIRP objectives and principles and to expedite the land acquisition process. Plans to amend the LAA and the NEA are already in hand, based on extensive stakeholder consultations.

Now that we have established the Resettlement Division, it is mandatory and also a social obligation to effectively minimise the suffering caused to people as a result of dislocation due to the acquisition of land.

The Guidelines provide general information on planning and implementation of involuntary resettlement and are aimed at the staff in government agencies responsible for planning and implementing projects with involuntary resettlement impacts. Three complementary Guidelines were developed to facilitate this work: (i) *Process Manual for the Implementation of the National Involuntary Resettlement Policy*, (ii) *Guidelines for the Preparation of a Resettlement Action Plan*, and (iii) *Guidelines for a Participatory Resettlement Process*.

The institutional structure calls for networking of organisations ranging from the national to the operational field/ village levels. It calls for effective coordination mechanisms at a number of national and sub-national points. In many of these, the role of the Resettlement Division of the MOL becomes crucial. The responsibility of the MOL extends to a number of dimensions from its central role of maintaining, developing and implementing the policy on involuntary resettlement. In this the MOL is expected to work with a number of agencies, of which the relationship between the MOL and the Central Environmental Authority (CEA) is significant.

The NIRP is applicable to all projects and situations where resettlement is involved, regardless of the number of persons affected. A clear delineation has to be made between projects that are "prescribed" under the National

Environmental Act and projects that are categorized in the Manual as “ non-prescribed”. Prescribed projects call for specific action, jointly by the CEA and the MOL in the planning, implementation, monitoring and evaluation of involuntary resettlement. The responsibility mainly devolves on to the MOL for projects that are not prescribed under the NEA. Within both categories above, distinctions between projects that have “significant” resettlement, “non-significant” resettlement, and those without any resettlement, have to be clearly understood.

The benefits of inviting and building active stakeholder participation that includes that of affected persons and community organisations throughout the project cycle—from planning, implementing, monitoring and evaluating to post-project completion follow up and assistance—is strongly underlined here. This is essential to ensure that affected persons realize the many benefits envisaged for them as well as for the broader community and the nation.

Date

Secretary  
Ministry of Lands

## **Abbreviations**

ADB	Asian Development Bank
APs	Affected Persons
CBO	Community Based Organisation
CEA	Central Environmental Authority
EIA	Environmental Impact Assessment
HH	Household
IR	Involuntary Resettlement
ISA	Initial Social Assessment
LAA	Land Acquisition Act
M&E	Monitoring and Evaluation
MOL	Ministry of Lands
NEA	National Environmental Act
NGO	Non-Governmental Organisation
NIRP	National Involuntary Resettlement Policy
PEA	Project Executing Agency
PRA	Participatory Rural Appraisal
RAP	Resettlement Action Plan
RD	Resettlement Division (of the MOL)
SIA	Social Impact Assessment
STDP	Southern Transport Development Project
TOR	Terms of Reference

## Glossary

**Affected Persons/People (APs)** – Persons/people/community affected by changes to use of land, water or other resources caused by development projects.

**Compensation** – Cash or payment-in-kind made to affected persons to replace their assets, resources or income.

**Host Community/Population** – Households and communities residing in or near the area to which affected persons are to be relocated.

**Initial Social Assessment (ISA)** – Consultation with individuals and groups likely to be directly affected by the project—beneficiaries, other participants, and potentially adversely affected parties. The amount of time and effort required to conduct an ISA will vary from project to project. For some projects, the ISA may be completed within one or a few days, but for others more time may be required.

**Involuntary Resettlement (IR)** – The unavoidable displacement of people and/or impact on their livelihood, assets and common property resulting from development projects that create the need for rebuilding their livelihood, sources of income and asset bases.

**Project** – Any discrete development activity with specific objectives and a timeframe for which funds and other resources are committed. Examples are, a reservoir for a hydroelectric or irrigation scheme, an expressway, and an urban development scheme.

**Project Proponent / Project Executing Agency** – Unless otherwise specified, any government department, corporation, statutory board, local authority, company, firm or individual who is responsible for the planning and implementation of a project involving involuntary resettlement.

**Relocation** – Moving affected persons and their movable assets, rebuilding housing and, improvements to land and public infrastructure in another location.

**Replacement Cost** – The method of valuation of assets that helps determine the amount sufficient to replace lost assets and cover transaction costs. In applying this method of valuation, depreciation of structures and assets should not be taken into account. For losses that cannot easily be valued or compensated for in monetary terms—such as, access to public services, customers, and suppliers; to fishing, grazing or forest areas—attempts are made to establish access to equivalent and culturally acceptable resources and earning opportunities.

- For **land and structures**, replacement cost is defined as the pre-project or pre-displacement value, whichever is higher, of land of equal productive potential or use located in the vicinity of the affected land,

plus the cost of preparing the land to levels similar to those of the affected land, plus the cost of any registration and transfer taxes.

- For **land in urban areas**, replacement cost is the pre-displacement value of land of equal size and use, with similar or improved public infrastructure facilities and services and located in the vicinity of the affected land, plus the cost of any registration and transfer taxes.
- For **houses and other structures**, replacement cost is the cost of materials to build a replacement structure with a space and quality similar to or better than those of the affected structure, or to repair a partially affected structure, plus the cost of transporting building materials to the construction site, plus the cost of any labour and contractor fees, plus the cost of any registration and transfer taxes. In determining the replacement cost, depreciation of the asset and the value of salvaged materials are not taken into account, nor is the value of benefits to be derived from the project deducted from the value of an affected asset.

**Resettlement Action Plan (RAP)** – A time-bound action plan with a budget, setting out resettlement strategy, objectives, options, entitlements, actions, approvals, responsibilities, monitoring and evaluation.

**Social Impact Assessment (SIA)** – The analysis that is conducted during a feasibility study to identify and incorporate social dimensions into a project. A social assessment may cover several facets. These may include assessments of (i) groups who are expected to benefit from and use services that are to be provided by the project, (ii) needs of the groups, (iii) their demands, (iv) their absorptive capacity, (v) gender issues, and (vi) possible adverse effects on vulnerable groups (and the need for measures to mitigate or compensate those adversely affected).

**Stakeholders** – Those who have an interest in project development and who will be involved in the consultative process, and includes any individual or group affected by, or that believes it is affected by the project; and any individual or group that can play a significant role in shaping or affecting the project, either positively or negatively, including the host community/population.

**Vulnerable groups** – Distinct groups of people who might suffer disproportionately from resettlement effects, such as, the old, the young, the handicapped, the poor, isolated groups and single parents.



# **GENERAL GUIDELINES FOR PLANNING AND IMPLEMENTATION OF INVOLUNTARY RESETTLEMENT**

## **1 Objective**

These guidelines are designed to assist the authorities responsible for planning and implementing involuntary resettlement programs that are associated with development projects.

## **2 Basis for Guidelines**

The Guidelines were developed based on experience gained in Sri Lanka and in other countries in the region, and in particular recent experience with resettlement planning and implementation of the Southern Transport Development Project. Many lessons underlined the need to adopt a systematic and socially productive approach to identify issues and to plan and implement complex resettlement programmes. The Guidelines are based on the Asian Development Bank (ADB) Handbook on Resettlement and guidance provided by the Consultant on International Resettlement.

## **3 Approach and Assumptions**

A detailed Guidelines for the preparation of a Resettlement Action Plan (RAP) was prepared and is available for use by Project Executing Agencies (PEA). Guidelines for environmental impact assessment (EIA) are already available, developed by the Central Environmental Authority (CEA). Modifications necessary to include the National Involuntary Resettlement Policy (NIRP) requirements are being introduced to the National Environmental Act.

A Process Manual that sets out procedures to be adopted by the Ministry of Lands (MOL) in relation to involuntary resettlement was also prepared.

Thus these Guidelines focus on the key action areas of planning and implementing involuntary resettlement. The annexes to these guidelines provide supplementary information and guidance on key areas.

## **4 Legal Framework**

The planning and implementation of resettlement are governed by various laws, regulations and the NIRP. These include the Land Acquisition Act (LAA), the National Environmental Act (NEA), and regulations under these two Acts and, the proposed NIRP Act. Responsibilities as well as critical processes and stages for planning, approval and implementation of resettlement, are stipulated within this legal framework.

The regulations stipulate the process and action that are applicable when development projects fall into the category of "prescribed projects" under the National Environmental Act. A different process is stipulated for resettlement

projects falling outside that category. The Central Environmental Authority (CEA), Project Executing Agencies (PEAs) and the Ministry of Lands (MOL) have responsibility for planning, approving and implementing Resettlement Action Plans (RAPs) for projects prescribed under the NEA. There is a scale of intensity of requirement for Resettlement Action Plans and Environmental Impact Assessments (EIAs) depending on the number of affected persons in a Project. Responsibility for resettlement in projects that lie outside the “prescribed” category falls on the Project Executing Agency and the Ministry of Lands.

## **5 Types of Resettlement Action Plans**

There are two levels of resettlement planning depending on the number of households (HH) that are affected: a Full RAP where more than 20 households are affected and a Short RAP where less than 20 households are affected.

## **6 Organisation of the Guidelines**

Section 7 of the General Guidelines presents the various stages in addressing involuntary resettlement impacts in the project cycle in a tabular format. Relevant supporting information is contained in Annexes that follow.

- Annex 1 Terms of Reference for Socioeconomic Surveys
- Annex 2 Recommended Outline for a Full Resettlement Action Plan
- Annex 3 Recommended Outline for a Short Resettlement Action Plan
- Annex 4 Outline for Terms of Reference for Full Resettlement Action Plan
- Annex 5 Social Safeguards in Involuntary Resettlement
- Annex 6 Indicators for Resettlement Monitoring
- Annex 7 Indicators for External Monitoring and Evaluation
- Annex 8 Ministry of Lands: Organizational Relationships in Resettlement and Land Acquisition
- Annex 9 Coordination for Planning and Implementing the National Involuntary Resettlement Policy
- Annex 10 General Procedure for Approval of Resettlement Action Plans and Land Acquisition by the Ministry of Lands
- Annex 11 Improving the Efficiency of the Land Acquisition Process
- Annex 12 Institutional Arrangements for Involuntary Resettlement at the Central Environmental Authority

## **7 Stages in Addressing Involuntary Resettlement Impacts in the Project Cycle**

Projects concerning involuntary resettlement generally have a seven-stage project cycle (identification, feasibility study, proposal, approval, preparation

for implementation, implementation and, monitoring-and-evaluation). These stages are typically as follows with regard to involuntary resettlement projects.

- Project Identification Stage
- Project Feasibility Study Stage
- Project Proposal Stage (ie, Preparing the Final Draft of the RAP)
- Project Approval Stage (ie, Finalising the RAP)
- Project Implementation Preparation Stage (ie, Preparing to Implement the RAP)
- Project Implementation Stage (ie, Implementing the RAP), and
- Project Monitoring, Review and Evaluation Stage.

Detailed activities entailing each of the above stages are given in the following tables.

### 7.1 Project Identification Stage

- Study the nature and scope of resettlement that would be necessary
- Identify the scope of likely resettlement, number of directly or indirectly affected persons, and
- Assess the capacity and mandate of the institutional framework for resettlement.

### 7.2 Project Feasibility Study Stage

Activities	Guidelines
<p><b>Preparation for RAP:</b></p> <ul style="list-style-type: none"> <li>▪ Reconnaissance study of the project area</li> <li>▪ Conduct complete socioeconomic Baseline Survey</li> <li>▪ Conduct EIA/SIA of the project area</li> <li>▪ Identify potential issues of land acquisition and resettlement</li> <li>▪ Clarify resettlement policies to be adopted: such as donor policy, general policy, project policy or any special policy</li> <li>▪ Decide on the legal framework applicable for resettlement</li> <li>▪ Decide on type of RAP required</li> <li>▪ Decide on organisations related to resettlement and required for coordinated action</li> <li>▪ Develop the contract agreement and terms of reference (TOR) for the RAP</li> <li>▪ Provide funds for the preparation of the RAP</li> </ul>	<ul style="list-style-type: none"> <li>▪ Review EIA Reports and ensure that to avoid and minimise resettlement is a criterion in selecting the best project option</li> <li>▪ Decide on the implementation policy based on the NIRP and other policy, as appropriate to the type of project</li> <li>▪ Conduct complete baseline socioeconomic survey and census of APs to identify all losses from land acquisition and to avoid an influx of outsiders or speculators</li> <li>▪ Determine whether resettlement effects are likely to be significant</li> <li>▪ Define the parameters of likely resettlements and include them in the TOR for the SIA and RAP</li> <li>▪ Conceptualise and plan resettlement measures as special development programmes within projects. Adopt all initiation</li> </ul>

<ul style="list-style-type: none"><li>▪ Decide on which organisation to entrust preparation of the RAP</li><li>▪ Award the contract agreement to prepare the RAP.</li></ul>	<p>measures possible</p> <ul style="list-style-type: none"><li>▪ Include social preparation for affected persons especially when resettlement is likely to cause social unrest or when APs are especially vulnerable</li><li>▪ Involve specialists in resettlement and social sciences, as well as APs, in the planning, implementation and monitoring of RAPs.</li></ul>
---	---

### 7.3 Project Proposal Stage – Preparing the Final Draft of the Rap

Activities	Guidelines
<ul style="list-style-type: none"> <li>▪ Coordinate with those organisations necessary and useful to develop a good RAP and provide organisational information and assistance in the preparation of the RAP</li> <li>▪ Administer the Contract Agreement</li> <li>▪ Monitor the progress of RAP preparation by the resettlement unit of the EA</li> <li>▪ Review RAP preparation periodically through a committee/s consisting of internal and external resettlement planning and management specialists and AP organizations, NGOs and CBOs</li> <li>▪ Prepare the final draft of the RAP through a consultative and guidance process involving stakeholders and specialists.</li> </ul>	<ul style="list-style-type: none"> <li>▪ For the preparation of a RAP, refer to Guidelines for Preparation of RAP by the NIRP-Capacity Building Project.</li> </ul>

### 7.4 Project Approval Stage – Finalising the Rap

- Revise the RAP in response to any changes in the technical design of the project and adopt any special policies on resettlement
- Accept the final RAP.

### 7.5 Project Implementation Preparation Stage – Preparing to Implement the RAP

Activities	Guidelines
<p><b>A. Prepare the Management Plan:</b></p> <ul style="list-style-type: none"> <li>▪ Examine the capacity and capability of organisations at management and operational levels to implement the programme</li> <li>▪ Identify measures as required to strengthen and enhance implementation capacity</li> <li>▪ Phase out implementation</li> <li>▪ Agree on the implementation plan with the organisations concerned and stakeholders, including those in the project area. Indicate the implementation plan on a Gantt Progress Chart and present to all stakeholders</li> <li>▪ Prepare the management—organisation, systems and processes—plan in consultation with</li> </ul>	<ul style="list-style-type: none"> <li>▪ Calculate detailed costs of all land acquisition, income restoration and resettlement components and make provisions for these in the budget</li> <li>▪ Indicate the source and timing of funding</li> <li>▪ Establish a timeline for all activities from project preparation to project completion and evaluation</li> <li>▪ Computerise the database for implementation and monitoring purposes.</li> </ul>

key stakeholders and management organisations

- Prepare the budget and financial plan
- Prepare the monitoring, review and evaluation plan in consultation with key stakeholders and management organisations.

<b>B. Prepare the Institutional Plan:</b>	
<ul style="list-style-type: none"> <li>▪ Assess the required institutional framework and capacity for effective implementation of the RAP</li> <li>▪ Identify issues, areas and aspects for strengthening</li> <li>▪ Establish Resettlement Units</li> <li>▪ Plan and provide for staff and stakeholder training and capacity building</li> <li>▪ Identify NGOs and CBOs as resettlement agents</li> <li>▪ Establish resettlement coordination committees at national, sub-national and, operational levels as appropriate</li> <li>▪ Establish Grievance Redress Committees for APs. Learn from the three-tiered structure established for the Southern Transport Development Project.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Identify the scope of displacement and resettlement</li> <li>▪ Establish a resettlement unit or agency to deal with policy, planning, implementation and monitoring of resettlement related issues, if resettlement is significant</li> <li>▪ Implement capacity building measures</li> <li>▪ Provide information on a continuous basis for resettlers and hosts</li> <li>▪ Establish high-level coordination committees for resettlement management</li> <li>▪ Involve resettlers, hosts, NGOs and CBOs in all stages of resettlement planning and implementation</li> <li>▪ Promote field procedures—minutes of meetings, progress reports, etc—to enhance institutional knowledge about implementation practices.</li> </ul>

#### 7.6 Project Implementation Stage – Implementing the RAP

Activities	Guidelines
<b>A. Address Potential Impacts:</b>	<p>Need to focus on:</p> <ul style="list-style-type: none"> <li>▪ The social, economic and cultural impact on affected persons, the host population and institutions</li> <li>▪ The impact on the social infrastructure</li> <li>▪ The impact on the habitat and environment.</li> </ul>
<b>B. Identify and Compensate All Project Affected Persons:</b>	<ul style="list-style-type: none"> <li>▪ Define and identify types of losses and affected persons</li> <li>▪ Develop eligibility and entitlement guidelines to cover all APs, including non-titled persons and vulnerable groups.</li> </ul>

<p><b>C. Entitlements-Compensation Framework:</b></p> <ul style="list-style-type: none"> <li>▪ Define entitlement and eligibility</li> <li>▪ Decide and declare the deadline for compensation and entitlements</li> <li>▪ Decide the basis for compensation</li> <li>▪ Prepare the entitlement matrix.</li> </ul>	<ul style="list-style-type: none"> <li>▪ If the information obtained through the socioeconomic survey is not sufficient, conduct a land acquisition survey to identify the extent, number and effects of land loss, to assess entitlements and, to prepare land compensation award papers</li> <li>▪ Guidelines on eligibility need to be clear. Those eligible are those whose land, assets, subsistence, income or livelihood is affected. However, special measures are required to assist vulnerable groups even if they are not entitled to formal payment of compensation</li> <li>▪ Vulnerable groups need special treatment during resettlement. Resettlement needs to provide opportunities to introduce measures to enhance economic and social conditions of vulnerable groups</li> <li>▪ Compensate all APs, including those without title to land, for all their losses at replacement rates. Even those whose assets and income livelihoods only are affected—while their houses are not affected—need to be compensated at replacement cost</li> <li>▪ The deadline has to be declared early in the project implementation to control land speculation.</li> </ul>
<p><b>D. Consultation and Participation:</b></p> <ul style="list-style-type: none"> <li>▪ Identify all stakeholders</li> <li>▪ Develop strategies for participation.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Identify and involve all stakeholders, especially APs, in the consultative and participatory process</li> <li>▪ Ensure that women and vulnerable groups are consulted and given opportunities to participate in the decision-making</li> <li>▪ Develop a participatory strategy for project planning, implementation and monitoring-and-evaluation</li> <li>▪ List out details required for information campaign and dissemination, and develop procedures for APs to negotiate their entitlements</li> <li>▪ Involve stakeholders in the decision-making at all stages of project implementation</li> <li>▪ Establish a timeline to complete activities such as information campaign, compensation types and levels, entitlements, relocation sites and</li> </ul>

	<p>schedules</p> <ul style="list-style-type: none"> <li>▪ Establish a participatory compensation and resettlement management strategy</li> <li>▪ Use and support CBOs, and be sensitive to issues concerning community consultation and participation</li> <li>▪ Establish procedures for redressing grievances and ensure they are functional.</li> </ul>
--	--

<p><b>E. Social Preparation:</b></p>	
<ul style="list-style-type: none"> <li>▪ Strengthen absorptive capacity of vulnerable groups who may be marginal to mainstream development activities</li> <li>▪ Provide vulnerable groups with the confidence, motivation and opportunity to address resettlement issues.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The focus should be on vulnerable groups, host communities and on groups outside of the mainstream on access to information and the development process</li> <li>▪ Provide cost of social preparation in the budget</li> <li>▪ Engage experienced NGOs and CBOs to take responsibility for the social preparation process.</li> </ul> <p><u>Method:</u></p> <ul style="list-style-type: none"> <li>▪ Identify vulnerable groups from among affected persons</li> <li>▪ Mobilise community organisers who have interest in such groups</li> <li>▪ Engage community organisers to help build skills, leadership and a sense of common purpose</li> <li>▪ Institutionalise the small vulnerable community groups. Link them to broader entities. Involve them in the preparation and monitoring of RAP implementation.</li> </ul>
<p><b>F. Plan Relocation:</b></p>	
<ul style="list-style-type: none"> <li>▪ Examine and identify relocation needs and issues</li> <li>▪ Develop resettlement policy</li> <li>▪ Plan to relocate vulnerable groups</li> <li>▪ Examine relocation options and decide on sites</li> <li>▪ Prepare relocation plans</li> <li>▪ Develop all infrastructures, including social and civic amenities.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Consider all options and develop alternative relocation strategies in close consultation with Aps</li> <li>▪ Prepare a matrix for Relocation Options and Support, and then determine the most suitable option according to an affected person's needs and eligibility. Relocation options could be: No relocation, On- site relocation, Self-relocation, and Relocation on a site selected by the Project Executing Agency</li> <li>▪ Select suitable relocation sites, if required, as part of the feasibility study</li> <li>▪ Conduct a feasibility study for each site</li> <li>▪ Promote participation of APs and host communities in decisions concerning site selection, layout and design, and site development</li> </ul>

- Consult women and women's groups in the settlement layout, including communications, social services, cultural sites and development of other civic amenities
- Establish targets and develop relocation plans in consultation with and participation of potential Aps
- Ensure that relocation sites are completed with all amenities before any relocation takes place
- Develop programs that can benefit both APs and the host population to foster prospects for social integration
- Pay allowances and transfer costs..

**G. Rehabilitate and Restore Livelihoods:**

- Identify issues and needs in income restoration
- Formulate and implement income restoration programmes.
- Review existing data on APs' income sources, patterns and levels
- Assess possible strategies for income restoration; eg, for agricultural APs find out whether adequate agricultural land is available for income generation
- Identify income restoration strategies and assess feasibility
- Where people lose the income and livelihoods, establish appropriate income restoration programs with the objective to improve, or at least to restore their productive base
- Develop multiple options for income restoration of APs based on assessment of existing income generating patterns; eg, land replacement, employment, business development, community enterprises, training and skills development
- Field-test the income generation plan with selected APs as a trial activity
- Develop special measures for APs who are disadvantaged in terms on income generation and employment
- Consult women and women's groups, and establish women-centred income generation activities
- Consider both short and long term strategies for effective restoration plans
- Involve NGOs, women's groups, and other CBOs in income restoration planning and implementation.

## 7.7 Project Monitoring, Review and Evaluation Stage

Activities	Guidelines
<ul style="list-style-type: none"> <li>▪ Develop the Monitoring, Review and Evaluation Plan</li> <li>▪ Develop a system and provisions for internal monitoring of implementation (see Annex 5)</li> <li>▪ Provide for external monitoring and evaluation</li> <li>▪ Integrate the participation of NGOs, CBOs</li> <li>▪ Develop systems and methods for management information systems (MIS), information technology (IT) and networking</li> <li>▪ Develop systems for periodic monitoring and review</li> <li>▪ Provide for a socioeconomic survey to assess the impact in comparison with the baseline survey</li> <li>▪ Develop systems and methods and provide for the following in the socioeconomic survey: Data collection objectives, Data collection, Data collection operations, Analysis and Reporting</li> <li>▪ Provide to assess the environmental impact of the resettlements</li> <li>▪ Develop M-and-E indicators to assess the extent to which incomes and the quality of life have been restored or improved</li> <li>▪ Plan to provide any special social mitigation measures recognised as necessary from the evaluations done.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Establish a system for internal monitoring to assess progress in meeting key targets in the resettlement plan: the budget and timeframe, delivery of APs' entitlements, consultation, grievance and special issues and benefits</li> <li>▪ Provide sufficient time, resources and funds for internal monitoring</li> <li>▪ Conduct regular reviews based on monitoring and evaluation reports, and involving key stakeholders including APs' representatives. Reach consensus on action required to improve resettlement performance, and implement them</li> <li>▪ Establish a system for external monitoring and evaluation, reporting methods and reporting requirements. Involve APs, hosts, NGOs and community leaders on project monitoring and evaluation, and in the use of Participatory Rural Appraisal (PRA) and other methods</li> <li>▪ Include an ex-post evaluation of resettlement conducted by the independent external agency to assess effectiveness, impact and sustainability of impact entitlements and to learn strategic lessons for future policy formulation and planning</li> <li>▪ Review lessons learned for resettlement policy making and planning</li> <li>▪ Continue monitoring after project completion to determine if recovery has been accomplished.</li> </ul>

## **ANNEX 1 - Terms of Reference for Socioeconomic Surveys**

- Review existing data and determine the level of information required to meet policy standards, and choose appropriate data collection methods
- Cover all affected population groups including any host population
- Ensure gender disaggregated data are collected
- Establish a clear definition of key concepts like APs list
- Carry out comprehensive mapping of affected villages and host communities, including land use, cropping patterns, common property and use of nature resources
- Publish the APs list locally for verification by APs and NGO groups including any host population
- Include interdisciplinary skills in the core and involve local government or agency staff, AP groups and NGOs, in data collection, and
- Establish a computer database and a Programme that will facilitate identification of all information on households and individuals for project implementation and as a baseline for M-&-E.

Source: ADB Handbook on Resettlement.

**ANNEX 2 -  
Recommended Outline for a Full Resettlement Action Plan**

Topic	Contents
Scope of land acquisition and resettlement	<ul style="list-style-type: none"> <li>▪ Describe with the aid of maps the scope of land acquisition and why it is necessary for the main investment project</li> <li>▪ Describe alternative options if any, considered to minimise land acquisition and of whose effects are perceived unavoidable</li> <li>▪ Summarise key effects in terms of land acquired, assets lost, and people displaced from their home or livelihoods</li> <li>▪ Specify primary responsibilities for land acquisition and resettlement.</li> </ul>
Socioeconomic information	<ul style="list-style-type: none"> <li>▪ Define, identify and enumerate people who will be affected</li> <li>▪ Describe the likely impact of land acquisition on affected persons, taking into account social, cultural, and economic parameters</li> <li>▪ Identify all losses of the affected persons by land acquisition</li> <li>▪ Provide details of any common property resources</li> <li>▪ Specify how the 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.</li> </ul>
Objectives, policy framework and entitlements	<ul style="list-style-type: none"> <li>▪ Describe the purpose and objectives of land acquisition and resettlement</li> <li>▪ Describe key national and local land, compensation and resettlement policies, laws, and guidelines that apply to the project</li> <li>▪ Explain how the Bank's Policy on Involuntary Resettlement will be achieved</li> <li>▪ State principles, and legal and policy commitments from borrower executing agency for different categories of project impacts</li> <li>▪ Prepare an eligibility policy and entitlement matrix for all categories of loss, including compensation rates.</li> </ul>
Consultation, grievance redress and participation	<ul style="list-style-type: none"> <li>▪ Identify project stakeholders</li> <li>▪ Describe mechanisms for stakeholder participation in planning, management, monitoring and evaluation</li> <li>▪ Identify local institutions or organisations to support affected persons</li> <li>▪ Review the potential role of non-government organisations and community-based organisations</li> <li>▪ Establish a procedure to redress grievances of affected persons.</li> </ul>
Relocation of housing and settlements	<ul style="list-style-type: none"> <li>▪ Identify options for relocation of housing and other structures, including replacement, cash compensation and self-selection</li> <li>▪ Specify measures to assist with the transfer and, establishment at new sites</li> <li>▪ Review options to develop relocation sites, if required, in terms of location, quality of sites and development needs</li> <li>▪ Provide a plan for layout, design and social infrastructure for each site</li> <li>▪ Specify means for safeguarding the income and livelihoods</li> </ul>

	<ul style="list-style-type: none"><li>▪ Specify measures for planned integration with host communities</li><li>▪ Identify special measures that address gender issues and those related to vulnerable groups</li><li>▪ Identify any environmental risks and show how these will be managed and monitored..</li></ul>
--	--

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

Note: For comprehensive instructions on preparing a Resettlement Action Plan, see *Guidelines on the Preparation of a Resettlement Action Plan*.

**ANNEX 3 -  
Recommended Outline for a Short Resettlement Action Plan**

Topic	Contents
Scope of land acquisition and resettlement	<ul style="list-style-type: none"> <li>▪ Describe alternative options if any, considered for minimising land acquisition and its effects, and why the remaining effects are unavoidable</li> <li>▪ Summarise key effects in terms of land acquired, assets lost, and people displaced from homes or livelihoods.</li> </ul>
Objectives, policy framework and entitlements	<ul style="list-style-type: none"> <li>▪ Describe key national and local land compensation and resettlement policies, laws and guidelines that apply to the project</li> <li>▪ Explain how the national resettlement policy would be achieved.</li> </ul>
Consultation and grievance redress participations	<ul style="list-style-type: none"> <li>▪ Describe consultation processes and procedures to redress grievances.</li> </ul>
Compensation, relocation and income restoration	<ul style="list-style-type: none"> <li>▪ Describe arrangements for valuing and disbursing compensation</li> <li>▪ Describe arrangements for housing, including transfer and establishment</li> <li>▪ Describe income restoration measures to be implemented</li> <li>▪ Identify any environmental risks; describe management and monitoring steps in relocation.</li> </ul>
Institutional framework	<ul style="list-style-type: none"> <li>▪ Identify main tasks and responsibilities in planning, managing, and monitoring land acquisition and resettlement.</li> </ul>
Resettlement budget and financing	<ul style="list-style-type: none"> <li>▪ Identify land acquisition and resettlement costs and funding sources.</li> </ul>
Implementation schedule	<ul style="list-style-type: none"> <li>▪ Provide a time schedule showing how affected persons will be provided for before demolition begins.</li> </ul>
Monitoring and evaluation	<ul style="list-style-type: none"> <li>▪ Specify arrangements for M and E.</li> </ul>

Source: ADB Handbook on Resettlement.

## **ANNEX 4 - Outline for Terms of Reference for a Full Resettlement Action Plan**

The Resettlement Action Plan should set out the strategies to mitigate adverse effects and maintain or improve living standards of those affected by land acquisition and other resettlement effects.

The strategies should focus on:

- Entitlement package for those affected
- Management framework
- Mechanism for consultation and grievance resolution
- Timeframe, and
- Cost estimates.

The full RAP should be completed before project approval.

### **Task Steps**

- Study the principles of the NIRP and the provisions and procedures under the LAA that have an impact on those whose land will be acquired, with special reference to the timing of physical taking over of land, and timing and method for paying compensation.
- Examine, identify and document steps that can be taken to minimize land acquisition and resettlement impacts.
  - Examine options and decide on the best option adoptable if within the authority of the MOL or recommend the best option adoptable to the project authorities concerned.
- Conduct a participatory rural appraisal (PRA) in the area. Identify and consult key stakeholders as well as others who would be affected on possible effects.
  - In particular, identify vulnerable groups who need to be specially assisted; eg, the very poor, those without formal title, households headed by women, minority groups, the disabled and groups who are socially marginalized.
  - Decide whether a process of social preparation is required for some or all of the APs to help in building their capacity to address resettlement issues.
  - If so, design a social preparation phase. If not, choose methods to foster social preparation of all key stakeholders in the process of resettlement planning and implementation.
- Conduct a census of the people potentially affected to determine the scope and magnitude of the likely resettlement effects, and to list out likely

losses. This should be done based on the cut-off-date for entitlements decided under the LAA or by project management authorities.

- Conduct a socioeconomic survey of a sample of 20 percent of the households affected.
- Establish the baseline of income and expenditure, occupational and livelihood patterns, use of resources, arrangement for use of common property, social organisation, leadership patterns, community organisations and cultural parameters.
- Prepare an entitlement matrix listing likely effects of both temporary and long-term land acquisition.
  - Establish criteria for eligibility.
  - Prepare standards of compensation and restoration of the social and economic base of the APs to replace all types of losses.
  - Prepare a methodology for setting replacement values for assets lost, including land.
  - Establish culturally acceptable options for replacement of lost services, cultural sites, common property or access to resources for subsistence, income or cultural activities.

Prepare options for relocation and income restoration. This should be build upon the existing social, economic and cultural parameters both of the affected persons and of any host populations.

- Make special provisions for vulnerable groups.
- Provide for relocation costs, lost income and income support during transition.
- Where appropriate, identify relocation sites and prepare relocation plans.
- Make provisions for land ownership, tenure, transfer and access to resources.
- Where income must be restored, provide for needs assessment, employment generation and credit disbursement.
- Where affected people are to change their occupation, provide for training and vocational support mechanisms.
- Review the likely environmental impact of the resettlement process, and build plans to mitigate any adverse environmental effects.
- Prepare framework for participation of affected persons including women and vulnerable groups for entitlements, land acquisition and resettlement. Prepare social measures for resolution of grievances-and-appeals procedure.
- Prepare an institutional framework that designates responsibilities for the following.
  - Prepare detailed assets inventories.

- Provide compensation.
- Undertake the relocation process.
- Take responsibility for income restoration. Supervise, manage and monitor the implementation of land acquisition and resettlement. This includes the environmental management and monitoring of the resettlement process.
- Recommend an institutional strengthening strategy if required.
- Prepare a monitoring and evaluation plan by identifying the responsibilities, timeframe and key indicators. This should include monitoring by key agencies. There should be provisions for independent monitoring and evaluation. Specify the timeframe for monitoring and reporting.
- Prepare a timeframe and implementation schedule for land acquisition and resettlement. This should be done with reference to the agreed implementation schedule for project components. This should show how affected persons would be provided for before demolition begins.
- Identify indicative land acquisition and resettling costs and timeframe. Specify sources of funding and approval process.
- Prepare an annual budget estimate for resettlement indicating major categories of expenditure.

Source: ADB Handbook on Resettlement.

**ANNEX 5 -  
Social Safeguards in Involuntary Resettlement: STDP Experience**

<b>Policy Principle</b>	<b>Resettlement Planning Approach</b>	<b>Expected Benefits</b>
Avoid and minimise resettlement	Analyse alternatives through EIA/RAP	Minimum impact on the people; reduced costs
Re-establish livelihoods	Identify all APs; promptly, adequately and effectively compensate; resettle in new locations; support with services at each stage; assist in effectively utilizing compensation funds; assist with livelihood restoration; address grievances promptly and effectively	Satisfied APs; successful resettlement; avoidance of disputes, protests, resistance, delays in project implementation and cost overruns
Ensure vulnerable groups get special focus	Make identified, special provisions at all stages of the resettlement process	Vulnerable groups are not adversely affected by projects
Fair amount, timing and basis of compensation	Compensate on 'replacement cost' basis; Provide APs with details of the breakdown of compensation calculation; minimise delays in payment; where delays occur ensure that provision is made to top-up compensation so that APs can replace lost assets	Avoid impoverishment of APs; do not allow living standards of APs to deteriorate
Minimise adverse impact on livelihoods	Identify livelihood losses; consult APs on effective and appropriate mechanisms to re-establish livelihoods; make adequate provisions in the budget for this activity; consider livelihood restoration activities to be a development opportunity	Avoid impoverishment; APs are able to attain at least the standard of living that was there before the project
Efficient management of resettlement	Assign separate trained staff; provide resources; ensure that MIS system is in place; monitor and evaluate; set up grievance redress mechanisms; coordinate resettlement implementation and civil works; ensure a detailed resettlement implementation plan	Successful resettlement
Timely funding of resettlement	Prepare a comprehensive budget through RAP; identify funding sources; ensure flow of funds according to RAP	Minimised delays in project implementation; satisfied APs
Adequate relocation options	Identify preferences with the participation of APs and hosts; acquire, develop and service sites; allow APs agree to cost of site; ensure APs are given title to land	Satisfied APs; conflicts avoided.

## ANNEX 6 - Resettlement Monitoring Indicators

Types of Monitoring	Basis for Indicators
Budget and timeframe	<ul style="list-style-type: none"> <li>▪ Have all land acquisition and resettlement staff been appointed and mobilized for the field and office work on schedule?</li> <li>▪ Have capacity building and training activities been completed on schedule?</li> <li>▪ Are resettlement implementation activities being achieved against agreed implementation plans?</li> <li>▪ Are funds for resettlement being allocated to resettlement agencies on time?</li> <li>▪ Have resettlement offices received the scheduled funds?</li> <li>▪ Have funds been disbursed according to the RAP?</li> <li>▪ Has the social preparation phase taken place as scheduled?</li> <li>▪ Has all land been acquired and occupied in time for project implementation?</li> </ul>
Delivery of AP entitlements	<ul style="list-style-type: none"> <li>▪ Have all APs received entitlements according to numbers and categories of loss as set out in the entitlement matrix?</li> <li>▪ Have APs received payments on time?</li> <li>▪ Have APs' loss from temporary land borrowing been compensated?</li> <li>▪ Have all APs received the agreed transport costs, relocation costs, income substitution support and resettlement allowances, according to the schedule?</li> <li>▪ Have all replacement land plots or contracts been provided? Was the land developed as specified? Are measures in track to provide land titles to APs?</li> <li>▪ How many affected households have received land titles?</li> <li>▪ How many APs have received housing as per relocation options in the RAP?</li> <li>▪ Does the quality of housing meet the standards agreed?</li> <li>▪ Have relocation sites been selected and developed as per agreed standards?</li> <li>▪ Are the APs occupying the new houses?</li> <li>▪ Are measures for assistance for host communities implemented as planned?</li> <li>▪ Is restoration proceeding for social infrastructure and services?</li> <li>▪ Are APs able to access schools, health services, cultural sites and activities?</li> <li>▪ 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?</li> <li>▪ Have affected businesses received entitlements including transfer and payments for net losses resulting from business and production loss?</li> </ul>
Consultation, grievance and special issues	<ul style="list-style-type: none"> <li>▪ Have consultations taken place as scheduled including meetings, and group and community activities? Have resettlement leaflets been distributed?</li> <li>▪ How many APs know their entitlements? How many know whether the entitlements have been received?</li> <li>▪ Has any AP used the grievance redress procedure? What was the outcome?</li> </ul>

	<ul style="list-style-type: none"> <li>▪ Have conflicts been resolved?</li> <li>▪ Was the social preparation phase implemented?</li> <li>▪ Were special measures for indigenous peoples implemented?</li> </ul>
Benefit monitoring	<ul style="list-style-type: none"> <li>▪ What changes have occurred in patterns of occupation, production and resources-use compared with that of the pre-project situation?</li> <li>▪ What changes have occurred in income and expenditure patterns compared with that of the pre-project situation? What have been the changes in cost of living compared with that of the pre-project situation? Have APs' incomes kept pace with these changes ?</li> <li>▪ What changes have taken place in key social and cultural parameters relating to living standards?</li> <li>▪ What changes have occurred for vulnerable groups?</li> </ul>

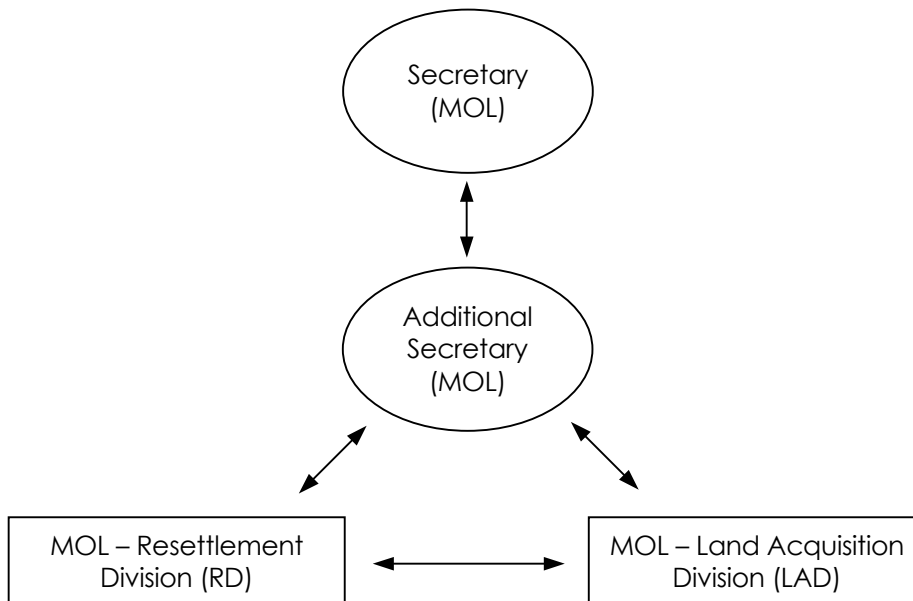
Source: ADB Handbook on Resettlement.

### **ANNEX 7 - Indicators for External Monitoring and Evaluation**

<b>Indicators</b>	<b>Basis for Indicators</b>
Basic information on affected households	<ul style="list-style-type: none"> <li>▪ Location</li> <li>▪ Composition and structure; age and educational and skill levels of occupants</li> <li>▪ Gender of household head</li> <li>▪ Ethnic group</li> <li>▪ Access to health, education, utilities and other social services</li> <li>▪ Housing type</li> <li>▪ Ownership of land and other resources and their usage patterns</li> <li>▪ Occupation and employment patterns</li> <li>▪ Income sources and levels</li> <li>▪ Agricultural production for rural households</li> <li>▪ Participation in neighborhood or community groups</li> <li>▪ Access to cultural sites and events</li> <li>▪ Value of all assets forming entitlements and resettlement entitlements</li> </ul>
Benefit monitoring	<ul style="list-style-type: none"> <li>▪ Were compensation payments for the house made free of depreciation, transaction fees or transfer costs to the AP?</li> <li>▪ Have APs adopted the housing options developed?</li> <li>▪ Have perceptions of 'Community' been restored?</li> <li>▪ Have APs achieved replacement of key social and cultural elements?</li> </ul>

Source: ADB Handbook on Resettlement.

**ANNEX 8 -  
Ministry of Lands: Organizational Relationships in Resettlement  
and Land Acquisition**



**Main Resettlement–Land Acquisition Relationships**

- PEAs through their respective Ministries or Divisional Secretaries present applications for land acquisition to the MOL.
- The MOL's Land Acquisition Division first refers the application to the Resettlement Division for approval of the RAP.
- The Resettlement Division is responsible for recommending to the Land Acquisition Division for both prescribed and non-prescribed projects.
- The Resettlement Division, through the Land Acquisition Division, will return any application for land acquisition without an acceptable RAP to the applicant to conform to the requirements. The Resettlement Division will provide the required guidance to the PEA to prepare the RAP.
- The Resettlement Division of the MOL, along with the CEA, will be responsible to ensure that the approved RAP is properly implemented.

## **ANNEX 9 - Coordination for Planning and Implementing the National Involuntary Resettlement Policy**

### **Introduction**

The implementation of the involuntary resettlement policy will be coordinated at the national level by a National Involuntary Resettlement Committee chaired by the Secretary to the Ministry of Finance. An Involuntary Resettlement Management Committee chaired by the Secretary to the Ministry of Lands will coordinate the planning and implementation of resettlement by various public and private sector agencies. Monitoring at the project level will be carried out by field level monitoring committees. The composition of these committees and their key functions are described in the following sections.

### **National Involuntary Resettlement Committee (NIRC)**

#### **Composition of the Committee**

Secretary, Ministry of Finance (Chair)  
Secretary, Ministry of Lands  
Secretary, Ministry of Environment and Natural Resources  
Director General, External Resources Department  
Director, Resettlement Division, Ministry of Lands (Secretary)  
Secretary, Ministry of Highways  
Professor of Sociology, University of Colombo  
Other Secretaries by invitation according to need

#### **Key Functions**

- Review and resolve issues relating to policy, implementation, inter-agency coordination, funding, and resettlement in donor-funded projects
- Ensure adequate funding is available for socioeconomic surveys, preparation of RAPs, monitoring and evaluation.

#### **Frequency of Meetings**

Quarterly

### **Involuntary Resettlement Management Committee (IRMC)**

#### **Composition of the Committee**

Additional Secretary – Lands, Ministry of Lands (Chair)  
Director – Resettlement Division, Ministry of Lands  
Director – Land Use Planning, Ministry of Lands  
Deputy Director – Social, Central Environmental Authority  
Additional Director General, National Planning Department  
NGO Representatives (2)  
Project Executing Agencies by invitation

#### **Key Functions**

- Review policy implementation and recommend appropriate improvements
- Monitor and review implementation of resettlement in development projects

- Resolve planning and implementation issues
- Ensure the participation of affected persons in planning, payment of compensation, livelihood restoration and monitoring
- Submit quarterly reports on resettlement policy, planning, implementation, monitoring and evaluation to the National Involuntary Resettlement Committee
- Periodically review human resource capacity in resettlement and organize training programmes
- Identify technical assistance requirements
- Ensure the active involvement of civil society representatives in resettlement activities, and
- Refer appropriate policy and implementation issues to the NIRC for resolution.

### **Frequency of Meetings**

Bi-monthly

### **Project/Field Resettlement Monitoring Committees**

#### **Composition of the Committees**

Project Director of the Project Executing Agency (Chair)  
 Divisional Secretary/ies  
 Director – Resettlement Division, Ministry of Lands  
 Deputy Director – Social, Central Environmental Authority  
 NGO Representative  
 Affected Persons Representatives (2)  
 Grievance Redress Committee Chair/s.

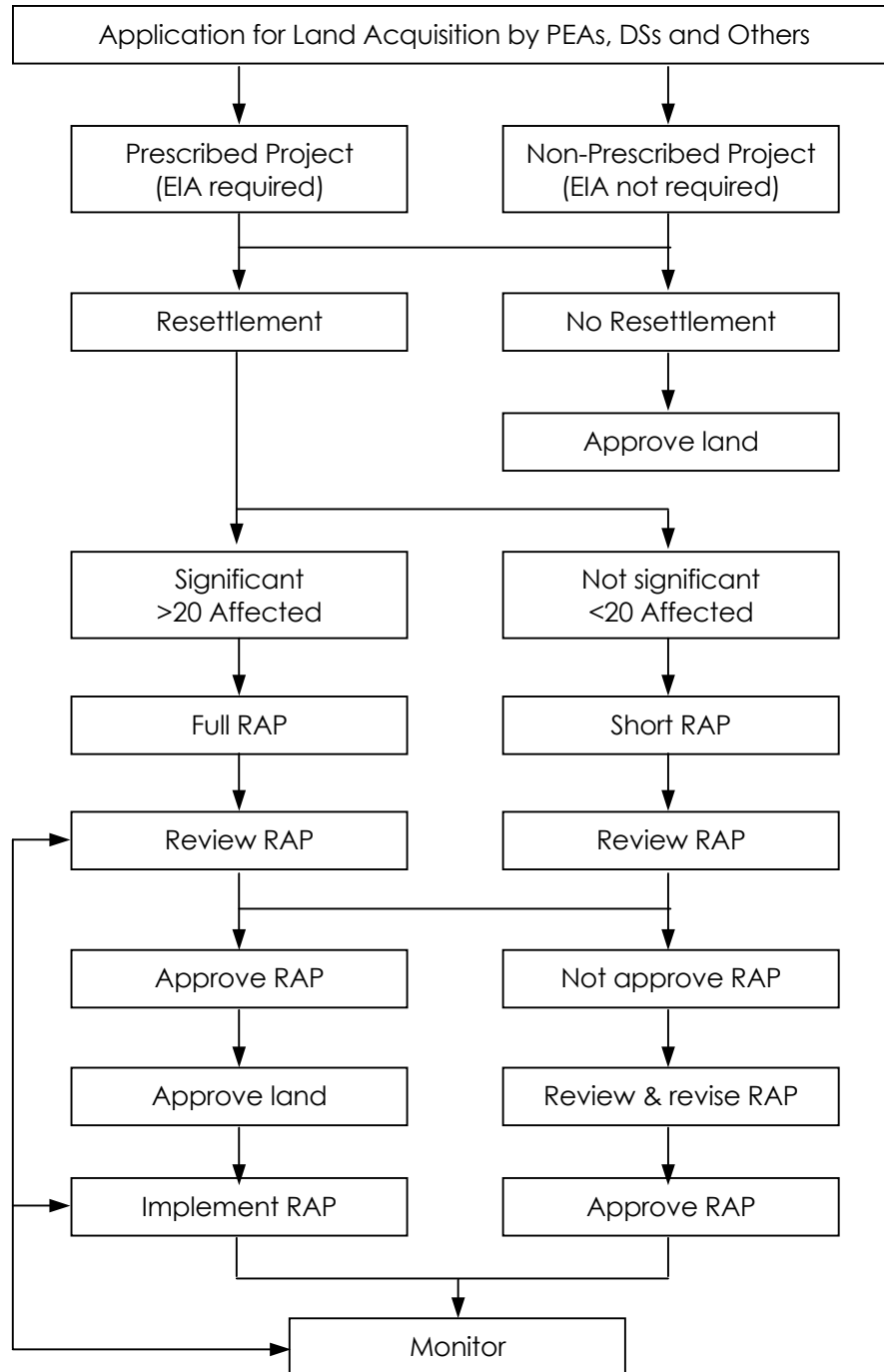
#### **Key Functions**

- Review and resolve RAP implementation issues
- Provide a forum for APs, NGOs and local leaders to contribute towards effective resettlement implementation
- Identify and refer issues that cannot be resolved at field level to the IRMC

### **Frequency of Meetings**

Monthly

**ANNEX 10 -  
General Procedure for Approval of Resettlement Action Plans  
and Land Acquisition by the Ministry of Lands**



The flow-diagram above shows the general procedure that will be adopted by the Ministry of Lands in dealing with involuntary resettlement and land acquisition for development projects. The steps in the process are briefly described as follows.

1. The Project Executing Agency makes an application to the Ministry of Lands for land acquisition usually through the appropriate Divisional Secretary.
2. The Land Acquisition Division receives the application and refers it to the Resettlement Division.
3. The Resettlement Division reviews the application and determines if the land acquisition is for a prescribed project or a non-prescribed project under the NEA. It also makes an assessment of the scale of resettlement impacts.
4. If it is a prescribed project, then the Central Environmental Authority (CEA) is consulted to determine if: (a) an Environmental Impact Assessment has been carried out for the project; (b) a socioeconomic survey was conducted as a part of the EIA; and if (c) the selected project option included efforts to avoid/minimize involuntary resettlement. The Resettlement Division will liaise with the CEA in ensuring that a Resettlement Action Plan is prepared and submitted for review.
5. If it is a non-prescribed project, then the Resettlement Division advises the PEA to prepare a Resettlement Action Plan. The MOL provides guidance to the PEA to prepare the RAP.
6. In the case of prescribed projects the CEA reviews the RAP and sends it to the Resettlement Division of the MOL for review and to ensure that all the requirements have been satisfied.
7. For non-prescribed projects PEAs submit the RAP to the Resettlement Division for review and approval.
8. For both prescribed and non-prescribed projects the Resettlement Division has to be satisfied that the RAP is acceptable before it recommends land acquisition.
9. Where a RAP does not meet the requirements, the Resettlement Division advises the PEA to revise/improve the report and resubmit for approval.
10. After approval of the RAP the project goes into the implementation phase where the land acquisition process commences and other aspects of the RAP are initiated.
11. Where the number of households affected is more than 20, a Full Resettlement Action Plan has to be prepared. For projects with less than 20 households a Short Resettlement Action Plan has to be prepared. (See ***Guidelines for the Preparation of Resettlement Action Plans***).
12. When reviewing a RAP and applications for land acquisition, the Resettlement Division will pay special attention to the following.
  - Ensure that all resettlement impacts are fully assessed
  - The availability of funds for compensation, relocation and livelihood restoration

- Compensation payment on the basis of replacement cost
- Comprehensive census of households and inventory of losses
- An assessment of the scale of land acquisition involved
- A participatory approach to planning and implementing resettlement
- Clear definition of compensation entitlements
- Relocate affected households in their new sites well in advance of any construction work
- Restore livelihoods
- Replacement of infrastructure and restore social services
- Ensure a process for redressing grievances
- Guarantee an organisational system for resettlement management, and
- Assure an effective resettlement monitoring system with clear criteria.

## ANNEX 11 - Improving the Efficiency of the Land Acquisition Process

### Background

At present land required for a public purpose is acquired under the Land Acquisition Act, which defines the various steps that have to be adopted. Notification of the intention to acquire is done through government notices and gazettes. Thereafter a series of additional gazette notifications are issued. However, the process gets delayed at different stages. Often the first time people learn that their land is to be acquired is when surveyors visit the property. When a large number of properties has to be acquired for a project, the resources necessary to publish gazette notices, carry out land surveys, conduct inquiries, value properties, pay compensation and relocate affected households, are not available. In other instances, affected persons have difficulty in demonstrating ownership of their land and this too delays the whole process. In general the onus is on the affected person to produce the supporting documentation. Because of these delays the entire process for acquiring a property takes in excess of seventy weeks.

### Experience with Road Projects

The Southern Transport Development Project (STDP), known also as the Colombo-Matara Expressway, that is being implemented at present with the assistance of the Asian Development Bank and the Japan Bank for International Cooperation, requires the acquisition of several thousand lots of land. The acquisition of these properties and the relocation of households have to be completed according to a planned schedule. In order to do this the government took special measures aimed at reducing the time required for land acquisition. Cabinet approval was obtained to shorten many of the stages in the land acquisition process. **Figure 11.1** in the following page shows this revised procedure that is being adopted by the STDP. Additional resources in the form of special Acquiring Officers, Land Acquisition and Resettlement Committees, incentives to officials of the Divisional Secretariats, and Survey and Valuation Staff, were required to implement this procedure. Compensation is being paid on the basis of "replacement cost", in conformity with the NIRP, and this is an added factor that has contributed to a more efficient land acquisition process.

The Ministry of Lands is taking steps to amend the Land Acquisition Act to make provision for the National Involuntary Resettlement Policy and to reduce the period required for land acquisition. The process as outlined in **Figure 11.1** is being adopted in the STDP and it is proposed to extend this procedure to other road projects. Although the intention of the revised procedure is to reduce the time to eighteen weeks, there are some impediments that cause delays. However, the experience in the STDP has clearly shown that adopting the measures can significantly reduce the time required for land acquisition.

**Table 11.1 – Accelerated Land Acquisition Process Based on Experience on Road Projects**

<b>Action under LAA</b>	<b>Respon- -sibility</b>	<b>Process</b>	<b>Duration in weeks</b>
Publish notice under Sec.2 and issue survey requisition	Div. Sec. (DS)		1
Survey the land and prepare the plan	Survey Dept.	Plan to facilitate issue of Sec.5 notice and for further action	4
Section 38(a) proviso order	MOL	Issue notice immediately on receipt of the plan	3
Issue Sec.5 notice	MOL	Immediately after issue of Sec.38(a) notice	1
Gazette Sec.5 notice	DS	Immediately on receipt of Sec.38(a) notice—prepare in all three languages	2
Issue Sec.7 notice	DS	Prepare Sec.7 notice immediately on receipt of the plan and submit for the gazette before receipt of the gazette for Sec.5 notice	0
Ownership and compensation inquiries to begin under Sec.7 and issue of ownership determination	DS	Members of the Land Acquisition and Resettlement Committee (LARC) to be included as required	4
Payment of compensation	DS	Release funds direct to the DS	1
Payment of interest	DS	Calculate interest soon after compensation payment and preferably pay both the compensation and the interest at the same time.	1
Take possession of the land	DS	After all compensation payments are made.	1
<b>Total (Estimated)</b>			<b>18</b>

Note: The Cabinet approved this shorter procedure in September 2001. In actual practice the process still takes at least 37 weeks. However, this is a significant reduction of the time compared with the general procedure that takes at least 70 weeks.

## **ANNEX 12 - Institutional Arrangements for Involuntary Resettlement at the Central Environmental Authority (CEA)**

### **Background**

The legal framework for the NIRP incorporates dealing with involuntary resettlement as a “component” of the environmental impact assessment (EIA) process. The CEA is responsible for “the review of impacts and mitigating measures of projects involving involuntary resettlement”. Accordingly, the CEA is a partner with the MOL in the management of the NIRP.

The CEA is vested with powers by the NEA “to require the submission of proposals, for new projects and changes or abandonment of existing projects, for the purpose of evaluation of the beneficial and adverse impacts of such proposals on the environment”.

The NEA requires “prescribed projects” to be approved under the Act for their implementation. Regulations framed under the Act (1993) specify the type of projects that should be submitted for approval. At present the involuntary resettlement of 100 or more families constitutes a project that requires approval under the regulations. It is proposed to amend the NEA to reduce this to 20 or more families to conform to the National Involuntary Resettlement Policy.

EIAs are required to identify the impact of proposed development projects on the natural and social environment, and make proposals for mitigating negative impacts of such projects.

The CEA is charged with the responsibility of implementing the provisions relating to the approval of projects. Process and planning guidelines set out the procedure for implementing the EIA procedure.

The management of the EIA procedure is assigned to the Environmental Management and Assessment Division. The Unit to be headed by the Deputy Director–Social within the EIA branch will undertake social assessment, specifically involuntary resettlement aspects of project approval under the NEA.

### **Responsibilities and Functions in respect of Involuntary Resettlement**

These are as follows.

- Policy Management
- Manage the application of the NIRP principles by creating project execution commitments in respect of involuntary resettlement of 20 or more families through the EIA regulatory process. CEA with the PAAs to review, approve, monitor and evaluate resettlement plans
- Policy Implementation Support, and
- CEA to guide PEAs on the preparation of Resettlement Action Plans, create awareness among stakeholders of the CEA's role and functions as well as procedures to be followed to comply with the NIRP.

### **Policy Management Role and Functions**

Fundamental to the effective implementation of the NIRP is the necessity to ensure that the process is made “fair, equitable and predictable”. This requires compliance with the NIRP principles. This is given effect through the submission of a RAP, its review and approval, and monitoring of implementation. Therefore the management of the RAP process is central to the effective application of the NIRP in taking care of concerns of affected persons. Specific functions the CEA undertakes in this regard include the following.

- Provide for the implementation of the NIRP through the EIA regulatory process to ensure that PAAs and PPs address involuntary resettlement issues
- Provide necessary technical guidance to PAAs and PPs on social assessment requirements of the NIRP
- Review RAPs prepared by PPs
- Monitor compliance with approval conditionalities in the implementation of RAPs, and
- Liaise with the MOL in providing for complementarity in policy management actions undertaken by respective agencies.

### **Policy Implementation Role and Functions**

This would involve performing the following functions.

- Review issues arising in the approval of RAPs and provide appropriate process and planning guidelines
- Create awareness and provide training to the NIRP stakeholders regarding the process of planning, approval and monitoring of RAPs, and
- Provide for documentation and information services on RAPs.

The following Guidelines need reference by the CEA in the RAP process.

- EIA Process Guidelines to ensure that the social dimensions of project proposals receive appropriate attention in its own right
- Guidelines for a Participatory Resettlement Process to allow stakeholders of involuntary resettlement to participate in the RAP process
- General Guidelines on Planning and Implementation of Involuntary Resettlement, and
- Guidelines for the Preparation of a Resettlement Action Plan.

While resettlement planning and implementation guidelines delineate the specific institutional arrangements for the RAP review and approval process, the following imperatives in the functions of social assessment need to be noted.

- Engagement with the relevant resettlement stakeholders in the planning, review, appraisal, and approval process to ensure their participation and inclusion
- Procedural compliance with EIA regulations for transparency of the planning, review, appraisal and approval of resettlement plans

- Accountable performance of roles and responsibilities by Project Proponents, Project Approving Authorities and the CEA through public participation mechanisms built into the regulatory process
- Open channels of communication between the Project Approving Authority and affected persons to ensure responsiveness of the planning, review, appraisal, and approval process to resettlement concerns, and
- Maintaining a clear separation of the Project Proponent and Project Approving roles in order to ensure equity of the planning, review, appraisal, and approval process.

## References

Government Printing Press. (1995). Gazette Notification No.859/14 of 23.02.1995.

Ministry of Environment. (1980). National Environmental Act No.47 of 1980 and, #56 of 1988.

Ministry of Lands. (1950). Land Acquisition Act of 1950.

Ministry of Lands. (2003). National Involuntary Resettlement Policy.

\*\*\*