

HOW-TO GUIDE

Hydropower Resettlement



A guide for hydropower project developers and operators on delivering good international industry practice



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Consultations and training programs in the resettlement villages of the Nam Theun 2 project in Lao PDR

*Photo Credit:
Asian Development Bank*

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Glossary

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| Adequate | Sufficient, or enough to satisfy a requirement or meet a need. |
| Agreement | A recorded understanding between individuals, groups or entities to follow a specific course of conduct or action. It may be incorporated into, for example, a memorandum of understanding, minutes of a meeting, a letter of intent, a joint statement of principles, a contract, an operating licence, etc. |
| Appeal | A legal process in which a party asks a higher-level government authority to have a decision that was made by a government authority reviewed and changed. |
| Appropriate | Suitable for a particular person, condition, occasion, or place; fitting; meeting identified needs or requirements. |
| Baseline | A set of measurements, statistics or conditions used as a basis for later comparison. The baseline refers to the pre-project conditions, prior to the initiation of the project, against which post-project changes can be compared. For operating hydropower facilities, if a pre-project baseline does not exist then the present condition is taken as the baseline. |
| Census | The registration of the land, structures and livelihood assets of each individual or household who will be displaced, to serve as the basis for compensation. |
| Commitment | A binding pledge or promise to do, give, or refrain from doing something. |
| Community groups | Groups of people with common characteristics or interests, who live together within the larger society. There are many different ways to view these groups, which will need to be defined in meaningful ways for the project. These may include, for example, urban dwellers, rural dwellers, indigenous peoples, ethnic minorities, people of a common profession or religion; disabled, elderly or illiterate people; women, men, children, etc. |
| Compensation | Payment in cash or in kind for an asset or a resource that is acquired or affected by a project. |
| Compliance | Adherence to legal requirements, policies and public commitments. |
| Comprehensive | All relevant components have been considered and addressed. |
| Compulsory acquisition | The power of government to acquire private rights to land without the willing consent of its owner or occupant, in order to benefit society. |
| Conformance | Addresses the level to which implementation measures conform to the most up-to-date project-related plans. |
| Consent | Signed agreements with community leaders or representative bodies who have been authorised by the affected communities which they represent, through an independent and self-determined decision-making process undertaken with sufficient time and in accordance with cultural traditions, customs and practices. |
| Corruption | Lack of integrity or honesty (especially susceptibility to bribery); use of a position of trust for dishonest gain. |
| Cut-off date | The date after which any persons without existing land rights or claims, who move into an area that is to be acquired for project development, are not eligible for displacement-related compensation. |
| Developer | The lead entity or consortium of entities investing in the development of a hydropower project. |

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| Directly affected stakeholder | Those stakeholders with substantial rights, risks and responsibilities in relation to the issue. These may be inside the project-affected area (e.g. project-affected communities) or outside the project-affected area (e.g. government regulators, finance institution representatives, or investment partners). |
| Displacement | The movement of persons and/or things from one place or position to another. |
| Economic displacement | Loss of land, assets, access to assets, income sources, or means of livelihood. |
| Effective | Producing or capable of producing an intended, expected and/or desired effect. |
| Eminent domain | The right of the state to use its sovereign power to acquire land for public purposes. National law establishes which public agencies have the prerogative to exercise eminent domain. |
| Encroacher | Someone who enters the land to be acquired after a specified cut-off date identified by government and who does not have pre-existing rights or claims to the land; hence, they are not entitled to any compensation for project land acquisition, nor entitled to participate in any resettlement programmes. |
| Engaged | Interacted with, often through consultation processes. |
| Entitlement | Resettlement entitlements with respect to a particular eligibility category are the sum total of compensation and other forms of assistance provided to displaced persons in the respective eligibility category. |
| Equity | Equality or evenness. |
| Escrow account | An account in which funds are kept in trust until appropriately authorised instructions are provided. This is only to be used as an exception for resettlement if there is a major problem with timely delivery of compensation funds to a displaced person (e.g. where repeated efforts to contact an absentee landowner have failed, or the amount is subject to a court ruling). |
| Expert | A person with a high degree of skill in or knowledge of a certain subject, as a result of extensive experience or training in that subject. |
| Expropriation | The process whereby a public authority, usually in return for compensation, requires a person, household or community to relinquish rights to land that it occupies or otherwise uses. |
| Fair | Free from favouritism, self-interest, bias or deception, and conforming to established standards or rules |
| Forced eviction | The permanent or temporary removal against their will of individuals, families, and/or communities from the homes and/or land which they occupy, without the provision of, and access to, appropriate forms of legal and other protection. |
| Gender | Culturally based expectations of the roles and behaviours of males and females. The term distinguishes the socially constructed from the biologically determined aspects of being male and female. |
| Governance | The combination of processes and structures that inform, direct, manage and monitor the activities of the project towards the achievement of its objectives. |
| Grievance | A cause for complaint over an issue believed to be wrong or unfair. |

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| Grievance mechanisms | The processes by which stakeholders are able to raise concerns, grievances and legitimate complaints, as well as the project procedures to track and respond to any grievances. |
| Host communities | The pre-existing resident communities to which resettlees are relocated, in the case that the resettlement destinations are merged into existing villages. |
| Human rights | The basic rights and freedoms to which all humans are entitled, encompassing civil, political, economic, social, and cultural rights, and enshrined in international declarations such as the Universal Declaration on Human Rights 1948. |
| Impact | The effect or consequence of an action or event; the degree to which an impact is interpreted as negative or positive depends on context and perspective. |
| Income restoration or improvement | Re-establishing productive livelihood of the displaced persons, to enable income generation that is equal to ('restoration') or, if possible, better than ('improvement') that earned by the displaced persons before resettlement. |
| Independent review | Expert review by someone not employed by the project and with no financial interest in profits made by the project. |
| Indigenous peoples | A distinct social and cultural group possessing the following characteristics in varying degrees: self-identification as members of a distinct indigenous cultural group and recognition of this identity by others; collective attachment to geographically distinct habitats or ancestral territories in the project area, and to the natural resources in these habitats and territories; customary cultural, economic, social or political institutions that are separate from those of the dominant society or culture; an indigenous language, often different from the official language of the country or region. |
| Land acquisition | Obtaining land for project purposes. |
| Legacy issues | Impacts of previous projects that are unmitigated or not compensated for with a similar good or service; long-standing issues with a present (existing) project; or pre-existing issues in the present location of a new project. |
| Livelihood | The capabilities, assets (stores, resources, claims and access) and activities required for a means of living; they are indicators of household well-being. Examples include consumption, income, savings, employment, health, education, nutrition, housing, and access to electricity, clean water, sanitation, health services, educational services, transport, etc. |
| Livelihood plan | A document, section of a document or set of documents that describe how project-related economic displacement has been and will be addressed. |
| Living standards | The level of material comfort, as measured by the goods, services and luxuries available to an individual, group or nation. |
| Local | Administrative subdivisions of a national territory (e.g. with reference to local land use plans) |
| Long term | The planned life of the hydropower project. |
| Maintenance | The work of keeping something in proper condition; upkeep. |
| Management plan | A tool used as a reference for managing a particular project issue, and establishes the 'why, what, how, who, how much, and when' for that issue. |
| Management system | The framework of processes and procedures used to ensure that an organisation can fulfil all tasks required to achieve its objectives. |
| Maximised | Achieved to as great an extent as is practicable, taking into account all constraints. |

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| Meaningful consultation | A process that (i) begins early in the project preparation stage and is carried out on an ongoing basis throughout the project cycle; (ii) provides timely disclosure of relevant and adequate information that is understandable and readily accessible to affected people; (iii) is undertaken in an atmosphere free of intimidation or coercion; (iv) is gender inclusive and responsive, and tailored to the needs of disadvantaged and vulnerable groups; and (v) enables the incorporation of all relevant views of affected people and other stakeholders into decision-making, such as project design, mitigation measures, the sharing of development benefits and opportunities, and implementation issues. |
| Minimised | Achieved to as limited an extent as is practicable, taking into account all constraints. |
| Mitigation | Moderation, alleviation, and/or relief of a negative impact. |
| Negotiated settlement | The situation in which the developer tries to arrive at a mutually agreeable negotiated settlement with the landowner or land user, to avoid the costs, delays and implications involved in compulsory acquisition processes. |
| Non-compliance | Not meeting legal, licence, contractual or permit obligations. |
| Non-conformance | Not meeting targets and objectives in the management plans; these may or may not be publicly stated commitments, but they are not legally binding, and violation cannot incur legal action. |
| Notification | The act of telling potentially displaced persons about the pending land acquisition and associated information and processes, including the cut-off date and the census date. |
| Physical displacement | Relocation, loss of residential land, or loss of shelter as a result of (i) involuntary acquisition of land, or (ii) involuntary restrictions on land use or on access to legally designated parks and protected areas. |
| Plans | Management measures to address an identified issue, which may or may not be formalised into business management plans. Plans can include documented planned arrangements, for example based on agreements for forward actions made at meetings. Plans may also be those of the developer, owner or operator, or plans of the relevant government agency or other institution which has primary responsibility for that sustainability topic. Plans can also be those developed by the contractor responsible for implementation. |
| Practicable | Capable of being done with the means at hand and with circumstances as they are. |
| Process | A series of actions, changes or functions, bringing about a result. |
| Project lands | The land that is owned, utilised and/or affected by the project. |
| Protection | To keep in safety and protect from harm, decay, loss, damage or destruction. |
| Publicly disclosed | The public is informed that the agreement, commitment, assessment, management plan or significant report has been made or completed, and it is made publicly available either voluntarily (e.g. posted on a website) or on request in a timely manner. |
| Replacement cost | Replacement cost involves replacing an asset at a cost prevailing at the time of its acquisition. This includes fair market value, transaction costs, interest accrued, transitional and restoration costs, and any other applicable payments, if any. Depreciation of assets and structures should not be taken into account for replacement cost. Where there are no active market conditions, replacement cost is equivalent to the delivered cost of all building materials, labour cost for construction, and any transaction or relocation costs. |
| Relocation assistance | Support provided to persons who are physically displaced by a project. Relocation assistance may include transportation, food, shelter, and social services that are provided to the displaced persons during their relocation. It may also include cash allowances that compensate displaced persons for the inconvenience associated with resettlement, and defray the expenses of a transition to a new locale, such as moving expenses and lost work days. |
| Resettlees | Those people who are required to be resettled, i.e. those who are physically displaced by the project. |

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| Resettlement | The process by which people who are physically displaced are supported to re-establish their housing, living arrangements and livelihoods, because due to the project they are no longer allowed to stay in the area in which they were residing. |
| Resettlement plan | A document or set of documents specifically developed to identify the actions that will be taken to address resettlement. It would typically include identification of those being resettled; the socio-economic baseline for the resettles; the measures to be implemented as part of the resettlement process, including those relating to resettlement assistance and livelihood support; the legal and compensation frameworks; organisational roles and responsibilities; budget allocation and financial management; the timeframe, objectives and targets; grievance redress mechanisms; monitoring, reporting and review provisions; and understandings relating to consultation, participation and information exchange. This may in some cases be called a Resettlement Action Plan (RAP). The aspects addressing economic displacement may be separated out into a livelihood plan or other similar expression. |
| Resettlement entitlements matrix | A summary of the formal commitments and expectations of all involved stakeholders (e.g. government, resettles, hosts, the developer) to those impacted by resettlement. This may be called a compliance matrix, entitlements matrix, entitlements summary or other similar expression. |
| Resettlement implementation period | The period following project commissioning, during which entitlements are provided to the resettles and host communities. The duration of this period may be specified in the project approval licence (or similar) and/or any associated agreements. |
| Resettlement transition period | The initial period post-resettlement, during which targeted measures are provided to help ensure that the transition is well supported. The duration of this period may be specified in the project approval license (or similar) and/or any associated agreements. |
| Restrictions on land use | Limitations or prohibitions on the use of agricultural, residential, commercial, or other land that is directly introduced and put into effect as part of the project. |
| Security of tenure | Protection of resettled persons from forced evictions at resettlement sites. Security of tenure applies to both titled and non-titled displaced persons. |
| Self-resettlers | Those who relocate themselves with cash compensation and potentially other forms of project support. |
| Significant | Important in effect or consequence, or relatively large. |
| Socio-economic survey | A study of the communities and households who will be displaced, with respect to their demographics, living standards, livelihoods and vulnerabilities, to inform Resettlement Action Plan development and the designation of support measures and entitlements. |
| Suitable | Appropriate for the desired purpose, condition or occasion. |
| Timely | Occurring at a suitable or opportune time. |
| Transparent / transparency | Open to public scrutiny, publicly available, and/or able to be viewed or disclosed to the public on request. |
| Upgrade | To improve to a higher grade or standard. |
| Vulnerable | Those individuals or social groups who are marginalised or impoverished, with very low capacity and means to absorb change. |



Replacement houses in Qerret village under the Devoll project's resettlement program in Albania
Photo Credit: Statkraft

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Introduction



Introduction

Hydropower developers harness the power of water to generate electricity, an essential service with the potential to play a pivotal role in society's sustainable development. Hydropower developments come in a wide variety of scales, shapes and forms to suit the specific context and need. In some cases, the land most suited to hydropower development may already be occupied or used, which raises the possibility that people will need to move.

Resettlement has been a contentious issue associated with hydropower and other major infrastructure developments. Estimates by the World Commission on Dams indicated that large dams may have displaced between 40 and 80 million people from 1950 to 2000 (WCD 2000).





New school built by
the Sogamoso project
in Colombia
Photo Credit: Bernt Rydgren

The approach strongly promoted in international good practice is for the developer to work in partnership with the government to plan and deliver a development opportunity for those people who are affected.

Hydropower projects need to demonstrate that the dignity and human rights of those affected by resettlement have been respected, through a participatory process based on fairness and equity, which aims to achieve a sustainable improvement in the livelihoods and living standards of resettles and host communities.

“Resettlement is a highly sensitive issue and needs to be handled with great care and commitment.”

1.1 This How-to Guide

1.1.1 Aim

- This How-to Guide contributes to increasing knowledge and understanding of the practical measures that can be undertaken to meet good international industry practice, in conformance with the internationally recognised Hydropower Sustainability Tools (see Box 1). This suite of sustainability tools seeks to harmonise the understanding and promotion of sustainability in hydropower.
- This How-to-Guide can help developers and governments to plan for, design, implement and monitor resettlement programmes arising from hydropower projects. It expands upon the Hydropower Sustainability Good International Industry Practice Guidelines (HGIIIP), and is designed to provide practical support for practitioners and stakeholders in resettlement arising from hydropower development.



The Hydropower Sustainability Tools are governed by the Hydropower Sustainability Assessment Council, a multi-stakeholder group of industry, government, financial institutions, and social and environmental NGOs. The tools are supported by the International Hydropower Association (IHA), the council's management body

Sustainability guidelines

The HGIIIP define expected sustainability performance for the sector across a range of environmental, social, technical and governance topics. Released in 2018, the 26 guidelines present definitions of the processes and outcomes related to good practice in project planning, operation and implementation. As a compendium, the guidelines are a reference document for meeting the expectations of lenders, regulators and consumers. Compliance with each guideline can be specified in commercial contracts between financiers and developers, and between developers and contractors. The guidelines are based on the performance framework of the HSAP.



Resettlement

The Resettlement good practice guideline addresses the management of resettlement issues with the hydropower project or operating facility. Adherence with this guideline is measured using the HSAP and the HESG.

Further information

Visit [Hydrosustainability.org](https://www.hydrosustainability.org)

Assessment protocol

The HSAP offers a framework for objective assessments of hydropower project performance. It was developed between 2007 and 2010 following a review of the World Commission on Dams' recommendations, the Equator Principles, the World Bank Safeguard Policies and IFC Performance Standards, and IHA's own previous sustainability tools. Assessments are delivered by independent accredited assessors and can examine different stages of a project's life cycle. Evidence collected during an assessment is used to create a sustainability profile and benchmark performance against both good and best proven practice. The assessment protocol was updated in 2018 with a new topic covering hydropower's carbon footprint and resilience to climate change.

Gap analysis tool

The HESG enables hydropower project proponents and investors to identify and address gaps against international good practice. Launched in 2018, the tool is based on the assessment framework of the HSAP's environmental, social and governance topics.

It provides a gap management action plan to help a project team address any gaps and is divided into 12 sections that are compatible with both the IFC Environmental and Social Performance Standards and the World Bank's Environmental and Social Framework.

1.1.2 Approach and structure

This guide draws on experience and guidance expressed in a range of internationally available resources. It draws on guidance from development banks and international organisations with considerable experience in land acquisition and project-induced resettlement, and literature that seeks to outline good practice approaches and lessons learned.

This guide does not attempt to be exhaustively comprehensive on how to conduct every component of a resettlement programme. Rather, it highlights steps of importance and guides what to pay particular attention to, so that problems arising in experiences elsewhere can be avoided.

This guide maps out the steps and deliverables that responsible parties should fulfil to meet good international industry practice, following the project life cycle from early project concept through to detailed project design, construction and operation.

The guide is presented in five chapters and two annexes:

- **Chapter 1** – Introduction
- **Chapter 2** – Understanding resettlement in hydropower
- **Chapter 3** – Achieving good international industry practice
- **Chapter 4** – Strategies and approaches
- **Chapter 5** – Conclusions
- **Annex 1** – Bibliography
- **Annex 2** – Project examples

1.2 Resettlement in the Hydropower Sustainability Tools

The hydropower sector now has a suite of sustainability tools to harmonise the understanding of sustainability in hydropower, as shown in Box 1. A separate topic on Resettlement is included in all three of the HSAP tools that correspond to the project life-cycle stages of Preparation, Implementation and Operation, and requirements on resettlement are also set out in the HESG. These tools provide a definition

of good international industry practice in the management of resettlement, structured by criteria on Assessment, Management, Stakeholder Engagement, Stakeholder Support, Conformance and Compliance, and Outcomes.

The intent of the Resettlement topic is that:

- the dignity and human rights of those physically displaced are respected;
- these matters are dealt with in a fair and equitable manner;
- livelihoods and standards of living for resettlees and host communities are improved;
- commitments made to resettlees are fully delivered.

1.2.1 Objectives of this How-to Guide

This guide:

- sets out the many considerations that arise in relation to planning for and managing resettlement;
- outlines important methodological steps and practical strategies to achieve good international practice;
- highlights the risks that need to be monitored and managed, including how these may arise, how they can be best avoided, and how they can be identified and mitigated in a timely manner.

The guide explains the steps and the risks that need to be managed with resettlement. It highlights and responds to the questions that arise for those in positions of responsibility when they are trying to follow guidelines and to put the words into practice. It raises questions that responsible parties should be asking, such as “how can we ensure that the entitlements and intended benefits for resettlees are most likely to achieve their objectives?” and “how can we identify and manage the risks?”, and proposes approaches for addressing these concerns. It provides guidance on engagement with the affected communities, in order to empower

them in the resettlement process, so that they are most likely to be supportive of the approach taken. Ultimately, this guide provides the developer and government with strategies and approaches that can help achieve good practice processes and outcomes for those impacted by resettlement.

1.2.2 Scope

The scope of the guide covers:

- the basic good practice requirements for the management of resettlement set out in the HSAP and associated tools;
- all stages of a project's life, from the Early Stage through Preparation, Implementation and Operation.

This guide applies to projects that require permanent or temporary physical displacement of households due to project development, resulting in the need for them to relocate due to loss of residential land or loss of shelter.

The guidance is applicable to any hydropower project at any life-cycle stage. It does not only apply to those starting a process of resettlement. For instance, some operating hydropower facilities find they need to deal with legacy resettlement issues; or new issues arise requiring resettlement, such as due to long-term erosion processes.

The scale of resettlement requirements, and level of disruption, will greatly influence the degree to which steps in this guide need to be implemented. This point is further elaborated on in Section 4.2.

The guidance includes considerations relating to economic displacement (loss of livelihood or income-generating assets or capacities, but not loss of physical shelter), which may also be relevant to project-affected community members who are not physically displaced. This guide does not address the wider array of considerations that may be relevant to project-affected communities in general. Nor does this guide provide a comprehensive examination of issues, opportunities and management measures for social aspects (such as public health, cultural heritage, safety, education, employment and project benefits); nevertheless,

these areas are identified insofar as they could be aspects of resettlement support packages.

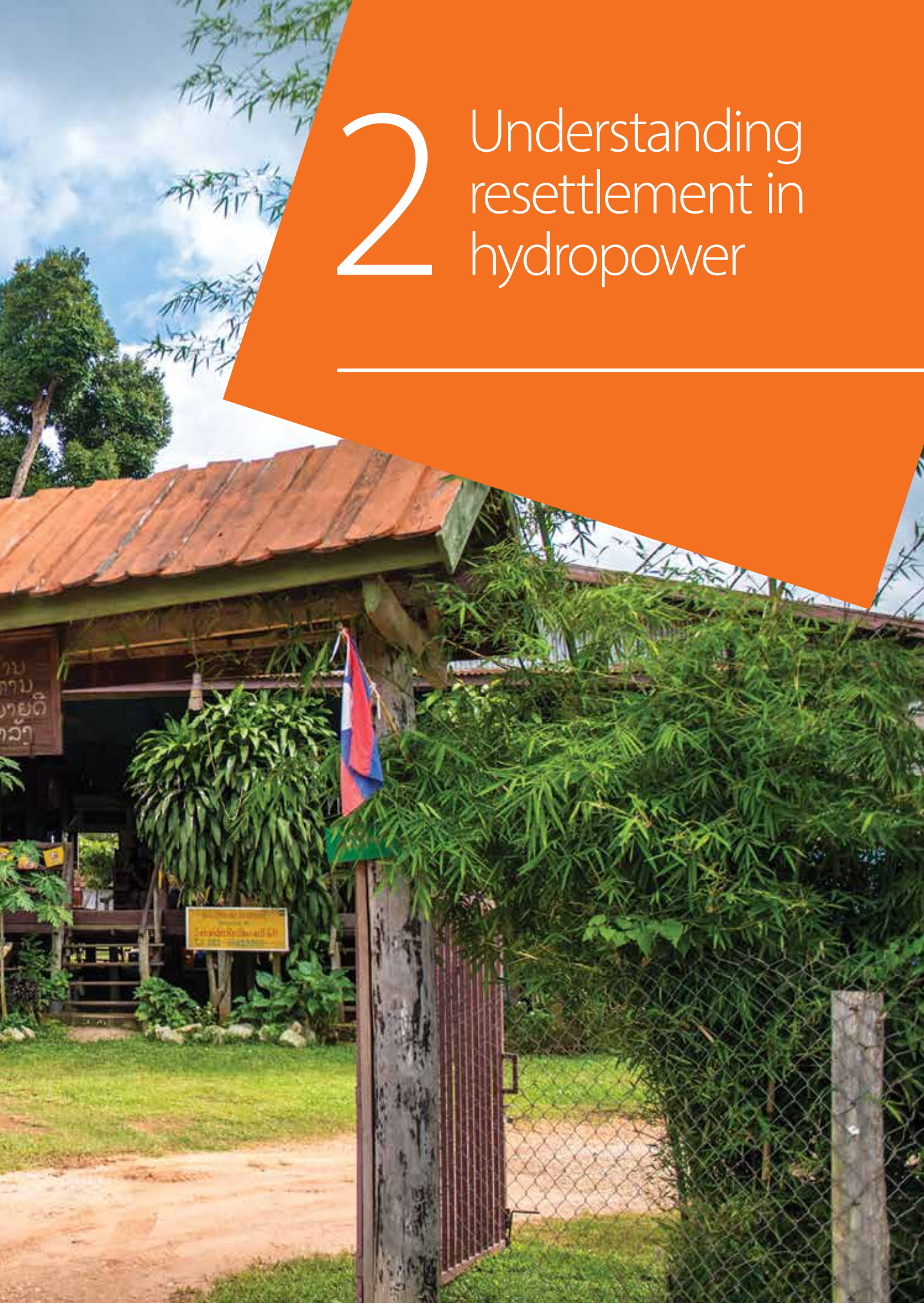
This guide includes advice on how to be aware of, identify and manage the challenges and risks regarding social complexities in the resettlement process. Although points relevant to indigenous peoples in the resettlement process are made in this guide, this should not be considered comprehensive guidance on how to address indigenous peoples' issues and needs in hydropower development and operation.



Business establishment in the
resettlement villages of the Nam
Theun 2 project in Lao PDR
Photo Credit:
Asian Development Bank

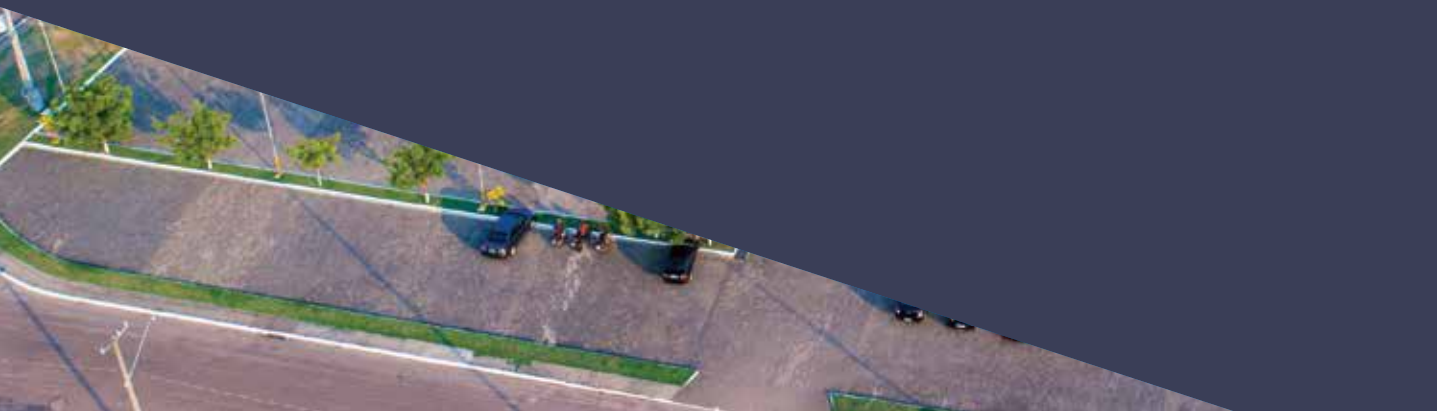
2

Understanding resettlement in hydropower



Understanding resettlement in hydropower

This chapter explores the main themes and concerns related to resettlement caused by hydropower development. It provides insight into the parties responsible for resettlement and offers definitions of key terms. A greater common understanding of fundamental aspects and issues arising with resettlement in hydropower developments is the first step towards increasing demonstration of international good practice.





Nova Mutum Parana
resettled district by the Jirau
project in Brazil
Photo Credit: Energia
Sustentável do Brasil (ESBR)

2.1 Who are the parties responsible for resettlement?

Responsible parties in any hydropower resettlement are those who make decisions that affect the scope, approach and outcomes. The major decisions that affect resettlement approaches and outcomes are made by the following parties.

1. **Developers.** The hydropower companies that develop, own and operate hydropower projects may have differing levels of direct responsibility for resettlement, depending on the project location, type and design, and agreements reached with government. Regardless of the degree to which resettlement responsibilities are handled by others, the hydropower project – including the developer, owner, operator and financiers – will incur reputational risks and bear the costs of conflicts, delays and legacy issues if resettlement is not well managed.
2. **Governments.** Governments play a variety of important roles with respect to hydropower-induced resettlement. It may be that the government is the developer, or has a share in the development through a public-private partnership, or has a long-term stake in the development which will be handed back at the end of a licence period. Governments play an important role in energy and water master-planning, including criteria and evaluations to avoid and minimise resettlement. Governments specify regulatory and policy requirements, and approve, license and verify the delivery of entitlements to those affected by resettlement. Government may take on most of the responsibility and be at the forefront of resettlement implementation; alternatively, it may take on some responsibilities and leave others with the developer, or require the developer to deal with all requirements. Governments have to address the long-term outcomes for affected households and communities if resettlement programme activities are not successful, such as by providing welfare programmes.
3. **Directly affected households and communities.** The stakeholders who are affected by resettlement will have varying degrees of decision-making opportunity depending on the approaches taken. These include those who are displaced, as well as those who live in the location to which resettles are moved (i.e. the host communities). The

outcomes can be considerably better if these stakeholders are well-informed and engaged, a participatory process is undertaken, and their rights are fully respected.

Roles and responsibilities between the parties above can be established through various types of agreements, contracts, licences, plans, etc. These may be expressed through documents such as Memoranda of Understanding (MOUs), the resettlement plan, development approvals, community agreements, the Concession Agreement, and project permits and licences. Section 4.4 elaborates more on the respective responsibilities of the developer and government, and the sharing of these, with respect to ensuring delivery of resettlement objectives to affected communities.

2.2 What do the different resettlement-related terms mean?

It is important to break down the relevant terminology found in reference documents on resettlement. Many situations can arise with different projects, and even for different households and communities in relation to the same project. Moreover, different expressions may be used in different parts of the world. Therefore, responsible parties should be clear on what terms apply to the project situation. Consistency in terminology will help in conveying explanations to all stakeholders, and will ensure that experiences and learnings can be shared globally regarding comparable aspects.

The term 'resettlement' is used in a broad sense in the World Bank's 2018 Environmental and Social Framework. In Environmental and Social Standard 5 (ESS5), "Land Acquisition, Restrictions on Land Use and Involuntary Resettlement", the term 'involuntary resettlement' refers to the impacts of project-related land acquisition and restrictions on land use, with respect to both physical displacement and economic displacement (World Bank 2018). The Hydropower Sustainability Tools use the term 'resettlement' only with respect to physical displacement.

Displacement occurs when someone or something is moved from its place or position.

Physical displacement relates to relocation, loss of residential land, or loss of shelter. **Economic displacement** refers to loss of land, assets, access to assets, income sources, or means of livelihood. Those who are physically displaced will very often experience economic displacement, whereas those economically displaced may not be physically displaced or require resettlement (or at least not directly, as it may be the case that they need to move to find new livelihoods).

Land acquisition refers to all methods of obtaining land for project purposes; these may include outright purchase, expropriation, and acquisition of access rights. **Restrictions on land use** refers to limitations or prohibitions on the use of agricultural, residential, commercial, recreational, cultural or other land, which are directly introduced and put into effect as part of the project. During the pre-feasibility and feasibility studies for a hydropower development, the planners will identify what land or existing assets are required for the project, and whether these acquisitions need to be temporary or permanent. Both temporary and permanent land acquisition may result in physical displacement, and may require temporary or permanent resettlement.

Resettlement is the process by which people who are physically displaced are supported to re-establish their housing, living arrangements and livelihoods, because, as a result of the project, they are no longer allowed to stay in the area in which they were residing. Resettlement is a consideration relevant to a hydropower development if any individuals lose their home due to the requirements or impacts of the project. The scale can range from one individual, to villages, or even cities.

Compulsory acquisition is the power of government to acquire private rights to land without the willing consent of its owner or occupant, in order to benefit society. This power can also be referred to as **expropriation** or **eminent domain**. Most governments have this power in one form or another, including provisions for how it must be exercised and what rights are held by the landowners or users, but with great variation.

Forced eviction is defined as the permanent or temporary removal, against their will, of individuals, families and/or communities from the homes and/

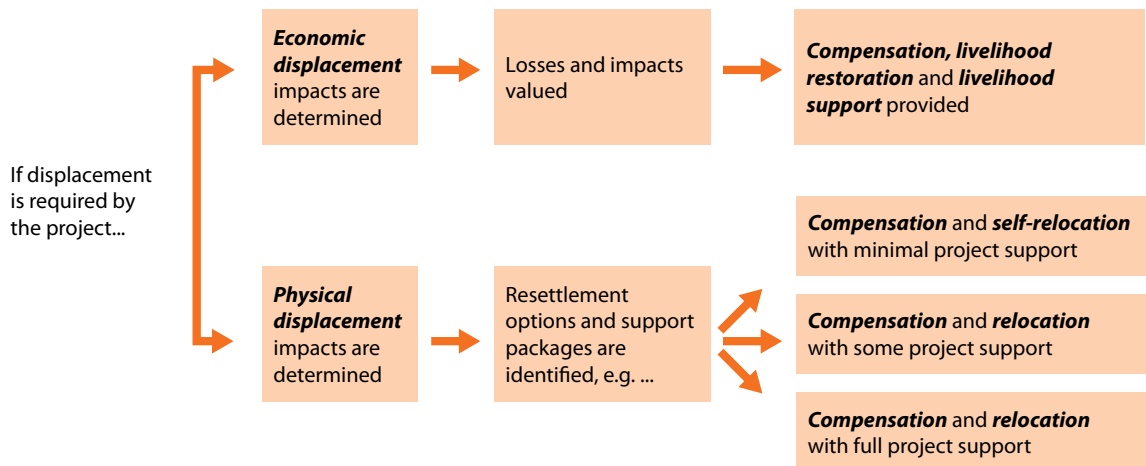


Figure 1 Responses to project-induced economic and physical displacement

or land which they occupy, without the provision of, and access to, appropriate forms of legal and other protection. The exercise of eminent domain, compulsory acquisition or similar powers is not considered to be forced eviction as long as it complies with the requirements of national law and other relevant requirements (e.g. ESS5 in the case of World Bank-funded projects), and is conducted in a manner consistent with the basic principles of due process. **Due process** would include provision of adequate advance notice, meaningful opportunities to lodge grievances and appeals, and avoidance of the use of unnecessary, disproportionate or excessive force.

Negotiated settlement refers to the situation in which the developer tries to arrive at a mutually agreeable negotiated settlement with the landowner or land user, to avoid the costs, delays and implications of going through compulsory acquisition processes. This would be encouraged as a first approach, and in some countries it is required by the government.

Resettles are those people who are required to be resettled, i.e. those who are physically displaced by the project. These include people who have formal legal rights, as well as customary or traditional rights (see Section 2.3). In addition to compensation for the economic displacement and loss of assets, resettles are offered options regarding how the project will support them to re-establish their homes, living arrangements and livelihoods, as is shown in Figure 1. **Self-resettlers** are those who

relocate themselves with cash compensation and potentially other forms of project support, usually as one of the relocation options presented to them.

For some projects, it may be desirable and appropriate for the project to establish **new resettlement villages** and to fully support all aspects of the re-establishment of homes, living arrangements and livelihoods; or to augment an existing village to assimilate resettles, either in expanded housing areas or within the existing village housing. **Host communities** are the already resident communities to which resettles are relocated, in the case that the resettlement destinations are merged into existing settlement areas.

Encroachers are those people who enter the land to be acquired after a specified cut-off date identified by government, and who do not have rights or claims regarding that land (see Section 2.3). Encroachers are not entitled to any compensation for project land acquisition, nor are they entitled to participate in any resettlement programmes, provided that the cut-off date for eligibility has been clearly established and made public through widely accessible notification processes (although developers may choose to let them participate if it is feasible and helps smooth project implementation). The **cut-off date** is the date after which any persons without existing land rights or claims who move into an area to be acquired for project development are not eligible for displacement-related compensation; the cut-

off date does not apply to the natural growth of population (births), nor legitimate family reasons (marriages, regrouping of vulnerable people with their families, etc.). **Notification** is the act of telling potentially displaced persons about the pending land acquisition and associated information and processes, including the cut-off date and the census date.

The **census** is the registration of land, structures and livelihood assets of each individual or household that will be displaced, to serve as the basis for compensation. It is complemented by the **socio-economic survey**, which is a study of the communities and households who will be displaced, with respect to their demographics, living standards, livelihoods, structures, culture, interrelationships and vulnerabilities, in order to inform development of the RAP and the designation of support measures and entitlements.

Compensation is the payment in cash or in kind for an asset or a resource that is acquired or affected by a project. Compensation for lost assets is a necessary part of addressing any displacement, but is not sufficient on its own to address the range of impacts that displacement can cause. Additional provisions are required alongside compensation to address the need to restore and improve living standards and livelihoods, and other resettlement objectives such as community cohesion, cultural identity, well-being, etc.

Living standards and livelihoods are two major focal areas related to the impacts and outcomes of resettlement. **Living standards** refer to the level of material comfort as measured by the goods, services and luxuries available to an individual, group or nation (e.g. income, housing, transport, sanitation, education, health). **Livelihood** indicates the full range of means that individuals, families and communities utilise to make a living, including capabilities (e.g. skills, knowledge), assets (e.g. stores, resources, claims and access), and activities (e.g. farming, fishing, manufacturing, trade, wage-based employment) required for a means of living. The two are interrelated; a well-established and successful livelihood will be an important influence on income and consumption levels, which are living-standard indicators (see Section 4.1).

A **resettlement plan** describes how the project-related physical displacement has been and will be addressed. A **livelihood plan** describes how project-related economic displacement has been and will be addressed. These plans may be known by other names; for instance, the term **Resettlement Action Plan (RAP)** has been commonly used to address all measures for those physically displaced, including relocation and livelihood re-establishment and support, and is used in this guide.

The **resettlement implementation period** is the period following project commissioning, during which entitlements are provided to the resettles and host communities, and are often specified in the project approval licence (or equivalent) and any associated agreements.

2.3 What are the rights of displaced people?

Land rights for those affected by land acquisition are a primary consideration for the government and developer, starting from the early stages of project development. The Universal Declaration of Human Rights provides that “everyone has the right to own property alone as well as in association with others”, and that “no one shall be arbitrarily deprived of his property” (Article 17).

The rights of those who may be displaced will be documented to varying degrees in national legislation. However, there may be limitations in national policy relative to international good practice, and the developer and government should carefully plan and agree on how best to proceed in light of any such limitations.

Displaced persons could be in one of three situations regarding land rights:

1. **Formal legal rights to land and structures that may be lost.** Such rights may be conferred through land titles recorded in national or state land registries, and documented in cadastral records (i.e. maps or surveys showing the extent, value and ownership of land, which are often used as a basis for taxation), Land Use Certificates, leases, or other forms of registration in the name of the individual or community.

2. **No formal legal rights to land and structures that may be lost, but with recognisable claims under national law.** This may be the case where a country is undertaking land reforms that are not yet fully formalised; where land has been held and used for many generations without titles because they have not yet been issued; or where there are well-recognised and locally regulated usufruct rights (i.e. use of land without ownership). This may include the situation in which land is held under customary tenure, with traditional leaders being responsible for the administration of land according to customary practices. In these cases, a wider range of documentation may be used as supportive evidence (e.g. tax records, utility bills), or other forms of evidence may be permitted, such as testimonies of village elders or village authorities, the availability of which will vary depending on the context.
3. **No formal legal rights to land and structures that may be lost, but recognisable claims to land uses.** This category may include squatters, tenants, sharecroppers and wage labourers, who clearly depend upon the land used for their livelihoods. This could include seasonal resource users such as herders, grazers, fishers or hunters, although if their rights are recognised under national law, they would be part of Category 2.

International good practice ensures that all the types of people with varying rights listed in the above three categories are entitled to receive resettlement assistance and support. Importantly, this fully includes those who have only customary rights (Category 2), and those who have no legal rights or ownership claims to the land, but whose livelihoods are impaired or lost due to land acquisition (Category 3). It is advisable to focus concertedly at an early stage on who has ownership, usage, rights and claims to the land, and if there are any aspects of these matters that will be complicated and/or a source of conflict. This applies both to the land acquired for project development and to the land to which displaced persons could be relocated.

Each project needs to carefully consider who uses the land, how they use it, and over what duration of time, in order to ensure a clear policy framework for compensation eligibility. It should not be

assumed that everyone who has rights or claims will be present at the census. Those not present at the census should not miss out on compensation if they have rights and claims as per the three categories listed above. There are likely to be other unique or complicating situations that need to be addressed in such a policy framework: for example, people may be occupying land illegally, undertaking illegal livelihood activities, or clearly speculating with recent land purchases.

Encroachers who enter the land after a publicly notified cut-off date, and who do not have pre-existing rights or claims to the land as per the three categories listed above, do not have rights to resettlement support and would not be entitled to any compensation. This requires a strategically considered cut-off date announced by the government, with very clear and accessible notification and communication processes, and with a clear entitlement policy to account for complications and exceptions as relevant (see above).

Further information on human rights as applicable to resettlement can be found in United Nations (2007), United Nations (2011), and van der Ploeg and Vanclay (2017).

2.4 Why is resettlement such a sensitive issue?

There is a long list of reasons why resettlement caused by project developments – including hydropower – is a highly sensitive and negatively perceived topic. Box 2 provides a list of typical issues that arise in resettlement processes, based on extensive field research. Even when considered to have been done well, the process is inherently disruptive and involves much anxiety and many personal losses for those affected.

The primary purpose of a private hydropower project development is to generate electricity in the most efficient way, secure the corresponding income through a reliable long-term Power Purchase Agreement (or equivalent), and ensure a technically, environmentally and socially responsible project that is economically viable. Challenges regarding resettlement often arise from the many complexities inherent in environmental

Box 2 Examples of issues arising in resettlement processes

- Affected persons do not understand their rights and are given insufficient support to make informed decisions.
- There are limited or no opportunities for negotiation or decision-making by the resettles.
- Compensation is inadequate, making restoration of living standards harder because resettles start from a lower level than pre-project conditions.
- The basis for determination of land values is considered unfair.
- Corrupt behaviours create adverse and inequitable outcomes.
- Replacement land is not equivalent to the acquired land, in terms of suitability for agriculture and yields obtained.
- Security of land tenure is not provided.
- Merging of resettles into host communities compounds land and resource scarcity and causes conflicts.
- Promised entitlements and benefits are never delivered.
- Agreements cannot be reached nor stakeholder support achieved, leading to conflict, delays and forced evictions.
- Families are separated, social networks are impacted and fragmented, and communities are disconnected from their cultural traditions and important religious or cultural focal areas.
- Psychological, emotional and cultural impacts are experienced by those affected, due to the loss of home, history, and even identity.
- Resettlement approaches fail to adequately understand existing community complexities and interactions, resulting in inequitable outcomes, with some sub-groups being more empowered and others worse off.
- Livelihood restoration programmes prove unsuccessful, or are not adopted by the resettles.
- Natural trends already occurring before the project (e.g. resource depletion, water quality degradation, hydrological changes) are insufficiently accounted for in the livelihood restoration programmes.
- There is a lack of follow-up, resulting in poor outcomes over time.

and socio-economic systems. These complexities are not easily resolved through local-scale, medium-term, planned and deterministic approaches, which hydropower developers would typically use for their projects.

In the worst case, resettlement can leave affected people without (or with insufficient) land, a home, livelihood resources, community assets or community support, and it may ultimately result in impoverishment. Developers and governments may face unresolved grievances, conflicts, ongoing land disputes, vandalism and civil disobedience. These in turn may cause project delays, major reputational damage, higher project development costs, and negative impacts on operation performance. Unresolved issues may affect the project for decades. Owners and operators of hydropower facilities may find that they are faced with the legacy issues of past resettlement that were never properly addressed.

History has shown that most resettlement programmes have failed to ensure restoration or improvements, as demonstrated by numerous studies (see, for example, Hay et al., 2019). People who are presented with the requirement to resettle may be well aware that failure is the most likely outcome. Most developers and even governments have not been committed to standards such as those described in this How-to Guide. Therefore, people may have been disappointed or cheated, and consequently they lack faith and are weary of promises of better things to come. These unfortunate facts mean that the project developer is challenged to go beyond basic good practice in order to build trust and deliver positive outcomes.

Compliance is always the starting point for good practice. However, policy and legislative frameworks can take some time to evolve, and may not be well-developed in the country or region of the hydropower development. Stating that the project has complied with government legal requirements may be a poor defence for responsible parties if there are significant adverse human rights issues, or even human rights violations, for those negatively impacted. Ideally, government agencies and companies have policies, guidelines, codes of practice, etc. that clearly state how they will proceed, and these should be informed by international good practice as stated in this guide.

Achieving restoration of livelihoods may well require going beyond the strict legal minimum for compensation arrangements.

The ideal approach is to design resettlement activities as sustainable development programmes for those affected, and encourage their full participation in the process. Such an approach integrates livelihood and compensation measures into the design of the project itself (rather than seeing them as isolated mitigation activities), and seeks to ensure long-term and sustained project benefits for those affected by displacement. Many ideas for how this can be achieved are found in the Benefit Sharing How-to Guide.



3 Achieving good international industry practice



Achieving good international industry practice

The various requirements of a project relating to resettlement vary depending on the life-cycle stage. The HSAP evaluates hydropower projects according to four life-cycle stage tools: Early Stage, Preparation, Implementation and Operation. The relationships and indicative timing are shown in Figure 2, though it should be noted that timing can vary considerably depending on the project.





Replacement house with a shop downstairs for the resettled families of the Chaglla project in Peru
Photo Credit: Joerg Hartmann

3.1 Resettlement in the project life cycle

3.1.1 Early Stage

Figure 3 shows some of the main project development tasks during the Early Stage of project investigation and planning, often termed the 'pre-feasibility stage'. This is not a fully comprehensive list of every activity, but captures some of the key resettlement-related activities and links them to the broader project development activities. Engagement focal areas are also highlighted.

Figure 3: Key resettlement-related tasks during the Early Stage of project development

The Early Stage will involve the scoping and analysis of potential resettlement impacts of the project. It will be important to establish an understanding of the causes, scale and level of complexity of resettlement required by the project, as these can greatly influence the hydropower project planning and overall viability (see Sections 4.2 and 4.3).

Of highest importance in early project design and operation concepts is to apply the mitigation hierarchy with respect to resettlement. This is a sequential process aiming to avoid, minimise, mitigate and compensate. Measures to avoid resettlement are always prioritised by exploring all viable alternative siting and design options. Where avoidance is not practicable, then minimisation of resettlement is sought through this same

Figure 2 Hydropower project life-cycle stages, indicative timing, and relevant HSAP tool

| Project stage | Pre feasibility | Feasibility and impact studies | Approval processes | Detailed design | Construction/ Implementation | Operation |
|---------------------|-----------------|--------------------------------|--------------------|-----------------|------------------------------|---------------|
| Indicative duration | ~1–3 years | ~1–3 years | ~1/2–1 year | ~1/2–1 year | ~2–5 years | ~50–100 years |
| HSAP tool | EARLY STAGE | PREPARATION | | | IMPLEMENTATION | OPERATION |

options assessment process, and the framing of the resettlement process around sustainable development objectives for the individuals or communities affected should commence.

A pre-feasibility study on resettlement can be an effective approach for early evaluation of resettlement risks. A resettlement pre-feasibility study should check the components that strongly influence whether a resettlement programme will be possible or very challenging; such factors include willingness to be resettled, availability of host land, clear or conflictual land ownership, potential complexities regarding land rights, the possibility to recreate/restore livelihoods, or provide livelihoods likely to be adopted and successfully developed, etc. For instance, in a narrow valley surrounded by steep slopes with virtually no agricultural land, provision of alternative agricultural land may prove very challenging, if not impossible. Landowners should be identified at a broad scale – i.e. not at a survey level, but at a sufficient level of detail to ascertain the number of ‘chieftains’ the project will have to deal with – in order to form an estimate

of the likely transaction costs. Overlooking the complexity of resettlement is one of the reasons for subsequent failures, and it should be given the appropriate weight in the decision-making process of the project from the very beginning.

By the end of the Early Stage, the resettlement-related roles and responsibilities for the subsequent project stages – among the developer, the government, and possibly other stakeholders – should be clearly defined and agreed.

It is good practice at the Early Stage to consider whether hydropower is the best approach to deliver on the need for electricity generation. If resettlement appears to be a prevalent requirement for the hydropower project development, this should be an important factor in weighing up the pros and cons of other generation sources. The physical footprint of different energy generation technologies and the ability to move to low-impact sites are important comparative factors in situations of scarce land and/or high population density.

Figure 3 Key resettlement-related tasks during the Early Stage

| EARLY STAGE project tasks | Key resettlement activities | Engagement |
|--|--|--|
| Early project design concepts | Evaluate resettlement risks | Early engagement with government agencies, and with potential financiers Early informal consultations with key stakeholders |
| Review of government requirements | Review land acquisition and resettlement law, policies and institutions and identify any gaps | |
| Preliminary field surveys and data collection | Preliminary mapping of land uses and settlements | |
| Siting and design options assessment | Seek to avoid/minimise resettlement | |
| Initial financial and economic analysis | Initial estimation of full costs of resettlement | |
| Initial identification of potential financiers | Investigate resettlement expectations of potential financiers | |
| Initial project timeline established | Dates for notification, cut off for eligibility, people and asset census, socio-economic survey proposed | |

The reality is that even if they are aware of all the good practice approaches that should be implemented, developers often limit funding for these actions during both the Early and Preparation Stages, because there is no project yet and they must fully fund these steps themselves. During project implementation, funding will come from loans, and during operation the project produces a saleable product. Given the significant consequences that resettlement can have on the project's financial viability over its life cycle, a resettlement pre-feasibility study for early opportunity and risk evaluations should be seen as equally important for development of the investment

business case as are similar investigations into hydrology, geology, the electricity market, etc.

3.1.2 Preparation Stage

Figure 4 shows some of the main project development tasks during the Preparation Stage of project investigation and planning, often termed the 'feasibility stage'. This figure indicates a number of the important resettlement-related activities that should be implemented during this stage, as well as engagement focal areas.

Figure 4 Key resettlement-related tasks during the Preparation Stage

| PREPARATION STAGE project tasks | Key resettlement activities | Engagement |
|---|--|--|
| MOU between government and developer | Establish notification procedures, and cut-off and census dates. Get agreement on the form of secure tenure rights to be offered for land and houses in the resettlement site. | <p>Extensive formal consultations and participatory processes with key stakeholders.</p> <p>Public meetings and hearings.</p> <p>Ongoing engagement with government agencies, and with financiers.</p> <p>Issue-raising and grievance mechanisms active.</p> |
| Feasibility studies and ESIA | Undertake land survey, census, socio-economic survey, economic assessment and stakeholder consultation. Evaluate resettlement options, reach community agreements. Develop RAP alongside feasibility and ESIA studies. | |
| Project plans go through government assessment and approval processes | RAP assessment, refinement and approval, including replacement land acquisition. | |
| Business financial agreements reached | Resettlement budget finalised. | |
| Detailed designs and procedures developed | Detailed RAP implementation timeline and institutional arrangements all activated. | |
| Procurement packages prepared for tender | Resettlement implementation activities prepared to commence, including formal notification(s). | |

The main preparation requirements during this stage are undertaking the census, socio-economic survey, Environment and Social Impact Assessment (ESIA) studies, economic assessment, development of the Resettlement Action Plan (RAP) including resettlement options, and associated institutional and project planning. All of these are accompanied by extensive consultation processes. The scale and complexity of the resettlement will influence the degree of time and detail required for these assessment processes.

The census refers to the registration of land, structures and livelihood assets of each individual or household who will be displaced, and this serves as the basis for compensation. The socio-economic survey is a study of the communities and households who will be displaced, with respect to their demographics, living standards, livelihoods and vulnerabilities, in order to inform development of the RAP and the designation of support measures and entitlements.

The developer should ensure full compliance with government assessment and approvals processes that were clarified during the Early Stage, as well as the allocation of roles and responsibilities in the Preparation Stage activities. The government may require a certain degree of consultation to be undertaken with the affected communities, as well as formal public hearings during the assessment process, but this should not limit the highly consultative approach that would reflect international good practice. Implementation of a grievance mechanism is a critical element of international good practice (see Section 4.10).

Some care needs to be taken during the Preparation Stage (and early Implementation Stage) with any early construction-site preparation and establishment activities (e.g. site clearing, road establishment, set-up of site services) that may result in displacement. If there are people living in these areas, there may be a rush to get them relocated so that contractors can deliver their contracted services. This may be at a time when teams, procedures and consultation processes for potentially displaced people are not yet fully developed, and everything is new. If not done well, these early experiences of addressing displacement may set a poor example, and might cause others who may be later identified for displacement to

become reluctant and distrustful of the project and its approaches. It will be in the project's overall interests to ensure that a well-considered and appropriate process is followed for these first affected persons, even if it causes a few months' delay in the initial activities.

More detailed guidance on how to deliver many of these resettlement-related activities in this Preparation Stage is provided in Section 4.

3.1.3 Implementation Stage

Figure 5 shows some of the main project development tasks during the Implementation Stage of the project, often termed the 'construction stage', but during which important requirements such as the Resettlement Action Plan are implemented. This figure indicates a number of the important resettlement-related activities that should be implemented during this stage, as well as engagement focal areas.

During the Implementation Stage, it is important to recognise that the resettlement time and construction time may not fully coincide. Early resettlement activities may arise for access roads, camps, quarries, and other activities required for construction. Depending on the site planning, these activities may be for temporary or permanent resettlement. Physical resettlement will need to be completed before impoundment, and hence sometimes occurs halfway through the construction period. On the other hand, livelihood restoration activities may extend well after the project Commercial Operation Date (COD) by several years.

The most important guiding principle for the Implementation Stage is that all resettlement activities leading up to relocation to new resettlement sites are fully completed well before the hydropower project is ready for dam closure and reservoir filling. Critical points to ensure are that the Resettlement Action Plan (RAP) is followed, no one is moved until everything is ready for them and all compensation and support has been paid or provided, and that resettlees are not rushed and distressed by time pressures arising from a lack of integrated planning on the part of the developer.

Any delays need to be well handled, as discussed further in Section 4.5.

The project licence (or equivalent) may define a period for resettlement transition, and this may extend over the time that the project is still in implementation and early operation. The period immediately following relocation is one during which a very high level of support and transition-oriented assistance is typically provided to those who have resettled.

The grievance mechanism is highly important at this Implementation Stage, as is supervision and monitoring, which should be part of an overall monitoring and evaluation plan (see Section 4.18). All activities involving affected persons need to be fully documented, and the information managed for long-term retrieval and evaluation. Households should sign or thumb-print attendance records and payment receipts. Good processes and systems for information management are worth investing in at the outset, given that the implementation and follow-up may take a decade or more, and be subject to legal challenge.

Figure 5 Key resettlement-related tasks during the Implementation Stage

| IMPLEMENTATION STAGE project tasks | Key resettlement activities | Engagement |
|--|--|---|
| Financial arrangements established, funding mobilised, and institutional arrangements consolidated | Resettlement units at government and corporation level fully staffed, and relevant systems and processes established. | Continued close engagement and participatory processes with key stakeholders. Regular meetings of the government and developer resettlement units. Communication, monitoring and support for those displaced. Issue-raising and grievance mechanisms active. |
| Tenders finalised | Resettlement project tenders finalised. | |
| Site development and construction activities implemented | Replacement land (e.g. residential, community, agricultural) and infrastructure (e.g. houses, roads, community buildings) prepared and developed. Compensation payment process implemented. Resettlees and self-resettlees are moved in line with RAP provisions, and all resettlement support and livelihood restoration activities are implemented in accordance with RAP. | |
| Dam closure, testing, reservoir filling, power station commissioning | All relocation of people and assets finalised well before this. | |
| Information management, monitoring and supervision | Monitoring and supervision, information management and record-keeping, and adaptive management processes. | |
| Project handover to operator | Resettlement responsibilities handed over. | |

3.1.4 Operation Stage

Figure 6 shows some of the main project development tasks during the Operation Stage of the project. This figure indicates a number of the important resettlement-related activities that should be implemented during this stage, as well as engagement focal areas.

There are three important periods with respect to resettlement during the Operation Stage of the project: during, at the end of, and after a defined Resettlement Implementation Period. The Resettlement Implementation Period is the period following project commissioning, during which entitlements are provided to the resettles and host communities, often specified in the project approval licence (or equivalent) and any associated

agreements. Depending on the circumstances, the Resettlement Implementation Period may be anywhere from three to ten years, or until a certain resettlement objective such as income target is achieved.

Supportive actions following relocation should first be oriented towards assisting all resettles and the host communities be fully familiar with and able to adjust to the new situation. Certain resettlement entitlements may be included for delivery during a resettlement transition period, and oriented towards the initial period post-resettlement, to help ensure the transition is well supported. Settling-in activities and establishing necessary resources and support systems can take several years, and some individuals, households and groups will adapt faster than others.

Figure 6 Key resettlement-related tasks during the Operation Stage

| OPERATION STAGE time periods | Key resettlement-related activities | Engagement |
|---|---|---|
| For a defined Resettlement Implementation Period post-project commissioning, as specified in the Resettlement Compliance Matrix of the project license: | <ul style="list-style-type: none"> Delivery of resettlement entitlements and benefits. Maintenance of community assets. Training and support. Monitoring and evaluation. Data collection and information management. Issue resolution and grievance redress.. | <ul style="list-style-type: none"> Continued engagement processes. Meetings and coordination of government and developer resettlement units. Issue-raising and grievance mechanisms. |
| At the end of the defined Resettlement Implementation Period: | <ul style="list-style-type: none"> Government sign-off on fulfillment of all project compliance obligations. Hand-over of community assets. Closure of resettlement units. Clarifications and agreements on any longer-term project involvement with resettlement communities, as relevant. | <ul style="list-style-type: none"> Closure and hand-over meetings. Engagements on longer-term communication mechanisms. |
| Over the continued operating life of the project: | <ul style="list-style-type: none"> If and as relevant, project support for community development over the long-term through voluntary corporate social responsibility mechanisms | <ul style="list-style-type: none"> Longer-term communication mechanisms active. |

Older projects may have an absence of well-documented commitments in relation to resettlement made at the time of project approval, or an absence of data on the pre-project socio-economic baseline against which to compare the post-project status. There may be legacy issues that have never been resolved, or ongoing issues for communities in the original project-affected area. The project may have been compliant with resettlement requirements at the time, but there might be ongoing grievances due to perceptions of insufficient project support, poor outcomes, or new resettlement needs, such as from erosion causing loss of land. These issues and concerns should be identified and assessed. It is recommended that the hydropower owner/operator and government adopt agreed processes regarding how ongoing or emerging issues arising for the resettles will be identified and addressed, as well as the relative roles of the hydropower owner/operator versus the various levels of government, including local government. Alternatively or additionally, the owner/operator may choose to voluntarily provide community support or benefits through corporate social responsibility initiatives.

3.2 International good practice requirements for resettlement

In the Preparation, Implementation and Operation tools of the HSAP, international good practice criteria are set out to articulate the core requirements that the developer should demonstrate are being met. The criteria requirements are grouped under: Assessment, Management, Stakeholder Engagement, Stakeholder Support, Conformance and Compliance, and Outcomes. The following sections present the criteria requirements, and highlight important points to note. Where relevant, the text indicates which parts of Section 4 contain more detailed guidance on strategies and approaches for fulfilling some of these core requirements of international good practice. All requirements need to be delivered proportionate to the risks and impacts associated with the project, as resettlement can affect anywhere from one individual to more than a million (see Section 4.2).

3.2.1 Assessment

Table 1 summarises the Assessment criteria requirements for international good practice in the HSAP and HESG topics for Resettlement.

Table 1 HSAP and HESG Assessment criteria on the topic of Resettlement

| Criterion | Resettlement Topic Requirements |
|------------|---|
| Assessment | <p>Preparation Stage: An assessment of the resettlement implications of the project has been undertaken early in the project preparation stage to establish the socio-economic baseline for resettlement for potential resettles and host communities, and has included an economic assessment of required resettlement including ongoing costs for improvement in living standards.</p> <p>Implementation Stage: An assessment of the resettlement implications of the project has been undertaken that establishes the pre-project socio-economic baseline for resettles and host communities; monitoring is being undertaken of implementation of the resettlement plans, and to see if commitments made to resettles and host communities have been delivered and are effective and to identify any ongoing or emerging issues.</p> <p>Operation Stage: Monitoring is being undertaken to assess if commitments made to resettles and host communities have been delivered and if management measures are effective; and ongoing or emerging issues relating to resettlement have been identified.</p> |

The main assessments involving collection and analysis of social information during the Preparation Stage are addressed in Section 4.6, and are:

- the land and asset census, which serves as the basis for eligibility and valuation of compensation for losses;
- the socio-economic survey for resettles, which establishes a baseline against which later comparisons can be made regarding improvements in livelihoods and living standards, and informs resettlement approaches and objectives;
- the social impact studies as part of the Environmental and Social Impact Assessment (ESIA), which provide broader contextual information;
- a project economic assessment that fully takes resettlement into account.

The main assessment requirements at the Implementation and Operation stages are to track the effects of implementation of measures and plans. Monitoring should assess whether measures are properly implemented and achieve the intended results against the baseline conditions. Monitoring should be formally outlined in a programme that has identified appropriate indicators to track progress and to identify emerging issues or impacts during implementation. Monitoring should involve a consistent approach that will be continued for an agreed period during operation. During the

Operations Stage, monitoring and follow-up should ensure that objectives and targets for resettled communities and households are achieved.

3.2.2 Management

Table 2 summarises the Management criteria requirements for international good practice in the HSAP and HESG topics for Resettlement.

During the Preparation Stage, the Resettlement Action Plan (RAP) is drafted, iteratively modified and updated based on studies, consultations and assessment processes, and then approved. The RAP is a document or set of documents outlining the actions that will be taken to address resettlement, and considerable guidance on the RAP and its components is provided in Section 4. For very simple resettlement requirements, such as for only a few households, it may be sufficient to address the RAP requirements within relevant sections of the ESIA and ESMP.

Management actions during the Implementation Stage are all concerned with implementing what is the RAP, as well as addressing emerging and unforeseen issues. The Implementation Stage is a highly sensitive stage, during which resettlement communities are moved ahead of dam closure and reservoir filling. Rising reservoir levels should not put pressure on relocating households before all resettlement requirements are prepared and ready.

Table 2 HSAP and HESG Management criteria on the topic of Resettlement

| Criterion | Resettlement Topic Requirements |
|------------|--|
| Management | <p>Preparation Stage: A Resettlement Action Plan and associated processes have been developed in a timely manner for project implementation and operation, which includes an up-to-date socio-economic baseline, compensation framework, grievance mechanisms, and monitoring procedures; and formal agreements with resettles and host communities are publicly disclosed.</p> <p>Implementation and Operation Stage: Measures to address resettlement are documented in a Resettlement Action Plan; measures are in place to deliver commitments to resettles and host communities, and to manage any identified issues relating to resettlement, including provision of grievance mechanisms; and formal agreements with resettles and host communities are publicly disclosed.</p> |

An important management question during the Operation Stage is the length of time a hydropower owner/operator should support a resettlement programme. The duration of resettlement support from a hydropower facility can be an issue even when resettlement commitments are well documented and have been fully delivered, as new issues will arise over time. For example, pressure on land availability can arise as families expand and the next generation wants to stay in the new village, despite there being insufficient room or capacity in health or education services. Community assets in the resettlement village will deteriorate over time, and the village may rely on the project to keep funding maintenance and upgrade needs. In this regard, an 'exit strategy' should be embedded in the RAP, to ensure a smooth and efficient closure for the RAP activities, and to avoid any dependency that support programmes may generate if implemented for too long a period.

Information management and record-keeping is a critical management requirement for operating projects that have involved resettlement (see Section 4.18). With the passage of time, concerns can arise in relation to whether all resettlement commitments were delivered, and the nature of the ongoing responsibilities of various parties. Personnel in key roles change over time, and corporate knowledge will be lost. The owner/operator should have a good understanding of the history and available records, and clear agreements with government and the resettled communities on the ongoing support, and how issues arising will be dealt with over the longer term. Documentation

and record-keeping is critical; it should be planned to be subject to long-term scrutiny, so that any concerns of resettlement communities that are expressed later in the Operations Stage, with regard to non-delivery of all agreed commitments, can be checked against records.

3.2.3 Stakeholder engagement and stakeholder support

Table 3 summarises the Stakeholder Engagement and Stakeholder Support criteria requirements for international good practice in the HSAP and HESG topics for Resettlement.

There are many good-practice requirements relating to stakeholder engagement during resettlement planning, implementation and follow-up. Sections 4.9 and 4.10 provide further elaboration.

All displaced persons need to be engaged with regard to their rights and options in relation to resettlement, and host communities also need to be fully consulted about how resettlement will affect them. Engagement processes should be designed to ensure participation by and responsiveness to all sub-groups within the communities involved.

At the best practice level, resettles and host communities would express consent for the Resettlement Action Plan with legally binding agreements. For resettlement programmes involving indigenous peoples, Free Prior and

Table 3 HSAP and HESG Stakeholder Engagement and Support criteria on the topic of Resettlement

| Criterion | Resettlement Topic Requirements |
|------------------------|---|
| Stakeholder Engagement | <p>Preparation Stage: Engagement with directly affected stakeholders has been appropriately timed, culturally appropriate and two-way; ongoing processes are in place for resettles and host communities to raise issues and get feedback; and resettles and host communities have been involved in the decision-making around relevant resettlement options and issues.</p> <p>Implementation and Operation Stage: Ongoing processes are in place for resettles and host communities to raise issues and get feedback.</p> |
| Stakeholder Support | <p>Preparation and Implementation Stages: Resettles and host communities generally support or have no major on-going opposition to the Resettlement Action Plan.</p> |

Table 4 HSAP and HESG Conformance and Compliance criteria on the topic of Resettlement

| Criterion | Resettlement Topic Requirements |
|----------------------------|---|
| Conformance and Compliance | Implementation and Operation Stage: Processes and objectives in the Resettlement Action Plan have been and are on track to be met with no major non-compliances or non-conformances, and any resettlement related commitments have been or are on track to be met. |

Informed Consent (FPIC) is a good-practice requirement, as elaborated on in the Indigenous Peoples How-to Guide (*in preparation*).

3.2.4 Conformance and compliance

Table 4 summarises the Conformance and Compliance criteria requirements for international good practice in the HSAP and HESG topics for Resettlement.

Resettlement measures need to be fully compliant with relevant government requirements, which may be expressed in licence or permit conditions or captured in legislation. Resettlement measures should be fully consistent with the terms of the RAP, to demonstrate conformance with plans. This implies that the commitments of various parties are very clearly spelled out in the RAP (or related document), including key performance indicators (KPIs), systems for monitoring and reporting, and caps or limitations regarding these commitments in terms of time, space, scope or resources.

Commitments may be expressed in policies of the developer or owner/operator, or in company statements made publicly or within management plans. A resettlement entitlements matrix (essentially a compliance matrix or equivalent) is an important constituent of international good practice (see Section 4.8). It is a concise matrix that captures the formal commitments and expectations of all involved stakeholders (e.g. government, resettles, hosts, self-resettlers, the developer), forms the framework for delivery of all resettlement actions, underpins monitoring programmes, and must be demonstrated to have been fully met at the end of the Resettlement Implementation Period.

Evidence of adherence to commitments could be obtained through, for example, internal monitoring and reports, government inspections, expressions of community support and acceptance, or independent review. Variations to commitments should be well-justified and approved by relevant authorities, with appropriate liaison with stakeholders.

Table 5 HSAP and HESG Outcomes criteria on the topic of Resettlement

| Criterion | Resettlement Topic Requirements |
|-----------|--|
| Outcomes | <p>Preparation Stage: Plans provide for resettlement to be treated in a fair and equitable manner, and resettles and host communities to experience a timely improvement in livelihoods and living standards.</p> <p>Implementation and Operation Stage: Resettlement has been and is being treated in a fair and equitable manner, and resettles and host communities have experienced or are on track to experience a timely improvement in livelihoods and living standards relative to the pre-project baseline.</p> |

“Hydropower projects need to demonstrate that the dignity and human rights of those affected by resettlement have been respected, through a participatory process based on fairness and equity, aiming for a sustainable improvement in the livelihoods and living standards of resettlees and host communities.”

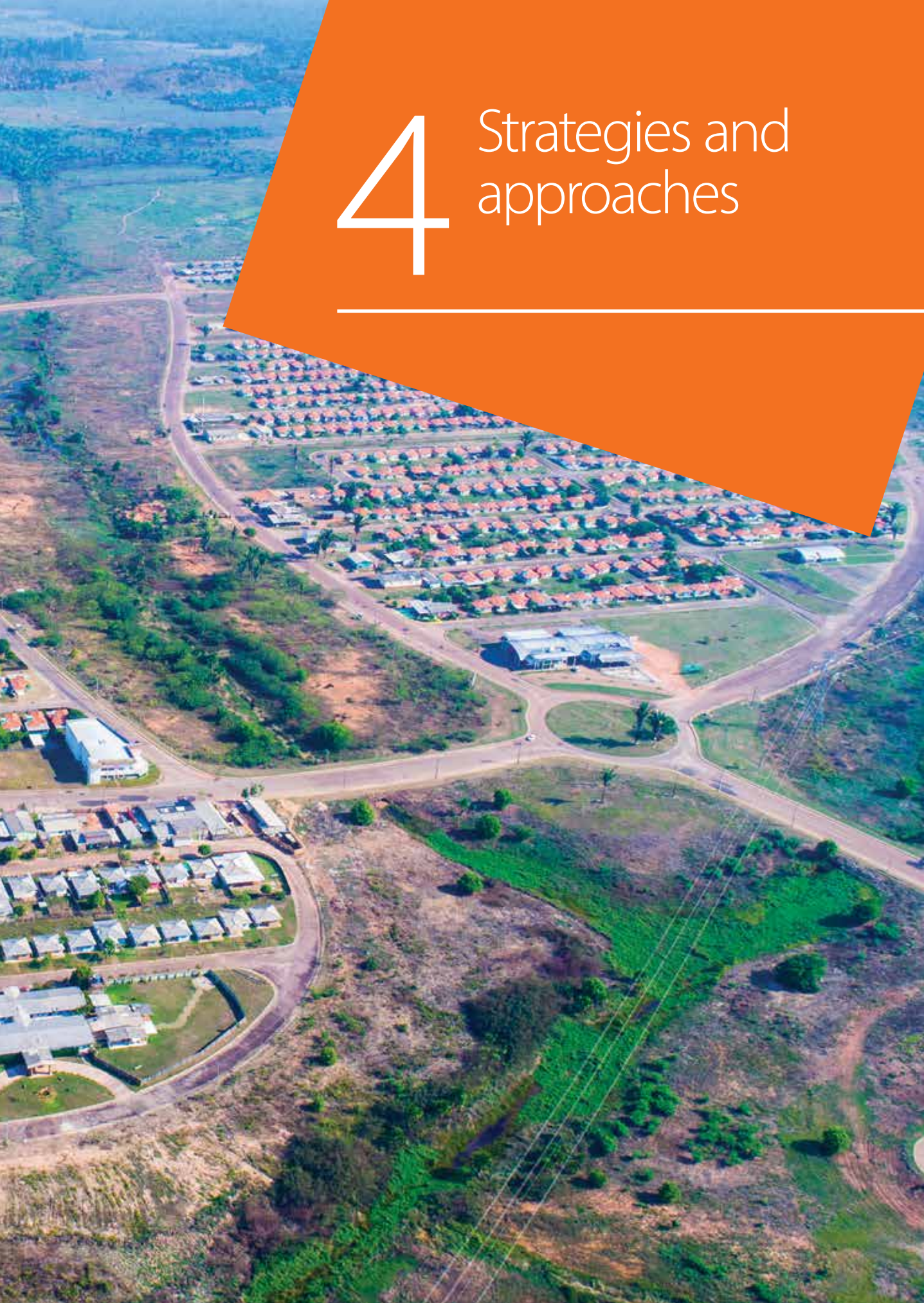
3.2.5 Outcomes

Table 5 summarises the Outcomes criteria requirements for international good practice in the HSAP and HESG topics for Resettlement.

The resettlement topic in the Hydropower Sustainability Tools is very clear on the critical outcomes sought from hydropower developers, owners and operators regarding resettlement: fairness, equity, improved living standards, improved livelihoods, and timeliness. How to successfully deliver these outcomes is the subject of much of Section 4.



4 Strategies and approaches



Strategies and approaches



This chapter offers practical strategies to address resettlement issues that may arise during hydropower development and operation. The approach strongly promoted in international good practice is for the developer to work in partnership with the government to plan and deliver a development opportunity for those people who are affected, and in particular for resettles through improvements in livelihoods and living standards.





Free annual health checks
for the resettled families
of the Theun Hinboun
project in Lao PDR
Photo credit: Helen Locher

4.1 Starting with the end in mind

An important initial objective for the project is to demonstrate the avoidance – or, if not possible, the minimisation – of resettlement. Minimisation opportunities should be demonstrated through progressive levels of detail in project design, by analysing if the same or similar project objectives can be achieved with less land acquisition, less livelihood disruption and lower resettlement implementation costs. Siting and design options could include shifting dam locations; lowering dam heights; relocating major built infrastructure, including off-site facilities (e.g. quarries, waste disposal sites, muck disposal areas); and re-routing alignments for roads, transmission lines, embankments, canals and pipelines.

If resettlement is unavoidable, then a resettlement programme that meets international good practice standards needs to involve both good process and good outcomes.

Important *process* principles to be demonstrated in all steps are fairness and equity:

- **Fairness.** 'Fair' means free from favouritism, self-interest, bias or deception, and conforming to established standards or rules. With respect to resettlement, fairness is demonstrated

through the establishment of clear policies, processes and guidelines; transparency on how they are applied; and adherence to these in the plans and their implementation.

- **Equity.** 'Equitable' relates to equality or evenness. Equity can be demonstrated through the equal application of rules to all affected people, supplemented by allocating support to help those in need of more assistance to achieve the same standards or outcomes (expanded on in 4.12). This requires identification of and appropriate support for individuals and sub-groups, in response to factors that may relate to age, ability, gender, household composition, literacy, education level, location, ethnicity, etc.

All of the steps, strategies and approaches outlined in this How-to Guide are oriented towards ensuring that the principles of fairness and equity are upheld. Fairness starts at the Early Stage, with considerations about the demonstrated need for the project, and options assessment to indicate to what degree avoidance of resettlement can be achieved. Good planning, clear process, open and timely communication, attentiveness to inclusivity, and respect for the rights of those displaced all help to ensure fairness. The project and resettlement economic assessments help to address questions of fairness with respect to the recipients of costs and benefits.

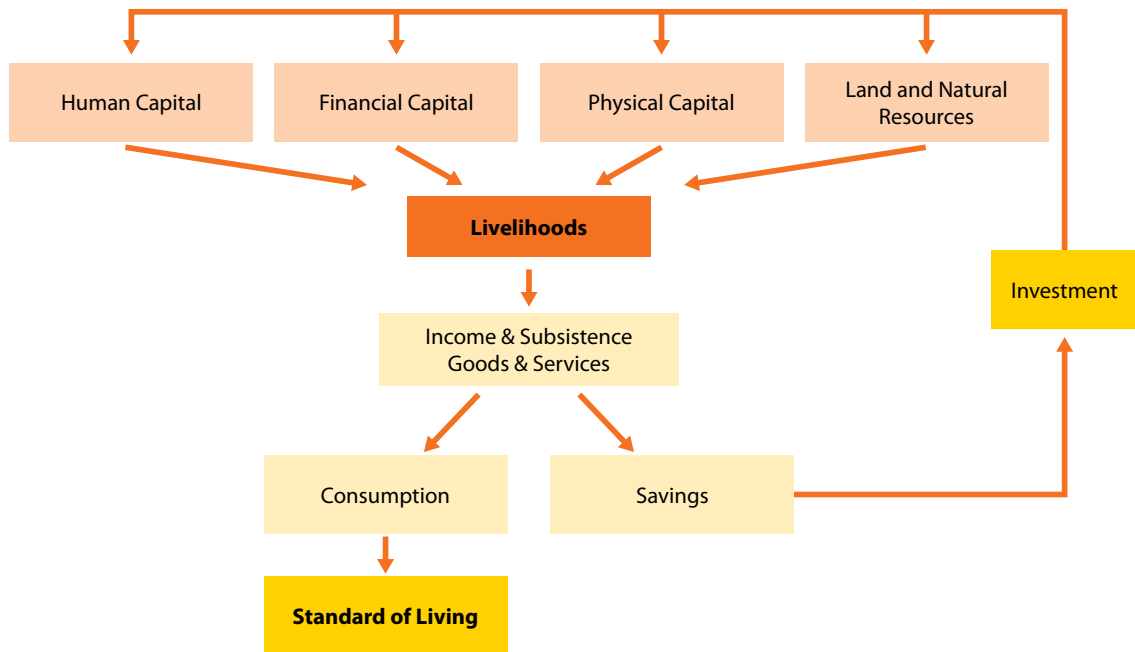


Figure 7 Simplified schematic showing relationship between livelihoods and living standards (Hartmann, J., pers. comm.)

Two particular areas of high risk and sensitivity with respect to achieving fairness and equity are valuation and compensation for acquisition of land (see Section 4.11), and addressing social differentiations amongst those affected by displacement (see Section 4.12).

The primary good practice outcomes sought, which should be measurable with quantifiable indicators, are improvements in both living standards and livelihoods:

- **Improvement in living standards.** This relates to comparisons against the socio-economic baseline post-resettlement, for key living standard indicators such as housing, income, health, education and transport (see Section 4.13).
- **Improvement of livelihoods.** This is demonstrated by the compensatory measures taken to address impacts of the project on pre-project livelihoods. Those affected should be demonstrably able to move forward with viable livelihoods, and with improved capabilities or assets relative to the pre-project conditions (see Section 4.14).

Livelihoods and living standards are interrelated. It is helpful to understand the different components and relationships of the relevant terminology, so that it is clear what actions are contributing to what components of the overall objectives. This is illustrated in a simplified and conceptual schematic in Figure 7.

Livelihoods are enabled through different types of 'capital', as they are the assets (including human, financial, physical, land and natural resources) that can enhance one's ability to perform economically useful work. All of these sources of capital may be disrupted by the resettlement process. Livelihoods in turn influence income, which can be monetary or non-monetary. Income is both an outcome of a livelihood and a determinant of living standards, and can be divided into consumption and savings. Savings enable investment, which can add to and improve the various types of capital that support livelihoods. Consumption expenditure is an indicator of living standards, alongside others. Income needs to be sufficient to meet consumption needs, as well as to allow savings (increasing resilience) and investment in one's capital endowment. Without investment, capital that supports livelihoods will deteriorate over

time (e.g. equipment may not be repaired, health may decline, land may lose soil fertility), leading ultimately to a reduced income potential. In an emergency situation, one may have to sell assets to generate income to support consumption needs.

It is common in many resettlement guidelines to see the objective of restoring or maintaining incomes, living standards and livelihoods. Experience has shown that improvement should be the objective, because maintenance and restoration efforts too often fall short. This is because resources and support for resettled communities are often allocated over a specific time period, during which it is not possible for those resettled to re-establish their lives on a sustainable footing. Displaced people are in danger of impoverishment; both in the short term, if adequate support measures are not built into the RAP, and in the long term, if the measures implemented are not providing for sustained outcomes. The Hydropower Sustainability Tools aim for improvement as basic good practice.

Gender considerations should be incorporated into all steps of resettlement assessment, planning, implementation and outcomes evaluations. Experience has shown that “even where compensation and resettlement are well designed, plans and legislation tend to be gender blind. Often, these plans do not recognise the different roles of men and women in the household, and do not benefit each group equally” (IIED, 2018). If resettlement objectives, processes and outcome indicators are at the village and household level, and do not adequately consider the complexity of interactions within the household, the result may be the empowerment of one gender at the expense of another, and less than successful outcomes for 50 per cent of the resettlees. Section 4.12.3 provides more guidance on considering gender in the resettlement process.

“The scale of resettlement requirements, and level of disruption, will greatly influence the degree to which steps in this guide need to be implemented.”

4.2 Scale and complexity considerations

Resettlement arises due to land acquisition for the hydropower project development, construction impacts requiring residents to move, or due to land use changes arising from the hydrological changes associated with the project.

In developing a hydropower project, land will be acquired or secured by the developer for the built infrastructure, both permanent and temporary. For simplicity, the expression ‘land acquisition’ is used in this How-to Guide, in recognition that land for the project is not always bought (such as in Build-Own-Operate-Transfer schemes, where it remains the property of the government). Land to be acquired will include land for uses including the dam(s), power station, switchyard, buildings, workers’ camps, offices, storage areas, roads, penstocks, transmission lines, quarries, concrete batching plant, and waste disposal. Careful planning is required to fully identify temporary land acquisition needs, as these will be influenced by the timing of major works and resource inputs, and can cause displacement of people for many years.

Construction-related activities and land acquisition and use needs can be extensive, such as for quarries, waste disposal sites, log removal stockpiles, waste soil (‘muck’) dumps, and construction material stockpiles. As emphasised in Section 3.1.2, early set-up activities at the planned construction site can cause displacement, and if poorly managed can set a precedent that makes all further resettlement activities much more difficult. A need to increase construction areas beyond initial planning may not be fully realised until during the construction period; this can also be a source of additional unforeseen displacement. Construction activity can cause temporary displacement due to impacts such as traffic, noise or dust.

Associated facilities that have significant land impacts may be addressed as completely separate projects, with separate feasibility studies, ESAs, funding, project owners, approval processes, etc.; yet these would not be undertaken if not for the hydropower development. This can be the case for roads, bridges, switchyards, transmission lines and substations. A comprehensive understanding of the extent of land acquisition or use and the resultant

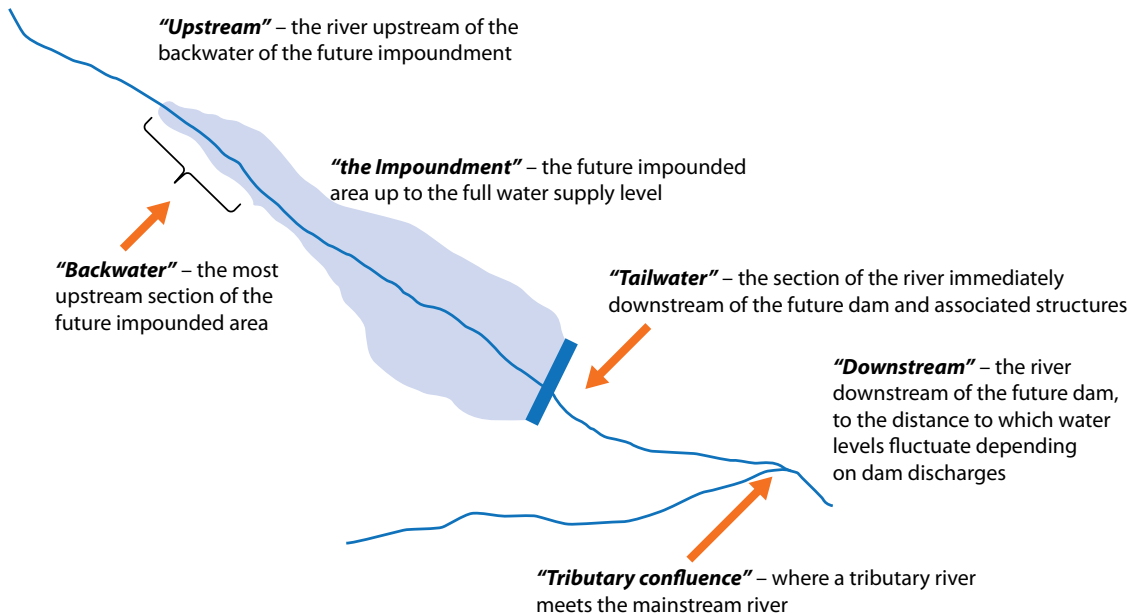


Figure 8 Geographic locations of hydrological change which may cause physical displacement

physical and economic displacement should be formed, and ideally a common approach taken to address these requirements.

While the land area to be flooded by the future impoundment is a common cause of acquiring large areas of land for a hydropower development, other areas affected by hydrological change need to be considered. Feasibility studies undertaken for a hydropower project should identify the effects of the project on land and waterways, and how these may displace people and their land uses. Some of these may lie beyond the full supply area of the impoundment, and arise in the backwater, tailwater and downstream (see Figure 8). Some may experience secondary impacts, such as through the deposition or erosion of sediments due to the hydrological changes, or landslides around reservoirs, which can cause people to lose their land and no longer be able to undertake viable livelihoods.

The backwater area needs to be a focus of study, as the area inundated will vary depending on reservoir water levels and be greater during periods of flood; furthermore, this may be an area of sediment deposition which can change the extent of backwater effects. Other focal areas

requiring study are the downstream tributaries, which can experience backwater effects relating to upstream water releases, and these in turn can cause localised sedimentation and/or erosion, and an effect called 'tributary rejuvenation' (see the Erosion and Sedimentation How-to Guide). Extreme hydrological events should be considered in all studies, to identify the areas affected. Hydrological changes may separate people from access to lands used for their livelihoods; therefore, even though they may not be directly physically displaced, in the longer term they are required to move to continue their livelihoods. The important point to note is that causes of resettlement may not emerge until after the project construction is complete, and the numerous secondary causes of resettlement should be well anticipated and planned for during the Preparation Stage.

Figure 9 illustrates that the degree of simplicity or complexity of resettlement is influenced by factors beyond the number of households to be resettled. Other factors may include the regulatory framework, whether resettlement is temporary or permanent, the number and cohesiveness of communities, level of disruption to livelihoods, availability of suitable replacement land, the prevalence of vulnerable households and sub-

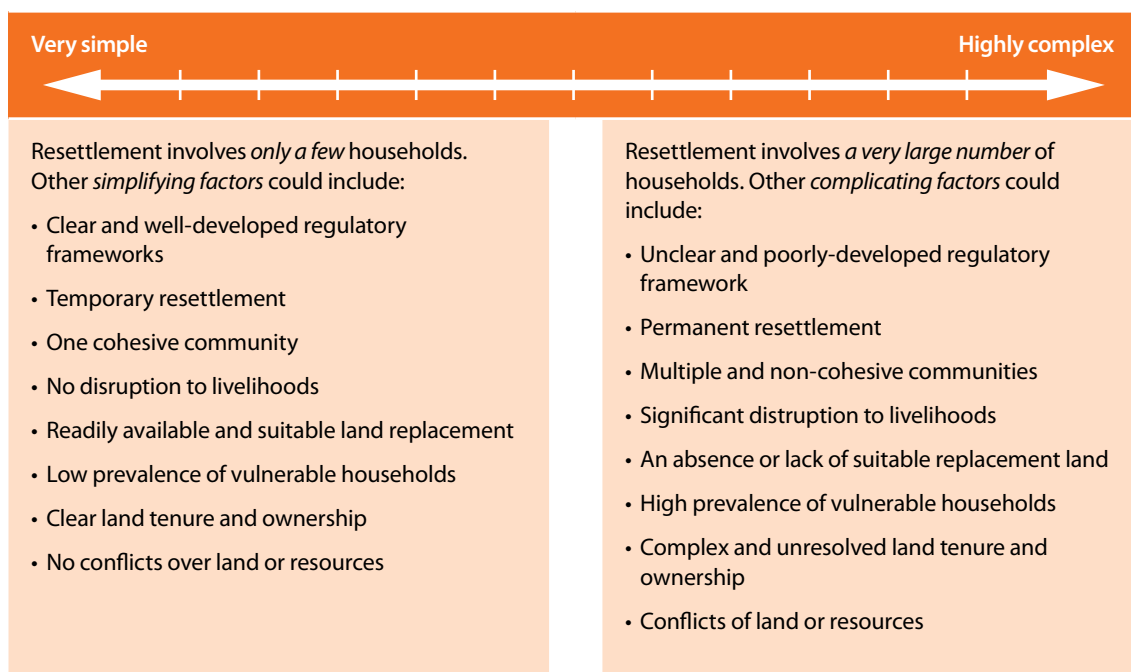


Figure 9 Factors influencing the scale and complexity of resettlement

groups, complexities of land tenure and ownership, ethnographic complexities, and the presence or absence of conflicts over land.

A challenging aspect of resettlement that can be poorly anticipated is the complexity of the community structures and relationships, both within and between communities. The present community arrangements and relationships may arise from a history of movement, mixing and conflicts; there may also be deeply entrenched assumptions, biases, prejudices and role relationships that can come to the surface during resettlement-related processes. These will influence timeframes and transaction costs, and should be carefully considered. Important questions for the project, regarding the complexity of community structures and relationships, include:

- How cohesive are the communities?
- How do they make decisions?
- Can they make decisions that reflect the views and wishes of community members?
- Can they ensure that decisions will be followed through?

- How do they determine and support leadership and decision-making roles?
- Are they dispersed and conflictive?

Note that these issues may relate to adjacent communities that might have to come together in new villages, or apply within communities relating to sub-groups. The role of women in decision-making and asset ownership should be part of these community analysis considerations, in order to ascertain the level of extra support that is required for the project to understand and respond to gender-related issues and needs (see Section 4.12.3).

Figure 10 shows an example of how the Assessment, Consultation, Management and Monitoring approaches might be adapted in response to the scale and degree of complexity of the resettlement requirements. An extremely large resettlement programme may require even further measures such as urban planning, major infrastructure development, and economic development on a large scale. An understanding of the scale and complexity of potential resettlement requirements, and engagement with the government and potential financiers, will help guide which of the approaches and strategies outlined in

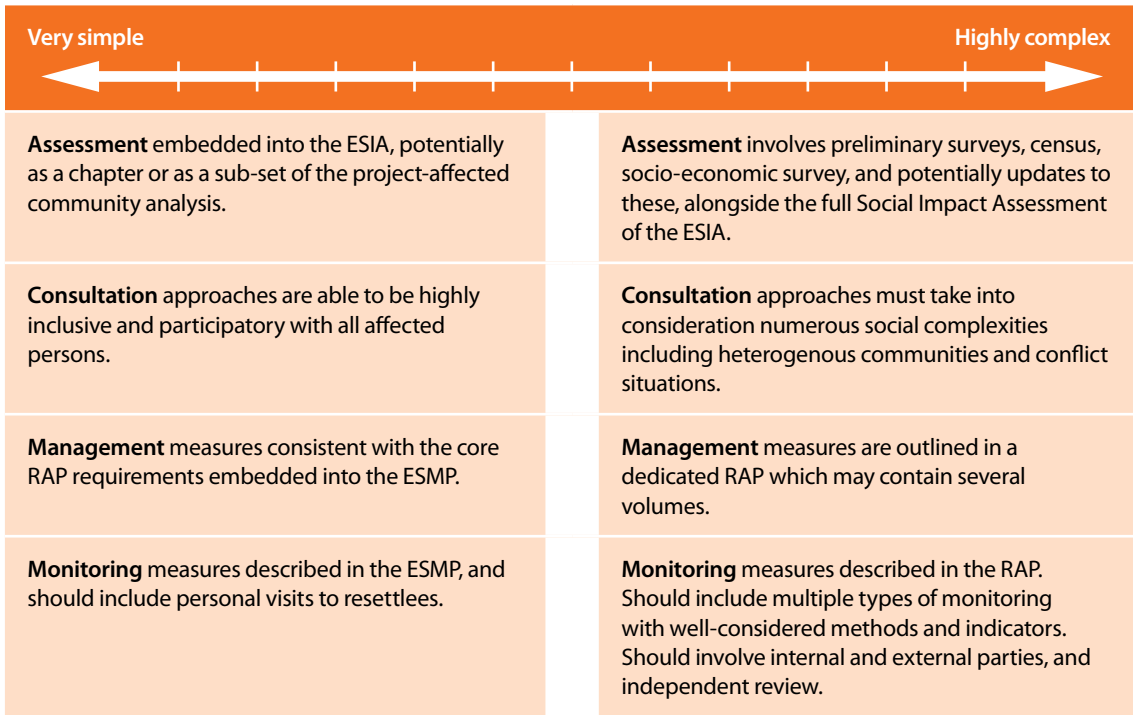


Figure 10 Approaches influenced by the scale and complexity of resettlement

this How-to Guide will be relevant, and the degree to which they may need to be applied.

4.3 Scoping and analysis

Early assessments of resettlement implications of the hydropower project involve high-level and preliminary scoping and analysis. The scale and situation of the project will greatly influence the timing and approach to collection of information. At the initial stages, scoping exercises using publicly available information, maps, remote imagery, visits to the area, and meetings with government and selected key stakeholders will start to give insights into the local situation. In larger or more complex projects, sample surveys may need to be conducted to assess the degree of impacts and the feasibility of resettlement. The information collected at the Early Stage should be sufficient to inform consideration of whether the project is likely to be viable, what are the siting and design alternatives that should be investigated, and what level of investment will be needed for resettlement-related activities.

The following boxes contain checklists of important considerations for scoping and analysis, regarding the resettlement implications of the potential hydropower project development. There are a large number of questions, but the more that these can be considered at the outset, the better the resettlement programme and outcomes are likely to be. These questions should help to scope what investigation activities are required, and should guide progressively more detailed investigations as planning progresses. As stated in Section 3.1.1 in relation to the Early Stage, early investment in acquiring such information will ensure a much better understanding of the true project costs, and avoid costly delays, budget over-runs and reactive spending during project implementation.

The checklist boxes are divided into four separate areas: regulatory and governance (Box 3), direct and indirect impacts (Box 4), stakeholder engagement (Box 5), and project planning (Box 6). Responsibility for investigating these could be allocated to different personnel.

Box 3: Scoping questions regarding regulatory and governance considerations

- What is the relevant government **policy and legislation** regarding resettlement and associated aspects such as land acquisition? Are there recent, presently occurring or planned reforms in any of these areas? Are there any critical gaps that need to be factored into project planning and development?
- What is the approach to **land valuation and compensation** in the country and project area? Who is considered eligible, and what are the rights of the affected persons? Are there any issues or concerns?
- Is the **legal process** of expropriation clear? Do **legal compensation levels** reflect the true value of land and crops?
- Which **government levels and agencies** would have roles in a resettlement process? What are the government **capacities** with respect to implementing resettlement requirements? Are there capacity gaps or issues that will need to be factored into project planning and development? Is there any need for institutional capacity-building on any aspect of the resettlement requirements?
- What are the current mechanisms in the affected communities for raising and resolving **grievances**? Can the project grievance mechanism build on these, and be in place early and for the duration of the resettlement process?
- Who are possible **financiers** of the project, and do they have their own resettlement policies and requirements?
- What **experiences** and case studies are there of resettlement in the country or jurisdiction, and have there been any **issues and lessons learned**? How can these learnings best be taken into consideration in the project planning and its approach to displacement and resettlement?
- What are the likely respective **roles and responsibilities** regarding project-related resettlement?
- How would a clear **entitlement matrix** for resettlees and hosts fit into the local regulatory and licensing processes? Would this be made public?

Box 4: Scoping questions regarding direct and indirect resettlement impacts

- What are the likely **land acquisition needs** of the project, and options in relation to this? This should consider land required for the impoundment up to the likely full supply level, any other hydrological-change related land impacts, the location of major project-related structures, and areas for temporary project structures and activities. Overestimations that take into account uncertainties and potential secondary impacts are recommended.
- What resettlement **avoidance and minimisation options** are there for the project siting and design, and what trade-offs would these have with respect to achieving project objectives?

Box 4 continued

- What are the **relocation destination options**, and their pros and cons? Is there available **land for relocation**? What is the relative **quality** of potential relocation land? What is the level of conflict in the areas potentially available for relocation? How far away are these? Are they outside any customary tribal areas?
- What areas may be **indirectly affected** or less obviously affected by the project? These might include within the impoundment backwater, tailwater or downstream, or related to transport routes or ancillary structures (e.g. quarries or waste disposal areas).
- What are the **land uses** within the land areas identified as potentially impacted? These need to be broken down into major land use categories (e.g. settlements, agriculture, forests), and as far as possible defined in more detail (e.g. sizes of settlements, different types of agriculture and forests, industrial activities).
- What are the estimated numbers of **people residing** within those areas? At the scoping stage this may be the number of households, with an average household size used to estimate the population affected.
- **Who uses what land and resources** within the potentially impacted land areas? Are there seasonal, migratory, intermittent, and cultural aspects to how people use the land and resources? What is the users' level of livelihood-related and cultural dependence on these resources? What kinds of permits and agreements are associated with these uses, or are they undocumented customary uses?
- What **broad socio-economic, historic and cultural information** is available about the groups of people who may be affected by resettlement? Are there important cultural sites, traditions and events?
- What are important considerations in relation to **gender** that need to be taken into account in the resettlement process? Do compensation arrangements allow for assets that belong to women to be identified separately and reimbursed directly to affected women? Is security of land tenure able to be provided in the names of both male and female heads of household?
- Are there **other potentially affected demographic groups** who are not residing in the land areas to be acquired, but whose livelihoods may depend on them?
- Who are the key stakeholders with respect to relocation options? Are there **host communities**, and what is their situation, what are their needs and attitudes?
- How **reliable and up-to-date** is the available documentary information about the populations potentially affected by land acquisition? For example, government statistics on populations may be collected only every 10 years. Administrative records (e.g. land titles, taxes) may provide insights into only some parts of the populations potentially affected.
- What would be the major **livelihood impacts** arising from resettlement? What are the livelihood restoration and **enhancement opportunities**, including **market trends**?

Box 5: Scoping questions regarding resettlement-related stakeholder engagement and outcomes

- What are the important **principles and processes** that the project is committed to implementing for resettlement stakeholders, including with respect to both engagement and outcomes?
- What might be important considerations relating to stakeholder **consultation, engagement and participation** – and in particular, for the project-affected community? What approaches and resources and timing would be important to include, so that engagement processes are as successful as possible?
- Who are **other important stakeholders** in the country or area, with respect to project resettlement? These might include, for instance, relevant research institutes, welfare and advocacy groups, donors, non-government organisations (NGOs), civil society organisations (CSOs). What are their interests, and how can they best be positively engaged?
- How cohesive are the **communities potentially affected** by resettlement? How are decisions made at the community level?
- Are there **sensitivities and vulnerabilities** for the affected people that would need to be taken into account? These may apply, for example, to indigenous peoples, ethnic minorities, people who have previously been resettled, sites of relatively recent conflicts, community divisions or hostilities, levels of education or literacy, concerns regarding levels of resilience or adaptability, and gender issues.
- What are the internal power structures and distribution of wealth in the affected communities, and could current **power and wealth inequities** be exacerbated through the resettlement processes?
- How can the engagement processes best be designed to consider **gender** issues and ensure that the voice of women is fully represented in the process? How can resettlement processes avoid risks that women will be disempowered? Can resettlement be designed so that both genders are empowered with complementary livelihood strategies that support diversity and resilience?
- What are the **attitudes** of all stakeholders involved in hydropower development and possible resettlement? Is the project highly contentious, or welcomed as a socio-economic development opportunity that may have positive outcomes for all? If stakeholders' view is highly negative at the outset, what strategies can be employed to build trust and engagement?

“Regardless of the degree to which resettlement responsibilities are handled by others, the hydropower project – including the developer, owner, operator and financiers – will incur reputational risks and bear the costs of conflicts, delays and legacy issues if resettlement is not well managed.”

Box 6: Scoping questions regarding resettlement in the context of project planning

- What are the proposed resettlement **objectives**? What are going to be critical **indicators** of success? How can these objectives and indicators take into account the outcomes sought for various levels of social units, e.g. village, sub-groups, household, gender, etc.?
- How can the whole resettlement process best be conceived and executed as a **sustainable development programme**? How can this best be integrated within the main project planning and development?
- What **risks and challenges** are likely to present themselves regarding project-related resettlement, and how might they best be managed?
- Are there **legacy issues** that might affect attitudes and expectations? Are there previous resettlement experiences that have affected the same communities or others in the area, which may influence perceptions of resettlement? Will the project be under some pressure to address legacy issues?
- What are the potential **costs** of a resettlement programme, with contingencies? What are the implications for the project’s likely financial viability?
- What potential is there to access **early investment support**, such as through grants, to ensure more thorough resettlement investigations, engagement and planning processes?
- What is the **economic contribution** of the hydropower project development, once all life-cycle costs, including resettlement, are taken into account?
- What is a tentative project planning and preparation **timeline**, and where would important resettlement requirements fit into it? These should include government process requirements, the cut-off date for compensation eligibility, associated notification processes, undertaking the census and the socio-economic survey, and critical engagement requirements.
- What **expertise** would be important to include in resettlement studies, planning and preparation? How readily available is the appropriate expertise? opportunity that may have positive outcomes for all? If stakeholders’ view is highly negative at the outset, what strategies can be employed to build trust and engagement?

4.4 Developer and government responsibilities

The requirements of government, and the role and expectations of the project developer regarding resettlement, were among the important scoping questions to address. The following discussion applies to the case where the developer is not the government.

4.4.1 Governments

Governments need to ensure good governance. Clear policies and procedures are needed regarding land acquisition, equitable compensation, notification and appeals processes, institutional responsibilities, how the rights of people affected by displacement will be protected, and how legacy issues will be addressed.

It is important that the government clarifies the role responsibilities and relationships for different levels of government (e.g. national, state/provincial, district/local and village-level authorities) and for the many government agencies with responsibilities (e.g. land, roads, health, education, environment, welfare). Coordination of the various role requirements, particularly at critical focal points in time for resettlement processes (e.g. during the census, during relocation), is often an important role for government to fulfil.

Responsible agencies and institutional arrangements for resettlement, and the financing of resettlement activities, will vary. In some cases, the government fully takes on these responsibilities, or an independent authority or coordinating committee may be established with responsibility for implementing the range of resettlement activities. The hydropower project developer is typically required to fully provide the agreed funding and support, but the level of developer involvement in the direct implementation of resettlement can differ widely. For example, the developer may be required to build all necessary resettlement infrastructure (roads, housing, community buildings) and then hand these over to the government; it could also give the government all funding to address

relocation, transitional assistance, and livelihood development and support.

The government may have an agency with clear responsibilities for resettlement, or may need to designate this. For large and/or complex resettlement programmes, the government may establish a resettlement unit headed by an appropriate senior member of government, which would coordinate all government departments and agencies involved (e.g. the departments for land, labour, education, health, welfare, public works, as well as local administration). The government resettlement unit can play an important role in information provision, land and asset surveys, providing secure land tenure to resettles, compensation payments, training and capacity-building for livelihood activities, and grievance redress. Government arrangements should be clearly designated within a structure which may include local resettlement coordination committees, as well as higher-level government supervision and accountability responsibilities.

The government should ensure that there are appropriate and clearly established grievance mechanisms for the affected communities, that these are in place early and for the duration of the resettlement process, and that indicators for access, use and effectiveness are well-documented and periodically reviewed.

4.4.2 Project developers, owners and operators

Developers have a responsibility to fully research how resettlement is treated in the jurisdiction of the project, to clarify any uncertainties, and to be fully compliant at a minimum. The developer needs to identify and reach agreement with government on how to address any policy gaps that may cause uncertainties or delays (e.g. no system of land titling, no clarity in how to manage customary land rights).

The developer should undertake early scoping of resettlement-related issues and needs, as guided by Box 3 to Box 6 above, and gradually build a more detailed understanding for informed decision-making and project planning. The developer needs to understand the expectations of international good practice, and also of project

financiers, regarding resettlement; to resolve any discrepancies with regulatory requirements; and to integrate the proposed approach into project development plans.

In consideration of land acquisition requirements and the physical and economic displacement implications, as well as when deciding what replacement land could be used for resettlement, the developer would be safest to assume that there is no such thing as 'vacant land'. A government may control the formal rights to land and transfer land to the developer, but this does not mean the land is not used locally and is free of competing claims. The developer should take responsibility to fully investigate local conditions and establish who may be affected by land acquisition, as part of its pre-feasibility and feasibility studies.

For resettlement programmes of any size, the project developer should have its own resettlement unit with appropriate staffing and expertise (see Section 4.16).

Owners/operators of operating facilities need to have a full understanding of the resettlement approaches and issues throughout the history of the project. They should understand any legacy issues that arise from historical practices, and seek to provide clarity with the government and the relevant communities on the role of the operating facility, with respect to historical unresolved grievances arising from past resettlement. Approaches taken for more recent developments can raise inequity concerns for those resettled previously, and may raise new grievances based on the setting of new precedents. Owners/operators and governments should consider and seek to fairly resolve such legacy situations, supported through voluntary contributions on the part of the owner/operator that are consistent with government policy and objectives.

4.4.3 Sharing of responsibilities

The requirements for good international industry practice apply to the project, regardless of how responsibilities are allocated amongst the developer and government. The Hydropower Sustainability Tools do not assess the developer, they assess the project. Hydropower projects are

often public interest projects, even when they involve private developers. For both government and developer, there are risks related to whether all agreed actions are fully delivered by the other party in a timely manner and to an appropriate extent and quality.

For projects that are structured to provide joint implementation, well-considered mechanisms are necessary, such as joint performance reviews. Under any scenario, as project implementation progresses, issues may arise regarding the government or developer's capacity to deliver on their respective requirements and responsibilities. It is important to be vigilant for such issues, and to be prepared to review roles and responsibilities, in order to ensure that the necessary processes and outcomes can be fully delivered.

The owner/operator should be wary of replacing core government functions, as in the long term, all resettlement village functions and community assets should be absorbed into the broader government frameworks. It is important to include a closure and hand-over strategy in the RAP, based on not only timeframes but also indicators achieved, so that aiming for self-sufficiency can be embedded within all resettlement implementation activities.

Following delivery of resettlement licence requirements and commitments, the owner/operator should demonstrate that it is not ignoring the long-term needs of resettled communities, and that, where reasonable, it is seeking to understand them and provide support in a measured and reasonable manner. If all mitigation commitments for resettlement have clearly been fully delivered, then further support can be provided through new initiatives unrelated to compliance requirements or core government functions, to ensure that the operating facility has long-term positive relations with surrounding communities. Mechanisms for longer-term support by the owner/operator can be achieved through, for example, a business Corporate Social Responsibility (CSR) programme, or contributions by the hydropower facility owner/operator to a community fund from which the resettlement communities or relevant local governments can access financial support for agreed initiatives (see the Benefit Sharing How-to Guide).

Cumulative impacts can emerge due to later developments; in which case, there should be well-documented agreements with relevant parties on how these will be managed, and their respective responsibilities. Examples include new developments that require resettles to be resettled a second time, or that affect the resources or assets upon which the resettlement villages rely (e.g. access road, water supply, community forests or grazing lands).

Because responsibility for successful resettlement is clearly shared, there is a risk over time that within the various responsible institutions, each individual's personal sense of duty declines, resulting in worse than intended outcomes for resettles. A challenge is to ensure that awareness of and attention to responsibilities does not diminish over time, especially along with changes to personnel in key roles, and to government and corporate structures, systems and processes. The

Box 7: Important time-dependent resettlement considerations

- ❑ Contingency measures are planned at the outset to manage any resettlement delays, such as increased resourcing, temporary resettlement, supplementary support if resettlement housing and facilities are not completely finished, and increased transitional support.
- ❑ The cut-off date for compensation eligibility is clearly designated and appropriately notified. This is often specified as the day before the census is undertaken.
- ❑ Seasonal trends are taken into consideration when establishing critical dates, such as the cut-off date, and the timing of and time periods for census and socio-economic survey data collection. Relevant considerations include the timing of planting and harvesting of crops, and seasonal resource users in the area who may not be present and accounted for if data are collected at certain times of year.
- ❑ Sufficient time is allowed for capacity-building measures to be implemented, so that the affected persons and communities can fully engage in the resettlement process, and can also build the skills and capabilities that may make them well prepared to start rebuilding their livelihoods post-resettlement.
- ❑ Sufficient time is allowed for consultation and engagement at each critical step. This timing should adequately ensure that affected persons and communities fully understand the situation, the process, their rights and their choices, and they have the ability to consider what this all means for them, what they should do, and how they might help shape the approaches taken.
- ❑ Sufficient time is taken into account for acquisition, surveying, demarcating, clearing and preparing residential, agricultural and community land, and providing land titles, in the new resettlement areas.
- ❑ Early construction-site establishment activities that cause displacement are not rushed, in advance of proper policy, consultation and planning processes relating to land acquisition and resettlement.
- ❑ All houses are fully completed, and key elements of resettles' livelihood assets and resources (such as arable lands or replacement commercial structures) are prepared prior to relocation.
- ❑ Compensation and moving support are fully paid and provided to all affected households prior to any land acquisition or relocation activities being implemented.

government and developer should make clear, consistent and well-documented commitments regarding the intentions and plans for resettlement, embed these within systems and processes for implementation, and report on implementation and effectiveness over a meaningful time period, using verifiable methods to build the full confidence of all stakeholders. A culture of continuous improvement, rather than diminishment, over time should underpin resettlement programmes.

4.5 The importance of timing

There are numerous time-dependent considerations with respect to resettlement, as illustrated in Box 7. Adequately addressing these time-dependent considerations in project development planning processes will help to avoid many resettlement-related risks.

The most critical timing issue is to ensure the fit of resettlement preparation activities, and implementation of the actual relocation, into the overall hydropower project development schedule. It is unfortunately very common for the time requirements for necessary resettlement preparation tasks to be underestimated; either due to a lack of experience by those involved, or an unwillingness to listen to experts' advice that more time should be planned for. Contingencies for time required for resettlement preparation should be built into the overall hydropower project schedule, to ensure that the project construction schedule does not cause resettlement preparation activities to be overly rushed.

Delays may affect resettlement programmes and should be planned for. Project approvals, financial closure, construction and implementation activities can last for many years, and often much longer than anticipated. Such delays can have a major impact on affected people, as they will not know how much effort to invest in maintenance or livelihood activities in their present living area during this period. In addition, natural population growth may cause an increase in the population eligible for compensation and support.

4.6 Socio-economic assessments

4.6.1 Approaches and expertise

Once the decision is made to definitely proceed with the project, and an option for siting and design has been chosen, then it is necessary to undertake the various socio-economic and social-impact related studies. Those addressed here are the resettlement census (Section 4.6.2) and the socio-economic survey (Section 4.6.3).

Broader environmental and social impact assessment (ESIA) studies are undertaken alongside the census and the socio-economic survey. These ESIA studies help provide a picture of the overall project effects on surrounding communities, not just on resettles. They also help inform whether there are cumulative impact issues that need to be taken into account when considering livelihood impacts: for example, the diminishing quality of the fishery resources, due to over-fishing or upstream pollutant discharges from industrial activities. For a very simple and small-scale resettlement programme, it may be sufficient to include the data and analysis relating to resettlement within the ESIA document itself, as a separate section.

It is important to obtain appropriate expertise for undertaking the socio-economic assessments. The experts should be able to provide guidance on the most appropriate methods and level of detail, according to the project situation. Considerations to guide the selection of experts for the resettlement-related social assessments include those outlined in Box 8.

A variety of experts focused on different tasks will be required, so that the project can draw on specialists appropriate to its specific needs. For example, a social expert in undertaking socio-economic surveys is not an appropriate expert for planning and supporting land-based livelihood improvement programmes or analysing enterprise development opportunities. Inputs may be required from both anthropologists (e.g. regarding customary tenure) and legal experts (e.g. regarding modern rights), in order to develop proper land compensation processes.

Box 8: Considerations to guide the selection of resettlement-related experts

- What formal qualifications and practical experiences do they have that would demonstrate their capacity to undertake resettlement studies?
- Do they have experience in assessing resettlement impacts for projects in the country and region?
- Do they speak the local language of the project-affected communities?
- Do the experts include a mix of gender, age and appropriate ethnicities, which will enable liaison and understanding of the needs of these sub-groups within the affected communities?
- Do they have experience in assessing resettlement impacts for projects of a comparable scale and complexity?
- Are they familiar with and do they have experience of the relevant resettlement policy and legislative requirements, and the key agencies involved?
- Does their experience only encompass field data collection, or does it also include engagement and planning for land acquisition, resettlement planning, income restoration, livelihood improvements, monitoring and evaluation, and their respective implementation?
- Do they have negotiation skills, and what experiences, outcomes and lessons learned can they provide regarding these skills?

Important considerations specific to the census and the socio-economic survey are outlined in the following sub-sections.

4.6.2 The census

The census is the registration of land, structures and livelihood assets of each individual and community who will be displaced, and this serves as the basis for valuation and compensation. The census is a very formal one-off exercise undertaken at a particular point in time during project development. It is best done after the engineering design has progressed far enough to definitively identify the land that will be affected by the project, resulting in displacement. It will form the basis for eligibility and valuation for payment of compensation. Special measures may need to be provided if it is likely that people with legitimate rights and claims are not able to be present at the census (see Section 2.3)

A necessary prerequisite for the census is a detailed measurement survey of the land affected. This is the

fundamental step that informs the degree to which physical and economic displacement will arise. This detailed survey needs to be conducted formally, using qualified surveyors and defensible techniques, as it establishes the boundaries within which the census and assets inventory will be conducted.

Once the land boundaries are established, then the census should be undertaken. Box 9 outlines a number of important considerations that should be taken into account regarding the census scope.

The census should not be undertaken unless affected persons have been given proper notice that their lands may be acquired for the project, and that the census (and other procedural steps) will be undertaken. Affected persons have a right to understand what is being proposed, how it affects them, the processes involved, and their rights and options. The timing of notification is a point of some sensitivity, and needs careful consideration. If given early and with some time before the census, then there is a high risk of immigration to the land. If given with too little time before the census, then

Box 9: Important considerations for the scope of the census

- Ensure that the census includes 100 per cent of the people who will be displaced.
- Address those who are genuinely entitled to compensation; these do not include encroachers onto the land, but should comprise customary owners and users (see Section 2.3).
- Provide a complete listing of all displaced persons by household (name, age, address, gender, marital status, etc.), and any supplementary core information that is valuable for assessing each individual, and might help guide the development of special approaches for any sub-groups.
- Provide a complete inventory of all displaced persons' non-mobile assets within the land area affected (residential, agricultural and commercial land, buildings and structures; and non-mobile privately-owned livelihood assets, such as fruit or industrial trees and perennial crops, and their productivity).
- Include both ownership and use of recorded land and assets, and all gender dimensions of assets that are owned and used.
- Provide a complete inventory of all non-mobile community assets and resources (e.g. roads, health and education facilities, timber mills, places of worship, cemeteries, sacred or culturally significant sites, community forest or pasture).

this may not give affected persons sufficient time to understand what is happening and the significance of the census that will be undertaken. The inability of some eligible claimants to be present at the time of the census needs to be addressed with specific consideration and clear procedures.

The content of the notice should include:

- the purpose of land acquisition;
- a map of the area to be acquired;
- an outline of the relevant procedures;
- important timing aspects;
- the rights of affected persons;
- how to get more information and assistance.

Notification should follow methods that ensure all affected people receive and are able to comprehend the notice. This means that issues which may inhibit receipt and comprehension (such as literacy, language, remoteness, gender,

seasonality) are all considered and factored into the methods employed.

The actual census method is typically a highly structured questionnaire filled in through interviews, document searches and site inspection. Those conducting the census are designated in agreement with the government (they may be government officials), and properly trained to ensure thoroughness, consistency and cultural appropriateness. Important considerations regarding the census method include those listed in Box 10. Note that conflicts can arise regarding the ownership, use and extent of assets; thus, the grievance process for the project should be in place and activated as needed.

“The developer would be safest to assume that there is no such thing as ‘vacant land’.”

Box 10: Important considerations regarding the census method

- Important criteria regarding eligibility for payment of compensation have been thoroughly identified and incorporated into the questionnaire.
- Methods for quantification of assets that will inform valuation are clear and consistent (e.g. how individual residential land areas will be delineated where villages consist of clusters of houses; and how perennial crops will be quantified, such as based on the number of plants or by square metres of planted land).
- An identification numbering system for households has been devised and is applied, which will serve as a basis for household tracking and cross-referencing with other data collection approaches (e.g. the socio-economic survey) into the long term (see also Section 4.18 on monitoring and information management).
- The recipients of the census have been notified about the purpose, timing and process, and are able to be present when the data are collected.
- Both the male and female heads of the household are present to participate in the census, given that one may not have all information relating to livelihood assets that the other predominantly looks after.
- The recipients understand that this information will be the basis for compensation, so that they should not omit any assets that later they may want to claim for. Understating of assets can be a long-standing tradition to minimise tax payments; or equally, overstating of assets can be a tactic for gaining higher compensation. Later claims of missed assets or insufficient compensation can be a large component of grievance processes, where there is no opportunity to return to the original land (under the reservoir) to revalidate what was there.
- Asset condition is noted where relevant to valuation.
- Both ownership and use of assets are noted, and whether they are owned and used by the male and/or female members of the relevant households, with an awareness that there are often distinctions that are important to capture.
- Any conflicts that arise during the census process – e.g. multiple claims, tenant arrangements, absentee landowners or land users, etc. – are documented and addressed through appropriately designed processes, in order to resolve them as soon as possible.
- The household information is entered into a household asset register with appropriate identification numbering; this is reviewed by the male and female heads of household and signed (or thumb-printed) by both, with the local authority, customary chiefs, or other appropriate witnesses present and also signing.
- Photos are taken during the data collection process and included in the asset register, so that there is visual evidence alongside the documentary evidence. A photo of the male and female heads of household and the house itself should be included, at a minimum.

Box 10 continued

- Every aspect of the census process should be well documented in a manner that is comprehensive, includes methods as well as data, is consolidated in a centralised database, and is easily retrievable over the longer term.
- A copy of the asset registration document is provided to each relevant household. Ensure that the census includes 100 per cent of the people who will be displaced.

Regarding the collection of census data relating to community resources, this should include:

- **Natural common property resources** such as community forests, community grazing lands and community fisheries, along with indicators of their capacities and productivities.
- **Community structures** such as roads, educational and health facilities, water supply and water treatment, power and telecommunication systems, administrative systems, the village marketplace, village meeting place, recreational facilities, temples, bridges, jetties, pumps, power and water supply.
- **Physical cultural resources** such as burial grounds, sacred places (e.g. rocks, forest, caves, ponds), and any other sites of archaeological, historical, cultural or religious importance.

If project implementation is delayed by a significant period (e.g. three years), the census should be updated. This scenario should be considered at the outset, so that clear determinations on important aspects of project timing are provided (notification date, cut-off date, census date, socio-economic survey), and procedures on how delay will be dealt with also have certainty and fairness. Families evolve through births, deaths, marriages and divorces, and the census data will become outdated if there is an excessive delay. Household sizes will grow, and new households will form, with implications for the number of houses, house size, and access to additional lands – all of which should be factored into planning and contingencies regarding delay. Delay causes considerable anxiety for affected people, in terms of basic questions such as whether

they should plant crops or invest their time and effort into livelihood or maintenance activities. Property prices and values may also be affected. The project proponent and government should be highly sensitive to these issues, and make plans for how to deal with them fairly before such issues arise.

4.6.3 The socio-economic survey

The socio-economic survey is a broader study of the communities and households who will be displaced, with a focus on factors including demographics, living standards, livelihoods, culture, traditions and vulnerabilities. It will serve three purposes:

- Establishing the existing socio-economic profiles of people affected by the project, as a basis for identifying impacts (positive and negative) and potential risks of the project, which will be taken into account in the ESIA as well as resettlement planning.
- Identifying and assessing all socio-economic considerations important for formulating the Resettlement Action Plan (RAP), and to inform methods to achieve the objectives of improving the livelihoods and living standards of resettles and host communities.
- Establishing a baseline for monitoring and evaluation, during and following implementation of the RAP.

The socio-economic survey is typically conducted based on a household questionnaire for 20–25 per cent of the affected population, although this can

Box 11: Steps in the socio-economic survey

1. Design of the socio-economic survey questionnaire form.
2. Testing of the questionnaire form, followed by refinement.
3. Recruitment and training of the survey team(s).
4. Planning of timing and approaches to ensure survey success (e.g. avoiding harvest time when people will not be available; ensuring both the male and female heads of household are present and involved).
5. Collection of survey data, including field supervision, verification and quality control.
6. Processing, analysis, management and reporting of data, also including quality control measures.

be more or less depending on the situation (i.e. all potentially displaced people may be included). The methods used for data collection, and the level of detail of data collected, will be greatly influenced by the estimated numbers of affected people, the scale of impacts, and the presence of complicating factors identified during the early scoping and analysis. The sample should include some unaffected communities, so that changes occurring over time that are unrelated to the project can be understood.

The basic steps in the socio-economic survey are outlined in Box 11.

Ideally, the survey should be carried out by an independent and appropriately qualified organisation that works routinely in the country/region, doing similar types of surveys. Any surveys undertaken to develop baseline data from a representative portion of a population need to be guided by experts in social science, and must be able to serve as a comparative baseline for later post-resettlement surveys. Where sampling is involved, the rationale for and method of selection need to be clearly articulated and defensible. The survey team should speak the local language and understand cultural norms. It should be composed of individuals who have some commonalities with those being surveyed, such as with respect to gender or ethnicity. Moreover, individuals involved in survey data collection need to be trained and supervised, to ensure quality, consistency and thoroughness.

Questions included in the survey should be shaped by the scoping and analysis phase, and interpretation of results assisted by the broader social-impact assessment studies. The broader understanding of the socio-economic context of the project-affected communities should be gathered from a variety of sources, including studies, the national census, maps, interviews with municipal authorities and community leaders, government records and registries, previous studies, and studies commissioned as part of the social impact assessment (e.g. on cultural heritage, public health).

Information sought in the socio-economic survey should encompass variables such as those outlined in Box 12.

Baseline socio-economic information also needs to be collected for host communities, as these can experience impacts from receiving resettles, and should also receive benefits (e.g. improved community infrastructure, livelihood support measures). It may be that at this stage the host community or communities have not been definitely identified, in which case the survey should be designed in a manner that will help inform and supplement other evaluation methods. In some instances, resettles move into a large urban area or disperse into multiple settlements, in which case the baseline scale and sampling approach for the host community needs to be defined, so that the survey can be undertaken in a practical yet still informative manner.

Box 12: Information to include in the socio-economic survey

- Demographics (e.g. age, gender, ethnicity)
- Household size and structure
- Occupations
- Social groupings (e.g. affiliations, caste, religious groups)
- Access to and quality/level of public services (e.g. health, education, water, sanitation, education, roads)
- Income levels and sources, and any seasonal/inter-annual influences
- Livelihood resources (individual and collective, such as land, boats, mills, shops)
- Expenditures/consumption and any seasonal/inter-annual influences
- Access to markets and any seasonal/inter-annual influences
- Travel modes, reasons, frequencies and dependencies
- Gender roles at the household and community levels
- Attitudes and preferences regarding resettlement
- Traditional ways to relocate and establish new households
- Rituals and ceremonies of leaving and arriving, auspicious days for moving, involvement of religious experts, etc.

For **self-resettlers**, additional approaches should be designed, as appropriate to the scale and situation. These might include interviews about their options, capacities and risks, which could be used to design support measures and monitoring procedures before, during and after self-relocation. Self-resettlers often have plans to move out of the region or to property they have bought, possibly with other relatives. Information about their financial literacy, their understanding of budgeting, savings and financial risks, and how they might manage various scenarios that could arise, should be collected to inform support measures that will accompany payment of compensation.

Data collected should be analysed and presented in meaningful ways, guided by important questions

arising from stakeholder engagement and other scoping and analytical processes. For example, gender and other relevant social factors (e.g. ethnicity, location) should be evaluated to identify if there are commonalities, trends, issues and vulnerabilities. Interpretation of the results should be assisted by inputs from consultations with affected persons.

The results of the socio-economic survey should help inform questions about displacement impacts on many aspects of the local communities and economy, such as patterns of land use, livelihoods, employment, income, social organisation and institutions, women's activities, and poverty levels. This should help shape ideas about how the resettlement programme can

be designed and delivered, in order to maximise opportunities for long-term positive change in the communities affected.

4.6.4 Economic assessment

A concern expressed extensively in the resettlement literature is that resettlement programmes lead to impoverishment of the resettleses over the longer term, because payment of compensation and funding for livelihood reconstruction are in most cases insufficient. Long-term impoverishment will ultimately be a cost for government to address. A specific Preparation Stage requirement in the HSAP is that resettlement is properly considered within the project economic assessment.

The driver for a project economic assessment is that many aspects of importance for society's well-being are missed when only financial analyses are conducted. The financial analyses of the project may show a positive investment outcome, but not reveal the unquantified costs arising for project-affected communities (and the environment).

The economic assessment is informed by the project financial analysis. The full financial costs of resettlement need to be outlined in detail alongside all other project costs, as far as they can be anticipated over the project lifetime. Estimations and assumptions should be made transparently where needed, so that they can be updated as more data become available. Regarding resettlement, detailed costs should include the cost of surveys, studies, expertise, engagement, financial compensation, relocation, support payments, construction of replacement infrastructure, livelihood restoration and support activities, contingencies, etc. These should include the construction and operation stage, and may take into consideration estimations of long-term voluntary support following the delivery of compliance obligations.

Further to these financial costs of resettlement, the economic assessment should factor in social and environmental externalities; these aspects are not clearly reflected in market prices, but affect people's well-being. For example, the economic benefits of a bridge for a local community can include improved transport and better access

to markets; whereas economic costs for a local community, due to dust from construction-related traffic, can include reduced crop yields and respiratory health problems.

Ideally, the economic assessment is done in an iterative manner, so that issues and risks relating to resettlement can be identified and responses factored in. The economic assessment should help to indicate if funding mechanisms should be part of or associated with the project, to ensure that impoverishment of resettleses can be avoided in the long term. There are useful approaches that could be adopted, along the lines of those elaborated on in the Benefit Sharing How-to Guide.

4.7 The resettlement plan

Preparation of the Resettlement Action Plan (RAP) becomes a primary focus once the project proceeds to the design stage. The RAP is the document or set of documents that outlines the actions that will be taken to address resettlement. As noted previously, it may not be essential to have a full RAP if resettlement is very small-scale and simple; however, this needs to be analysed and planned with an awareness of what would typically be involved in a fully developed RAP.

Regardless of whether it appears within or in addition to the ESIA/ESMP documentation, the content that a RAP should address includes the components outlined in Box 13.

The RAP should include targets and objectives that state what the activities and commitments to resettleses, self-resettlers and host communities are aiming to achieve (e.g. regarding improvement in living standards and livelihoods), and actions should clearly be oriented towards these outcomes. These objectives should take account of the socio-economic baseline established by the socio-economic survey (Section 4.6.3) and should be clearly linked to the monitoring and evaluation indicators (Section 4.18).

The RAP should involve formal agreements in relation to what will be implemented. An agreement is a recorded understanding between individuals, groups or entities to follow a specific course of conduct or action. This is recognised as

Box 13: Essential inclusions in a resettlement plan

- Policy and legislative requirements
- Project description as it relates to resettlement requirements
- Identification of those being physically displaced
- Processes regarding the community and household census
- The socio-economic baseline for resettlees, self-resettlers and host communities
- Consultation, participation and information exchange
- Timeframe, objectives and targets
- Measures to be implemented as part of the resettlement process, including those relating to resettlement assistance and livelihood support
- Compensation and support entitlements
- Organisational roles, responsibilities and resourcing
- Budget allocations and financial management processes
- Risk assessment and management measures
- Grievance mechanisms
- Monitoring, reporting and review

formal when in the form of a document signed by recognised representatives of all parties concerned, sometimes with witnesses present, or expressed in government licence requirements or court decisions. An agreement is considered to be publicly disclosed if members of the public can access information on what was agreed, if they wish to do so. The resettlement entitlements matrix is an important document for capturing what has been formally agreed (Section 4.8), and mechanisms to enable public disclosure are noted in Section 4.9.

The following is an example outline of a RAP. This is a guide only, and should be seen as indicative but not absolute guidance on what a RAP should include. The example below shows potential sections of the RAP. The order and labelling of sections should suit the needs of the project and

the guidelines issued by the government. The level of detail, and how much data is included in appendices, will be influenced by the scale and complexity of the resettlement programme. For a large and complex project, the RAP may have several parts.

Example RAP contents

1. Executive summary. This section should summarise the project scope, key findings from the socio-economic survey, the resettlement entitlements matrix, and any other recommended actions.

2. Project description. This section should present a project overview, highlighting the aspects of the project development that result in land acquisition

and resettlement (both primary and secondary, direct and indirect, and from ancillary activities and supporting infrastructure from associated projects). It should present the evaluation of resettlement avoidance and minimisation options undertaken, and explain the reasons for project decisions regarding the need for and extent of resettlement. The results of the overall economic assessment of the project could be added to this section or form a separate one.

3. Scope of land acquisition and resettlement.

This section should show in detail what land acquisition and resettlement is required, using maps and tables to show areas, land uses and quality, as well as the communities, community assets and common property resources affected. Temporary versus permanent resettlement should be made clear, where overestimations have been made, and also where land acquisition results in economic versus physical displacement. Areas identified for relocation and their characteristics should be included. This section emphasises the geographic extent, whereas Section 5 provides the analysis of the people affected.

4. Legal framework. This section should fully describe the national and local policies, laws and regulations applicable to project resettlement. Any gaps, issues or uncertainties in relation to international good practice and project financier requirements should be identified, and measures to address these described. Any relevant policy commitments and policy frameworks made with respect to the project resettlement process should be presented, such as regarding eligibility, host communities, self-resettlers, grievances, land dispute mechanisms, gender, vulnerability, and indigenous peoples. The valuation and compensation framework should be fully presented and analysed for adequacy, including principles and methodologies, and the actual values to be applied. Eligibility criteria should be made clear. The timing of key procedural steps in the land acquisition process should be presented, as they relate to legal requirements, including eligibility, valuation and compensation. Processes and timing to ensure security of tenure, both for housing and for replacement land for resettlees (e.g. land titles), should be included.

5. Socio-economic information and profile. This section should provide an overview and full details of the people affected by resettlement, drawing on and summarising all information sources including the census, socio-economic survey and social impact assessment. This section should give a very clear depiction of the socio-economic baseline of the displaced persons and the host communities, with particular attention to living standards and livelihoods. Information should be disaggregated by gender, vulnerability, ethnicity and other social groupings, and commentary and analysis should be provided on issues and impacts relating to these groups, and existing inequities and power imbalances. Discussion of contextual historical, social, cultural or political influences and trends that influence the socio-economic situation of the displaced persons should be supplied. Community structures and governance mechanisms regarding decision-making and follow-through should be described and evaluated in light of resettlement process needs. Cultural and psychological considerations should be presented, including traditional ways to relocate and establish new households, rituals and ceremonies of leaving and arriving, auspicious days for moving, involvement of religious experts, etc. An analysis of conflicts (past, present and potential) should be included, both at the pre-dam locations and also in the host community areas. Household interrelationships and gender norms and constraints should be elaborated, highlighting gender-related risks in the resettlement process.

6. Information disclosure, consultation and participation. This section should provide a 'map' of the project stakeholders affected by, involved in, or with a clear interest in displacement processes, along with an analysis of degree of impact and influence of stakeholder groups with respect to resettlement. Important considerations regarding engagement should be outlined, including local decision-making norms, existing conflicts and rivalries, the degree of cohesiveness versus heterogeneity, gender, vulnerable sub-groups, etc., with respect to both the resettlees and also the host communities. The approach to engagement and consultation should be provided and justified, and the key elements of the consultation and engagement planning outlined. It is essential to show that the voice and needs of women have been fully incorporated into these processes.

The fit of engagement activities with key timing requirements of the project and the resettlement process should be shown. Engagement activities, participants, methods and results should be presented, including the extent of participatory processes, and how stakeholder inputs have influenced and informed resettlement planning (see Section 4.9). This should include clarity on the types of options that were presented to the displaced persons for their decision-making (see Point 8), and to potential host communities regarding measures they would receive. Notification and disclosure approaches for important information and documentation, both undertaken to date and planned, should be presented. Plans and commitments should be outlined for consultation, engagement and participatory processes during resettlement implementation and follow-up.

7. Entitlements, assistance and benefits. This section should fully describe all resettlement entitlements and assistance measures that the RAP has committed to provide for various categories of eligible persons (e.g. all resettlees, self-resettlers, specific sub-groups, host communities). A clear and comprehensive resettlement entitlements matrix should be included. Entitlements and resettlement assistance measures should always include the designation of eligible recipients, amounts, time periods and other details, to a degree that clarifies intent and avoids ambiguity.

8. Relocation and resettlement. This section should outline the ‘packages’ presented to physically displaced persons, in the form of defined resettlement options (such as participating in a fully supported resettlement programme, self-relocation with cash compensation, or assisted self-relocation), and offered to host communities. For self-resettlers, there needs to be a clear plan regarding where each person will go, and what level of assistance they will receive for moving and initial transition. For resettlees moving with a project-supported resettlement programme, choices such as which resettlement location, type of house design and materials, house location within a village, agricultural land plot features, community building locations and designs, etc., should be presented. These inclusions should show that the programme has responded to the inputs and needs of both men and women. All aspects of the preparation and relocation processes should be presented, with

respect to timing and methods these include the following: land clearing, land preparation, housing construction, people and mobile asset transfer from the old settlements, rituals and cultural ceremonies on departure and arrival, assistance and transitional support measures for relocation and settling-in, timing and plans for community buildings (e.g. the village health centre, schools, temple, village meeting hall, marketplace), roads (to villages, within villages, from houses to agricultural lands), and activities to demarcate, prepare and manage common property resources (e.g. grazing lands, community forests, community fisheries). Activities for host communities, including expanding infrastructure and social services, and ensuring good integration with the arriving resettlees, should be included.

9. Livelihood restoration, rehabilitation and improvement. This section should provide a full discussion of pre-resettlement livelihoods, and the rationale for and details of the income-generating and livelihood options and support packages supported by the project (see Section 4.14). The scope should include resettlees and host communities. Objectives, relevant entitlements, training and support measures, risks, and monitoring and evaluation mechanisms should be fully explained. The risk analysis should show how measures are incorporated to build diversity and resilience, address the needs of both women and men, and allow for adaptability over time. Any special packages tailored to meet the needs of particular sub-groups should be included, and the rationale and support measures explained. Funding mechanisms aiming to promote self-sustainability and to avoid long-term impoverishment risks should be identified, with a cross-reference to the budget section. The closure strategy in terms of project support should be outlined, linked to indicators.

10. Grievance mechanisms. This section should clarify and present the grievance mechanism(s) used to date during project preparation, and planned for use during resettlement implementation and follow-up (see Section 4.10). These should include the methods employed to identify, hear, resolve, close and record/document issues and grievances raised by affected persons. Responsible parties, and the methods by which they and affected persons are made aware of, and trained to use, the grievance mechanism(s) should be

included, with cross-references to the budget and institutional arrangements sections. Risks relating to the grievance mechanism, and how measures are incorporated to manage these, should also be included. Any grievance policy and procedure should be appended to the RAP.

11. Resettlement budget and financing plan.

This section should present a fully itemised budget for resettlement planning, implementation and follow-up (see Section 4.16). It should include the spending on studies, surveys, consultations, staffing, experts, administration, materials, activities, compensation, support payments, training, monitoring and evaluation, and contingencies. The annual budget over the Resettlement Implementation Period should be fully presented, including associated assumptions and bases for calculations. The source of funding and any funding shortfall risks should be clearly stated, as should financial management measures relating to resettlement funding. The budget should include closure measures linked to indicators.

12. Institutional arrangements. This section should present the various aspects of institutional arrangements for resettlement. This should include, as relevant, the government and corporate resettlement units, institutional arrangements within the resettlement and host village(s), and arrangements and responsibilities for any supporting or service delivery functions critical to implementation of the RAP. Any institutional arrangements aimed at better addressing and empowering both genders, and incorporating representation of important sub-groups, should be identified. The institutional responsibilities for the grievance mechanism should be included within the overall responsibilities.

13. Implementation schedule. This section should provide a detailed implementation schedule for all resettlement activities (see Section 4.15). These should be linked to important aspects of the project development schedule, and critical dependencies and interlinkages highlighted. The timetable should show how cultural aspects, such as auspicious dates and important festivals and traditions, have been factored in from the perspective of both the resettles and the host communities. Possible sources of delay should be outlined, along with any associated implications

for resettles, self-resettlers and other stakeholders, and how these will be managed.

14. Resettlement risks. Whilst risks are included in a number of the sections above, this section should systematically list all possible risks for each component of the resettlement programme, with respect to the objectives sought to be achieved, and where and why they might fall short. A good risk assessment process will help strengthen the RAP and highlight additional measures that will enable detection of and response to emerging risks. Responsibilities for risk identification, risk management and risk monitoring for different types of risk should be noted.

15. Monitoring and reporting. This section should set out the monitoring, evaluation and reporting arrangements relating to implementation and follow-up on all activities and commitments in the RAP (see Section 4.18). Indicators should be presented and explained so that it is readily apparent how they reflect resettlement objectives, progress, risks and outcomes for resettles, self-resettlers and host communities. The monitoring plan should clarify roles, resources, responsibilities, timing, information management measures and budget. Methods of management of different types of information should be included, so that efforts made in later years to review the resettlement programme and processes can be informed by the overall information management plan.

4.8 Resettlement entitlements matrix

A matrix of resettlement entitlements (or equivalent form of a compliance matrix or summary) is a critical inclusion in the RAP. This is the core set of commitments regarding what will be provided to the resettles, self-resettlers and hosts, and should be treated as part of a contract. The entitlements matrix is in accordance with other components of the RAP, such as eligibility criteria, accompanying clarifications and interpretations, and caps on extent of project support requirements by the company (e.g. in space, time, expenditure).

Displaced persons should have options regarding whether they become self-resettlers (potentially with different levels of project assistance), or fully

join a project-funded resettlement programme (if offered or feasible), or other 'resettlement packages'. Ideally, these options and packages are defined through an iterative process with those who will be displaced (see Section 4.9). Options and support packages should also be developed for consideration by potential host communities. Often, those resettles who are considered more resilient and less vulnerable choose the self-resettlement option, and those who require more support prefer a project-supported resettlement programme. However, if the project-supported resettlement packages are attractive, and trust has been established between the displaced persons and the company, then most people should choose the project-supported resettlement programme, which can help retain more cohesive community structures. The entitlements matrix should provide a clear view on what each particular choice would involve, and what affected persons can expect. All resettlement packages, including those for self-resettlers, should be approved by government.

The resettlement entitlements matrix should categorise entitlements by eligible recipient groups. These may be as simple as entitlements for resettles, self-resettlers and hosts, or much more complicated if there are different cultural groups, different vulnerable sub-groups, different geographic locations (e.g. urban, rural) and different government jurisdictions. It is critical to include host communities, because if they do not see any benefits for themselves, long-term grievances may arise from pressure on resources due to the new resettles. Temporary relocation may be a feature for some households, potentially facilitated through means such as finding and funding rental situations, and providing employment during project construction.

Entitlements should be categorised according to what impact or issue they are seeking to address. For example, there may be a number of entitlements relating to loss of agricultural land, such as replacement agricultural land (specifying factors such as area, quality, slope, location, access, clearing and preparation provisions), issuing of a method for securing land tenure (e.g. land titles or land use certificates), and cash compensation if the allocated land is less than the value of the land lost in the old village. Entitlements relating to loss of houses might include a replacement house (specifying

factors such as size, location, layout, materials), electricity, water supply, toilets, lighting, etc.

Entitlements should be expressed in a way that makes it clear who is receiving them. This may be a community (e.g. with respect to a temple, village roads, etc.), a household (e.g. with respect to residential land, a house, planting materials for around the house), or an individual (e.g. with respect to transitional food support, or access to an effective grievance mechanism). Entitlements should be designed to support the needs of both genders, as discussed in Section 4.12.3.

There may be vulnerable groups, households or individuals who require additional support, and this should be incorporated into the resettlement entitlements matrix. See Section 4.12.2 for expanded guidance on how to approach vulnerability in resettlement.

The scope and inclusions in a resettlement entitlements matrix will be based on the result of the research and engagement process undertaken to develop the RAP, plus the government requirements and corporate commitments. Ideally, the end result will reflect the inputs, preferences and outcomes negotiated with those who are directly affected, while considering particular needs of both genders, and those who may have particular vulnerabilities in the resettlement process.

By way of example, within a resettlement entitlements matrix, the major groupings that address impacts or issues might include those shown in Box 14.

There may be considerable detail within any of these areas, or they may be quite simple, depending on the issues, concerns and risks involved in the resettlement situation.

An area that may not get sufficient attention in a resettlement programme is mental health support, in various forms, for the affected individuals and communities throughout all stages of the resettlement process. Psychological and emotional stress, loss of social cohesion, loss of cultural identity, uncertainty and anxiety can all be major issues for the resettles, and entitlements should include approaches that are supportive of these aspects.

Box 14: Examples of major groupings within a resettlement entitlements matrix

- Loss of agricultural land
- Loss of residential land
- Loss of houses and associated structures (e.g. stables, workshop, sheds, chicken coops, granaries)
- Loss of commercial land
- Loss of commercial structures
- Loss of physical cultural resources (e.g. sites of cultural significance, cultural and religious structures)
- Loss of agricultural production systems (e.g. equipment, livestock, nurseries, stores)
- Loss of fruit and industrial trees
- Loss of common property resources (e.g. forests, grazing land, fisheries)
- Loss of or improvements in community infrastructure and services (e.g. village halls, sports areas, markets)
- Loss of or improvements in educational facilities and services
- Loss of or improvements in health facilities and services
- Moving assistance
- Training and support (e.g. regarding livelihoods, skills, community development, administration, maintenance, health and sanitation, literacy, financial management)
- Transitional support (i.e. short-term supplementary support measures)
- Vulnerable households
- Self-relocation
- Grievance procedure

The resettlement entitlements matrix needs to include definitions of key terms and expressions, such as the Resettlement Transition Period, Resettlement Implementation Period, and Livelihood Restoration Package (or equivalent). Policies and procedures will need to be developed for particular areas, such as vulnerability support and the grievance

procedure. Compensation rates and payments should be set as per a government-issued schedule of rates, or at rates negotiated with asset owners – whichever is higher (see Section 4.11).

4.9 Consultation and engagement processes

Consultation and engagement should always be extensive and meaningful. The consultation and engagement plans for resettlement should be part of the overall project consultation and engagement planning. They should be guided by an engagement strategy with clear stages, focal areas and decision-making needs. The plans should be clear on engagement objectives and risks, and what is required for each engagement to be successful.

An important aspect of the engagement strategy is to decide who makes the engagement with those potentially displaced. Facilitators or independent third parties can potentially play an important role in helping to build and maintain trust.

Important engagement focal areas during the Early Stage include details of the proposed project, project options, potential project impacts and benefits, and incorporating local knowledge and gender-related perspectives into project assessment processes. During preparation, important engagement focal areas relating to those who may be displaced can be structured around important process steps: the notification, the census, the socio-economic survey, the broader ESIA studies, land acquisition and displacement implications of the project, rights of and options for those displaced, information and grievance processes, training and support assistance, and development of the RAP.

Resettlees, self-resettlers and host communities should be involved in the definition of key elements of the RAP, as well as in deciding what processes are implemented in development of the RAP, with measures incorporated to draw out different gender perspectives. Resettlees can be involved in proposing and evaluating potential resettlement sites, can go to visit other projects' resettlement sites and potential areas under consideration, can indicate their preferences and needs regarding layout arrangements and alternative livelihood activities, and influence decision-making related to housing options. Self-resettlers can identify where they will go and how they can ensure their ability to support themselves. As a general rule, the project should seek to identify as many areas as possible, so that those affected can have a range of options and make informed decisions regarding their future.

Appropriate timing, and culturally appropriate and two-way processes are important components of good practice with regard to engagement and consultation with resettlees. Box 15 outlines what actions should be planned to demonstrate appropriate timing.

Resettlement stakeholders should support the timing of and time allowed for engagement activities, given the relevant decisions' significance for the rest of their lives. There should be no intimidation or pressure involved, and never any sense of manipulation or insincerity.

'Culturally appropriate' means that methods of engagement respect the cultures of those affected and make adequate provisions to fit with the typical discussion and decision-making processes of the affected households and communities. Stakeholder engagement processes that are culturally sensitive consider, for example, meeting styles, venues, facilitators, language, information provision, meeting procedures and formalities, decision-making processes, time allocation, recording, information management, agreements regarding actions and responsibilities, and follow-up. Methods of publicly disclosing the agreements made should also be culturally appropriate and endorsed by those involved, such as through means that may include noticeboards, local radio, websites, local government offices, photo records, etc.

Engagement processes also need to consider gender, the inclusion of all social sub-groups, and those who may have disabilities or vulnerabilities. Engagement plans should accommodate any special needs of particular stakeholder groups, such as in relation to literacy, travel capabilities, exposure or access to notifications and announcements, ability to join focal group meetings and consultations, etc. Dedicated focal group meetings may need to be designed so that those who are marginalised or more vulnerable have a safe space to share their views (see Section 4.12.2). Consultations should be designed to ensure that the voice of women is clearly heard, as their views on impacts, needs and opportunities may be very different from those expressed by men (see Section 4.12.3).

'Two-way' means that the resettlement stakeholders can give their views on considerations for the

Box 15: Actions that demonstrate appropriate timing in consultation and engagement processes

- Engagement starts in the Early Stage of the project and is progressed in a continual manner throughout project development.
- Information is disclosed at each stage of the process in a timely, comprehensive and accessible manner (e.g. in relation to the project purpose and overview, the rights for displaced persons, the findings of project studies, resettlement and relocation options, the draft RAP, the resettlement entitlements matrix, the valuation and compensation process, the details of the relocation process, and the grievance mechanism).
- Engagement is planned to allow enough time for the involved stakeholders to absorb the information provided to them, and to consider and discuss this among themselves before having to provide any responses.
- Engagement should always allow enough time on each engagement occasion, so that the stakeholders involved can raise questions and issues, and the project can respond to these.
- Those affected by displacement fully understand their choices, are able to visit potential relocation sites and gain further understanding, and have inputs regarding the options presented to them before decisions are taken.
- Engagement takes place at times that allow appropriate people to participate.

RAP, and not just be given information without any opportunity to respond. Examples of two-way processes could be through focus groups, community meetings and public hearings. Feedback on issues raised could be demonstrated by means such as written correspondence or meeting minutes. The owner/operator should keep a register of the source, date and nature of issues raised, how and when each was addressed and resolved, and where any supporting information about the issue can be found.

Displaced people can be overwhelmed by the situation facing them, and may experience a wide range of emotional responses. Great sensitivity and respect need to be exercised in engagement processes, and these need to be carefully planned, with thought given to which people can best represent the project. Capacity-building and assistance and support programmes can play an important role in helping communities participate successfully in engagement processes. Non-governmental organisations (NGOs) may be helpful in working with local communities or community

sub-groups, to help them understand, process and make decisions with respect to the impending changes they are faced with. Provision of access to free independent legal and financial advice may be an important support measure for those needing to make such major decisions about their future.

Engagement, consultation and negotiation plans and processes should also be included in the RAP for forward implementation. In particular, processes should be in place for resettlement stakeholders to raise issues and concerns, and to obtain assistance before, during and after relocation, such as through a formal grievance mechanism (see Section 4.10). These processes could include, for example, designated contact people at the old and new settlement(s), periodic community briefings or question/answer opportunities, and feedback/suggestion boxes in an easily accessible location. Good practice would include periodic checks to see if processes can be accessed by all affected persons, and whether they are effective in helping people raise questions or issues – resulting in response and

resolution, and adaptations made for improvements as needed.

The RAP should be generally supported by those directly affected by it. Communities will have their own issue-consideration and decision-making processes; and despite a community's general support for the RAP, there may still be members who disagree with aspects of it. Stakeholder support may be expressed through community members or their representatives, and may be evident through means such as surveys, signatures on plans, records of meetings, verbal advice, public hearing records, public statements, governmental licence, and court decisions.

4.10 Grievances

There are a spectrum of issues and concerns that will arise for affected persons in a resettlement process. Some of these are simply questions that can be responded to, guided by government or project policies. Some problems can be addressed through appropriately designed project support mechanisms (e.g. a faulty tap at the new house). Many may be complaints, for example a lack of information, insufficient compensation, poor timber quality in the house, unfair distribution of planting materials, expiry of free electricity provision, poor preparation of agricultural plots, etc.

The best approach for a project to take is to document everything without judgement, make it available for proper and fair examination, and provide a documented and defensible response. This will indicate how widespread issues and concerns are, and may help implement proactive responses before the issue becomes larger. The process of how issues will be raised and responded to should be clearly specified in a grievance procedure, to ensure consistency in how such issues are handled. The grievance procedure should ideally build on local or village-level problem-solving mechanisms. Trusted local community members (e.g. the village chief, religious leaders, elders) can play important roles. It may be the same grievance procedure for the project as a whole, or procedures can be tailored to different local government jurisdictions, for example.

Important inclusions in an effective grievance procedure are outlined in Box 16.

The use of a proper database allows analysis of grievances, which may highlight more systematic issues and trends that need attention (e.g. a design flaw in a house feature that needs widespread replacement). A proper grievance process can also indicate inappropriate and unethical behaviours, such as unfair distributions, or sale of items that were intended to be handed out free of charge.

4.11 Valuation and compensation

Processes in relation to valuation and compensation are a necessary part of a resettlement programme. Provision for replacement of all losses and compensation for all costs is necessary to underpin the restoration and improvement of living standards and livelihoods. Valuation and compensation for land acquired, assets lost, and resultant impacts is a specialised and detailed aspect of a resettlement process. It applies to those who are physically as well as economically displaced, and to both permanent and temporary displacement.

Valuation and compensation are the main focal areas for those who are only economically displaced but not physically displaced, and for those physically displaced who choose to self-resettle rather than participate in a project-sponsored resettlement programme. For those who are going to be relocated to another area, the primary challenge is to acquire replacement land of the same or preferably of a higher value. The cost of replacement of land and assets for resettlees who relocate through a fully supported resettlement programme will exceed the cost of the existing assets (which are often undervalued by governments). Because the focus of those being relocated is on the replacement of land and assets, the actual value of the original houses and other items is less relevant (the new ones should be demonstrably of higher value), except for those resettlees who had relatively high asset values in the original villages.

The processes and responsible parties relating to land acquisition and compensation will differ depending on the country. In some places the developer may take on much of the

Box 16: Important inclusions in an effective grievance procedure and its implementation

- ❑ Those for whom it is designed have had inputs into the process and feel a sense of confidence in the role it serves.
- ❑ The mechanisms by which issues or complaints are raised and documented are described in detail. The institutional roles responsible for evaluation at each step are identified, and a time period committed to for acknowledgement of receipt and formal response.
- ❑ All parties with responsibilities in the grievance procedure should understand their role(s) and be appropriately trained.
- ❑ Escalation measures are clearly outlined, so that if the response is unsatisfactory the complainant can escalate it for consideration at higher levels (e.g. from the village authority to a district grievance committee, to a provincial grievance committee, to a national review process, to the national courts).
- ❑ Processes ensure accessibility by all community members, such as with respect to their language, literacy, distance, comfort, free usage, etc.
- ❑ Mechanisms are in place to ensure and maintain awareness by resettlers, self-resettlers and host communities.
- ❑ Submitted grievances are always formally acknowledged and documented.
- ❑ Responses to grievances are provided in a timely manner.
- ❑ Those who have raised grievances are kept informed on their progress, and know where they are in the process of consideration.
- ❑ Grievances are properly closed, with feedback provided to those who raised the grievance.
- ❑ Evaluations of effectiveness are outlined in the procedure.
- ❑ The information management mechanism is committed to and maintained by the identified responsible party in a well-designed, centralised database, including essential inputs (e.g. dates, names, locations, supporting documents) that will be accessible in the long term.
- ❑ The grievance procedure is appropriately resourced and supported, e.g. through training for key roles, funding for availability of key personnel, etc.

responsibility, while in others it may partially or fully be undertaken by government authorities. The notification process should set a deadline for submission of compensation claims, which may be made by the landowners affected or by the project or government valuers (or a team established for this purpose). In some countries the landowner or occupant receives a compensation offer by the

acquiring agency, which if not accepted may be arbitrated by an independent party, and ultimately it may be possible to appeal the decision in a court of law. Elsewhere, negotiation may be a much larger feature of the process.

Many of the issues listed in Section 2.4, regarding why resettlement is such a sensitive issue, involve

perceived or actual unfairness in the valuation and compensation process. These should be included in a resettlement risk assessment, and all steps for project development should be attentive to managing these risks. Potential issues and risks relating to valuation and compensation include those outlined in Box 17.

Valuation and compensation need to consider much more than the land acquired. All household or individual assets should be valued and compensated for. These include houses and other buildings; commercial land and structures; timber, fruit and industrial trees; and perennial crops. Compensation processes need to be attentive to both ownership and use, and to gender dimensions related to these. Community assets to be compensated for should

Box 17: Potential issues and risks relating to valuation and compensation

- ❑ Unclear or incomplete policies, laws and regulations relating to land and associated asset valuation and compensation.
- ❑ No clarity on the legal rights of those affected by land loss, due to legislative gaps, a lack of information and understanding on the part of those affected, or a lack of consideration of complicating situations relevant to the landowners and land users.
- ❑ Confusion and inconsistencies in the application of valuation and compensation laws and regulations, e.g. in categories of land use and in methods and units of measurement.
- ❑ Outdated land valuation approaches and rates are used.
- ❑ An absence of, or still immature, land markets that would help establish land values.
- ❑ Omissions in the extent of what is valued and compensated for.
- ❑ Insufficient notification processes and inadequate time allowances.
- ❑ A shortage of appropriately skilled valuers.
- ❑ Imbalances of power at many stages of the process, for example in the ability to afford and access professional or legal advice, and to negotiate regarding the valuation proposed.
- ❑ Absence of consideration of gender: for instance, land or assets that are owned and/or used by women are recorded by household, and the compensation is only made in the name of the male head of household, resulting in the disempowerment of women.
- ❑ Land speculation and swings in market values arising from news of the project, or collusion to falsely drive up land prices.
- ❑ Errors or abuses of power in the valuation and compensation process, including favouritism and bribery.
- ❑ Pressure on the vulnerable to accept offers due to their belief that they have no other option, and an inability of the poor to access appeals processes.
- ❑ Compensation is not fully paid before relocation, leading to the risk that it may never be fully paid.

include community land, religious structures and community buildings. There are a host of non-physical inclusions that should be taken into account in good practice compensation, such as disturbance and disruption, legal and professional advice, and interest payments on the compensation that is not fully paid at the date of land possession.

Some community assets cannot be financially compensated for or replaced, such as sacred sites and burial grounds. Therefore, loss of these should be avoided if possible. If loss is unavoidable, then agreements on how these assets will be managed need to be made with those in the village who are custodians of the sites or the spirits associated with those sites, such as spiritual leaders and/or village elders. Also difficult to address are common property resources (e.g. community forests or grazing lands), which may best be considered through the package of entitlements offered for livelihood restoration and improvement, rather than through a valuation and compensation framework.

For those assets that are commonly valued and compensated for (e.g. land, buildings, structures, planted items), countries have a broad range of approaches that may differ depending on which assets are being valued. Approaches might include those listed in Box 18.

Compensation may be paid in the form of land-for-land, as cash, or a combination that may also include a package of entitlements that advance other interests and objectives. For livelihoods that are not land-dependent, cash or in-kind compensation (or a combination) should be defined based on a systematic approach to the resources and factors that are lost or impacted. The legal framework may specify what options can be offered to displaced persons, and may require that cash compensation is always one of the options offered.

Land-for-land is often cited as preferable, if possible, for land-dependent livelihoods, as it provides a livelihood resource for the resettlee, though this may take a few years to get a good result. Much care needs to be taken, however, with any land-for-land approaches. For instance, it is likely to be very difficult, if not impossible, to obtain replacement land of the same size and quality as that acquired by the project. Particularly with hydropower developments, the impoundment will flood riverine areas whose soil fertility and characteristics have been shaped by thousands of years of fluvial processes. Moving a displaced person to an equivalent land size located above the reservoir's full supply level is far from an equivalent compensatory measure, as this land will not have the same slope and soil fertility

Box 18: Examples of approaches to valuation of assets

- The 'willing buyer, willing seller' model, which is possible where there is an open market.
- Replacement cost, e.g. for buildings and structures.
- The value of permissible use of the land, even if it is not used in this way.
- Value of projected agricultural output, e.g. for fruit trees or perennial crops.
- Value of revenue from other sources of income.
- Tax valuation; although this is considered an inequitable approach, because assessment of value for tax purposes is fundamentally different from a land acquisition compensation purpose.
- Transaction value based on records of sale; although care must be taken to ensure that these reflect actual market value (e.g. government land sales may be below the real value).
- Land value based on location, soil quality, improvements made to increase productivity, and degree of land development.

characteristics, and will potentially have much lower productive potential. This can be addressed by replacing land of an equivalent productive value, once a suitable comparative indicator of level of productivity (e.g. money that can be earned annually from crops produced) can be discerned. Compensation and support should also take into account the time required until the replacement land is fully productive (e.g. for fruit trees to grow sufficiently to provide mature harvests).

Security of tenure for any replacement land is an important good-practice measure, and should be in the names of the husband and wife (where legally permitted). Depending on the situation, security of land tenure may be assured through a land title, land use certificate, communal title, credit in a pay-to-own scheme, or a long-term lease or occupancy agreement.

Cash compensation should, if legally permitted, be paid into a bank account set up for the recipient – which, importantly, should be jointly in the name of the husband and wife, and accompanied by education in financial management and risks. For absentee landowners, an escrow account should be created, so that funds can be kept in trust until appropriately authorised instructions are provided.

The grievance mechanism discussed in Section 4.10 may often need to address, at various stages of the process, concerns arising from valuation and compensation. Resettlees and self-resettlers may not raise these concerns until after they have self-resettled or been resettled in the new village, by which time the original land has been flooded by the reservoir, or otherwise utilised for or made unavailable due to the project. By this point in time, it is very difficult to conduct a proper review of the situation for the aggrieved party. This highlights the utmost importance of ensuring a proper process in all steps in resettlement planning and preparation, including excellent documentation and quality control measures, and potentially using independent observers for verification. It can be expected that grievance mechanisms will be tested, rightly or wrongly, to see if more compensation can be obtained later in the resettlement process. To ensure that resettlement is viewed as fair and equitable, proper review procedures, fair judgements and detailed record-keeping are necessary.

4.12 Addressing social differentiations

4.12.1 Concepts of inequality, equality, equity and justice

Equity is one of the outcome objectives for resettlement good practice. However, concepts such as fairness and equity are more complex than they appear at first glance. A simple interpretation would be that as long as rules are clear and are followed, and everyone receives the same support and entitlements in the resettlement process, then fairness and equity have been demonstrated.

However, as illustrated in Figure 11 (Maeda, 2019), consistent distribution would achieve equality but not equity. Equity addresses unequal access to opportunities by creating more diverse and tailor-made support measures. But even further to this, if possible, approaches should consider the underlying factors that create imbalances and provide measures to address them, so that recipients of equally distributed support measures can achieve the same outcomes (i.e. 'justice', in the lower right-hand side of Figure 11). This figure was not obtained from a social science information source but a design principles source, which noted that designing for diverse needs rather than the predominant situation can result in much broader take-up.

Processes and objectives in resettlement need to be attentive to noting and understanding inherent power imbalances that are already present in the communities affected. Supplementary measures may be factored into the resettlement process, in order to help those who are relatively disadvantaged or disempowered to better access and benefit from the support measures provided. Power imbalances may exist at various levels in the relevant social units, e.g. between poor rural communities and wealthy international developers or government utilities; between different affected communities and their pre-dam situations; within sub-groups of a single village; or within households, due to existing power structures and norms.

Two focal areas are considered in the following sections: vulnerability (Section 4.12.2) and gender (Section 4.12.3).

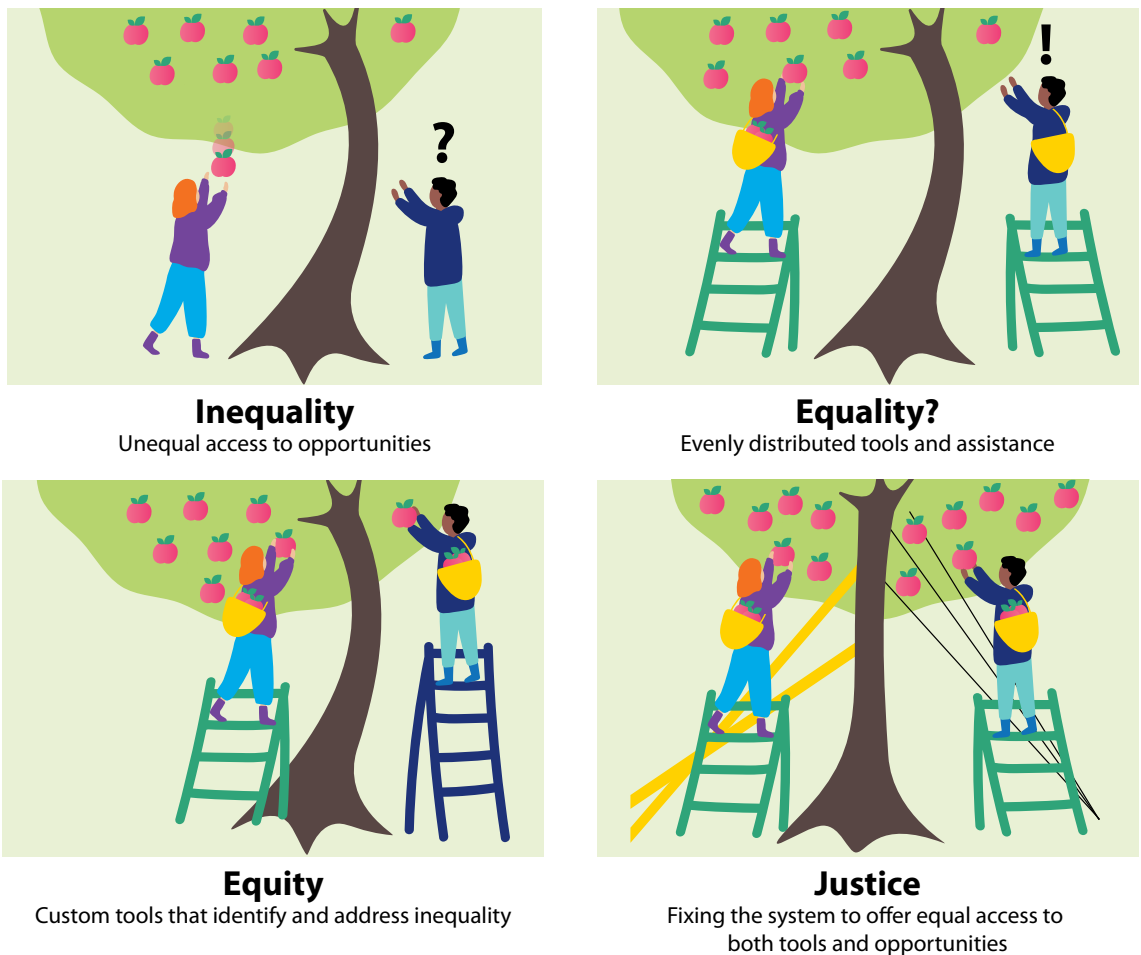


Figure 11 Inequality, equality, equity, justice (Maeda, 2019)

4.12.2 Vulnerability

In efforts to understand the negative social effects of resettlement, increasing attention has been paid to those who are the worst affected by, or the 'most vulnerable' to, negative outcomes and impoverishment. Vulnerability relates to susceptibility to harm, which may be due to exposure, physical susceptibility, social and economic fragilities, and/or lack of resilience or the ability to cope and recover. Because resettlement is inherently disruptive, it is inevitable that among those affected there will be differing capacities to cope and to rebuild new lives. The objectives of fairness and equity will not be achieved if some sub-groups bear a disproportionate share of the negative project impacts, and are unable to take advantage of benefits offered.

Attention on those who may be relatively more vulnerable has focused on those individuals and social groups who are already marginalised or impoverished, which may mean they have a relatively low capacity and means to absorb change. Common inclusions when considering who may be relatively more vulnerable and disadvantaged in the resettlement process are shown in Box 19, though it is acknowledged that there may be considerable overlap amongst these.

Vulnerable or disadvantaged sub-groups may have lower education, literacy and skills, or may have a language different from that used by the majority of the population. Often, this means they are less capable of understanding the resettlement issues and processes, and their rights and entitlements. They may be the object of bias and

Box 19: Examples of potentially vulnerable sub-groups in the resettlement process

- women
- children
- the elderly
- the disabled
- female-headed households
- those living below the poverty line
- the landless
- those without land rights
- customary land users
- ethnic minorities
- indigenous peoples

discrimination by other social sub-groups, which is not readily apparent to the project developers and resettlement process managers.

However, there has also been some discomfort at the idea of framing vulnerability in this way, for a variety of reasons. People can become labelled, and assumptions made about them, based on their social and physical characteristics; whereas there will be a spectrum of capability and resilience within these groups. Being labelled as vulnerable may take away considerable dignity from individuals and groups, diminish their self-belief, and embed presumptions about their dependencies. It can also lead to approaches that seek to protect against change, rather than examining the underlying social structures and norms that create the imbalances in the first place. Policies that suggest favouritism towards particular sub-groups may be resisted and challenged by those in power. Special provisions for certain sub-groups may cause disharmony, and sub-groups may seek to exploit perceived vulnerabilities to their relative advantage.

Consequently, considerations of vulnerability, and how to support those within resettlement processes who are already disadvantaged socially, need to be carefully and sensitively approached. Inclusive and participative processes for all affected, including adaptations to ensure their participation and voice, should help to identify and design an appropriate

variety of approaches to be included (see Section 4.9). The socio-economic survey and social impact assessment should give dedicated attention to building an understanding of the various situations for different social sub-groups, and the influences and factors that presently cause and could exacerbate disadvantage. Focal groups for different sub-groups can be important for creating a safe space for their voices to be heard, and individual issues raised and reviewed. Language, literacy, cultural distinctions and other factors should be taken into consideration in the consultation, engagement and decision-making processes for different sub-groups.

Indigenous peoples and ethnic minorities may be groups that have particular needs, issues and vulnerabilities that should be considered in resettlement approaches and plans. These may be represented within the affected communities, or may fully characterise the affected community members. Further guidance on the particular context, challenges and needs relating to indigenous peoples can be found in the Indigenous Peoples How-to Guide (in preparation).

The poor are those with incomes and/or living standards below national or international references for poverty. They should be identified as part of the analysis of the socio-economic information. This group is already failing to meet sustainable development objectives under the pre-resettlement situation, and so is highly unlikely to have the capacities required to easily thrive in the new situation. As above, they may be a subset of the affected community, or it may be that all affected community members are poor. While the basic entitlements provided to resettles may immediately result in improved living standards and livelihoods, there is a very high risk that these will not be sustained for the poor without dedicated support and targeted opportunities (e.g. through employment, skills training, education, literacy support, etc.). Long-term dependency risks will also be higher, and should be carefully considered during the resettlement planning, implementation and monitoring processes.

Some people affected by resettlement will be inherently vulnerable due to a clear lack of capacity to fend for themselves, and will by necessity be fully reliant on welfare support. Criteria need to

be developed that can identify where this would be the case, ideally consistent with government welfare support programmes. The criteria for these individuals, and the associated support, should be documented in a relevant policy. Criteria may include, for example, the requirement that a certain number or combination of the following factors are present: being over a certain age; lacking land; lacking permanent housing; lacking children, siblings, a spouse or relatives to provide care; required to provide care for others in need; disabled; chronically ill; mentally ill; unable to work; insufficient labour in the household; lacking livelihood resources. A certain proportion of basic provisions should be met in the resettlement process by the support measures provided to all (e.g. basic housing, land, livelihood resources and support, access to health services), but supplementary measures may include clothing, household items, food, electricity, medical support, etc. Processes to periodically review support levels and effectiveness, and those who need such support, should be implemented in coordination with local community leaders.

Addressing the loss of and rebuilding 'social capital' more broadly should be a high priority in resettlement plans. Social capital includes factors such as community networks, patterns of social organisation, interpersonal ties, kinship groups, self-organised support and welfare systems, community resource sharing, and the ability to access these. The project should note existing community support mechanisms and seek to replicate and support them at the new resettlement site, guided by the resettles. Rebuilding and supporting social development programmes and the cultural and spiritual aspects of life are important focal areas for resettlement plans.

Diversity in livelihood support areas, informed by those who are eligible for this support, should enable self-selection by eligible resettles and host community members, and can help build resilience by providing options. If there are sub-groups who are not participating in support measures offered, the project should examine what underlying factors are at play, by liaising with those non-participants. It will then need to introduce alternative approaches that give greater consideration to the underlying barriers. For example, those of a certain ethnic minority may not have attended any skills training offered by the project, for reasons that may include

illiteracy, language issues, discrimination by other groups, cultural issues, etc. Upon closer examination, the reason for non-attendance may be that the training course location requires them to travel past burial sites, whose spirits should not be disturbed. Providing alternative travel routes, or relocating the course, may enable this sub-group to participate.

4.12.3 Gender

The World Bank describes gender as "culturally based expectations of the roles and behaviors of males and females. The term distinguishes the socially constructed from the biologically determined aspects of being male and female" (World Bank, 2010). The gender situation arising in resettlement processes will vary greatly depending on the predominant socio-cultural norms. It is important to make efforts to ensure that 50 per cent of the affected community does not suffer adverse outcomes, relative to the other gender.

The economic and social dislocation caused by resettlement can exacerbate imbalances relating to gender. Experiences of resettlement have highlighted that women are likely to experience different impacts from those encountered by men, and will have different needs and concerns. In many societies, women do not enjoy land and property rights, have lower levels of education than men, work in the informal sector, experience restricted mobility, and carry responsibilities for meeting basic needs such as water, fuel and fodder. Hence, economic and social disruption may result in greater hardships for women than for men.

Aspects that should be considered when seeking information on and analysing the different gender perspectives include those listed in Box 20. These are listed as risks for women, but a number of them may also apply to men.

Aspects of importance, risk and need that arise from resettlement should be identified through gender-specific focal groups. By way of example, these considerations might relate to asset ownership, type of and access to health services, access to education and skills training, representation in local governance and decision-making processes, village layout, house layout and features, livelihood options feasible while raising children or caring

Box 20: Examples of risks for women in resettlement processes

- ❑ Women may not have land or property rights. Assets owned and/or used by women may be recorded by household, and the compensation and replacement provided only in the name of the male head-of-household, which disempowers women.
- ❑ Women may typically work in the 'informal' sector, such as in small-scale trading and marketing – a sector that is characterised by a lack of official protection and recognition, little job security, low income and no social security. The loss of such work may not be adequately recognised in resettlement valuation and compensation processes, and may be difficult to re-establish.
- ❑ Bank accounts for compensation funds may be set up only in the name of the male head-of-household, which disempowers women.
- ❑ Women may lose support from a spouse for livelihood activities, due to reasons such as a spouse gaining employment with the project, gaining employment elsewhere and needing to spend weeks away, being arrested and jailed for illegal activities, or passing away.
- ❑ Women may carry the responsibilities for basic needs such as gathering fuelwood, animal fodder or water. These tasks may become harder if their facilitation is not planned in the resettlement process.
- ❑ Women may lose social networks for child- or elderly-care, due to the community disruptions arising from resettlement.
- ❑ Women may be responsible for certain expenses (e.g. school fees, children's clothing) that may traditionally have been funded through supplementary livelihood activities (e.g. gathering and selling mushrooms), which may no longer be available in the relocation area.
- ❑ Women may lack the time and ability to participate in the livelihood options being supported by the project, due to home-, child-, disabled- and/or elderly-care requirements, and/or managing home-based livelihood needs without male support.
- ❑ Women may lack the educational levels, literacy levels, mobility, access to markets, experience, confidence, and means of access to resource inputs that would enable them to fully participate, continue with, and achieve the benefits of livelihood support provided by the project.
- ❑ Increased economic and social stresses may lead to women being prone to increased domestic violence and fears for their personal safety

for the elderly, collective care arrangements, and easy access to water and electricity. Skills training offerings should consider those preferred by women, which may include traditional as well as more modern skills. Joint bank accounts and joint ownership of land can be important inclusions in a compensation approach. Furthermore, a Women's Association or similar group could be encouraged and supported as part of the new resettlement village's institutions and local authority structure.

Care should be taken to ensure that measures taken are not tokenistic regarding the inclusion of women, but are genuinely empowering for them.

Female staff or consultants should be given appropriate roles in the planning and implementation of the resettlement process, and female facilitators used for consultations and engagements with women.

If women are empowered in the resettlement process, through listening to and supporting their areas of need, they may in fact provide considerable leadership and initiative in creating successful community outcomes. Opportunities for collective management, microsavings and microcredit groups, small businesses, cultural initiatives and women's support groups can be instrumental in lifting both household and overall community resilience and outcomes. Indicators for monitoring should pay close attention to gender issues, progress and outcomes, through both quantitative and qualitative methods. Further examination of and guidance on gender issues in resettlement can be found in references including ADB (2003), the World Bank (2010) and IIED (2018).

4.13 Improving living standards

Within a resettlement programme, it is more straightforward to manage the improvement of living standards than an improvement in livelihoods. Most indicators of living standards, in terms of the level of material comfort, are easily measured and comparable across communities and over periods of time.

Indicators for living standards relating to built assets are often a part of resettlement entitlements. These may include provision of housing; access to clean water, sanitation and electricity; access to health and education services; and improved transport infrastructure (e.g. roads, bridges, ferries). The baseline for these would be quantified for the resettles and hosts through the census and the socio-economic survey. Measures in the RAP can be designed to clearly exceed the pre-resettlement situation. Delivery of built assets can be readily defined and costed, and their construction can fit into an implementation schedule. Often, the project developer – even if not responsible for other aspects of resettlement – takes care of the built entitlements by including them in the contractors' scope of work, to ensure they are provided in a timely manner within the overall project development schedule.

Aspects regarding the built infrastructure which require particular attention include:

- **Standards.** The standards applicable to all built infrastructure should be agreed with government, clearly documented, appropriately signed off by all relevant parties, and easily identified and retrievable over time. Concerns may arise over time with deterioration of assets, thus raising questions about what standards they were built to, and whether these were sufficient or fully implemented.
- **Maintenance and safety.** Improvements in built infrastructure may add many new features into the lives of those resettled, and also for host communities. Household features such as water supply, flushing toilets and electricity will need maintenance and repairs over time. Safety can also be a major risk, particularly with electric wiring and fixtures. Well-considered and targeted training and support are important to include in a comprehensive set of resettlement entitlements, and these need to be delivered in a manner that prepares the communities well for the longer term.
- **Allowing for growth.** The RAP should make some clear allowances for growth of the resettlement village over time, due to family expansion. Assumptions regarding growth should be researched and justified, and the entitlements evaluated to determine where this aspect should be factored in. Examples include the availability of vacant blocks of residential and agricultural land, and the size and number of classrooms in a school.

Wherever possible, the project should allow the affected communities to make decisions regarding built infrastructure in the new resettlement area(s). Choices can include aspects such as location, design, materials, and other features. Such choices should be made within a framework established by resettlement principles and the value of replacement features, and quality and equity should be a strong influence on the approach taken. There may be important considerations for replacement infrastructure with respect to cultural sub-groups, resulting in several smaller structures rather than only one main one; for example, in the case of a village temple, where different groups have different needs.

As was illustrated in Figure 7, some determinants of living-standard indicators are strongly underpinned by livelihood factors, such as income, consumption and savings. Some living-standard indicators can be addressed in the short term by targeted resettlement entitlements, such as food security and nutrition (for instance, through transitional food support, and/or food-for-work programmes) and employment (such as through local labour contracts, and/or preferential labour for project-related work). Ultimately, however, these two areas will be strongly influenced in the longer term by livelihood programmes.

Because income levels have traditionally been used as an indicator of poverty, some resettlement programmes have had the ultimate objective of achieving a designated income target. Issues with an income target include whether it is a village or group-level target (which may mask the situation of those individuals and sub-groups who are below the target); whether sources of income are ethical (e.g. they may be reliant on illegal logging or drugs); whether sources of income are sustainable (e.g. farming techniques and crops may rapidly deplete soil fertility); and how income levels are quantified (e.g. whether they are based on consistent and replicable methods, and if self-declared, whether they are likely to be underestimated).

The objectives for self-resettlers will be different compared to those who join the project-supported resettlement programme, because the project will have less ability to influence outcomes. Self-resettlers should demonstrate that they have sufficient resources and support before being approved for self-resettlement. There should be clear terms agreed for those who choose the self-resettlement option. For instance, the project might commit to a short period of follow-up monitoring, e.g. two years, in order to obtain some data on their post-resettlement status.

Increasingly, based on experiences with resettlement, it has become clear that improving living standards should not be the only target, and that much more attention needs to be paid to livelihood restoration and enhancement (Section 4.14). This is the aspect that ensures long-term success of the resettlement programme and avoidance of impoverishment risk, especially once the Resettlement Implementation Period ends.

4.14 Restoring and improving livelihoods

Livelihood refers to the capabilities, assets and activities required for a means of living. These components can be demonstrated using the example of a fishing-based livelihood. The capabilities include the knowledge, experience and technical skills of those engaged in fishing. The assets include the stores, resources, claims and access (e.g. fishing rods and nets, bait, boats with motors and fuel, permits and licences to collect fish, bodies of water that contain suitable and reliable fish resources, boat jetties and fish landing sites). The activities include the ability to undertake each of the steps required for a successful fishing-based livelihood without barriers, such as obtaining all supplies, ability to mobilise, feasible transport routes, and practical accessibility to appropriate markets.

There are many aspects of a pre-resettlement livelihood that will be disrupted by displacement, and livelihoods may not have been homogenous between families. The socio-economic baseline should systematically document the key capabilities, assets and activities that enable viable livelihoods in the original settlements. The impacts of and risks arising in relation to resettlement for each livelihood activity should be evaluated, and resettlement entitlements designed in light of these. The baseline information collection, impact assessment and proposed mitigation measures should pay close attention to:

- already declining livelihood resources pre-project, and influential factors (e.g. pollution, climate change, over-exploitation);
- impacts on grazing areas and flood-recession based agricultural systems;
- impacts on wetlands and riparian woodlands as sources of Non-Timber Forest Products (NTFPs);
- identification of those engaged in fishing, and sound fishery baseline data collection that can be compared against post-resettlement conditions;
- risks of overstatement of positive fishery improvements due to reservoir fisheries;

- difficulties with transitions to different approaches and methods for livelihood activities (e.g. river to reservoir fishing, flood-recession to irrigation-based agriculture), which require entirely new skill sets and resources.

The most critical decisions relate to whether original livelihoods are still viable and desirable, provided that the assets and resources can be replaced and improved; or whether alternative livelihoods should be identified, for which all necessary assets, resources, access, capacity-building, etc., can be provided for and supported. Some resettles may well be able to continue working in their old job or on their old farm or business, if these were not co-located with their house. A change in livelihood is a massive step for a resettled community to take, and some alterations may not be at all suitable. For example, a community that has lived in the forest with a hunter-gatherer livelihood may not be able to adapt to a farming-based livelihood regardless of how well it is provided for and supported in the resettlement programme, due to fundamental factors such as individuals being unable to tolerate much exposure to the sun. On the other hand, some communities may welcome the opportunity to develop new livelihood options with project support, and may have strong ideas about what they would like these to be.

Types of livelihoods that might be considered include:

- **Land-based.** Agriculture is often the preference in rural areas where displaced communities have worked on the land for generations. Scarcity of suitable land can be an issue, and inferior land quality is commonly a challenge. Unfamiliar crops may have to be grown, and it may take years to yield a first harvest. The quantity of support with respect to land area, fertiliser and soil conditioners, etc., should be targeted at achieving a comparable productive output, rather than equal distributions of the inputs. Non-agriculture land-based livelihoods may require access to forests, grazing lands and water resources; thus, it is not sufficient to merely set up the access, as many aspects of support need to be provided to ensure that these resources are properly designated, protected, and managed, in order to avoid over-exploitation or dominance of use by some sub-groups.
- **Employment-based.** Jobs on the project construction site are often promoted as a project benefit, and there may be a policy to prioritise opportunities for resettles. Realistically, however, many resettles may be fully concentrating on the requirements of settling into their new homes, growing their own food, and looking after their families. Project-based employment is unlikely to last if it is integrally tied to the construction activities and no further supportive measures are offered. With dedicated skills-building programmes, capabilities can be developed for resettles through the construction programme, which enable them to gain employment in project operations or elsewhere in the region over the longer term.
- **Enterprise-based.** In the right setting, development or support for small businesses or home-based enterprises can be successful. These measures are dependent on the demand for the product, service or skills being offered. Shops, accommodation, food supply and small businesses have potential for success when the resettles are near major roads and more built-up areas, and can gain an initial boost from project-related demand or even direct project procurement. Value-adding and trading can be successful when markets are accessible and the products fill a niche. Enterprises may require support in the form of equipment, credit, marketing, facilities for processing, storage or trading, etc.

Providing improved or enhanced livelihoods for resettles requires great care and attention. Box 21 provides a checklist of considerations to help guide measures to be included in the RAP.

With respect to provision of the resources needed to restart livelihood activities, the resettlement transition period typically involves large amounts of hand-outs. It is important not to create and sustain welfare-oriented expectations in the resettled communities, but rather to train and support a culture of long-term thinking (e.g. resettled families should manage poultry provided by the project for long-term self-production of meat and eggs, not for a few free meals).

Box 21: Checklist of considerations to help guide livelihood support measures to be included in the RAP

- What were the pre-resettlement livelihood activities, and how do these vary among different sub-groups of those who will be displaced?
- How viable are the pre-resettlement livelihoods, and what are limiting or risk factors with respect to capabilities, assets and activities in the pre-resettlement situation?
- How will displacement impact on livelihoods? What particular impacts may be experienced by various sub-groups, considering factors such as age, gender, ethnicity and vulnerability?
- What are the constraints and opportunities for livelihood options in the locations available as options for resettlement?
- Is it possible for resettled communities to continue with their existing livelihood activities?
- Given the economic conditions, resource base, markets and trends in the relocation areas, what livelihood options could be viable for the resettles?
- Do resettles want an opportunity to start new livelihoods, and what are they most interested in? How do the views on this differ within the displaced communities?
- How many and which livelihood options could the project realistically support? To what degree can a diversity of options be supported so that different needs and interests can be accommodated?
- Are the assets able to be provided for livelihood options offered to resettles of sufficient quantity, quality and accessibility? (Note that unsuitable or inferior replacement agricultural land, due to factors such as slope, location and soil quality, is a common obstacle to successful resettlement.)
- What are the existing skills, experiences and capacities of the resettles, and what type of training and support would be required to build these for new or enhanced livelihoods?
- What types of experts, advisors and trainers are required to support the livelihood options, and are they available with sufficient capacity?
- How are equity and fairness ensured in the identification of livelihood options, the type and extent of support, and which of the resettles are able to access the support offered?
- What potential partnerships or institutional support sources could be brought in to help create new opportunities, build capacities, provide support, and help ensure successful livelihood improvements for the resettled communities?

Box 22: Steps to be factored into the relocation process

- All aspects of the process and timing have been fully discussed and are well understood by all physically displaced persons, and any issues or concerns have been considered and resolved.
- Timing for relocation is decided after all essential preparation activities in the resettlement village(s) are completed. This will require adequate lead times, so that assets and resources provided in the new village are fully able to be utilised and productive. It is not acceptable for a house to be built but with the roof incomplete or no electricity, requiring the resettles to live under a tarp or without electricity for three months while the final arrangements are completed.
- Any capacity-building activities have been undertaken that will help ensure that relocation, self-resettlement and resettlement into the new villages is successful.
- Cash compensation owed to any resettles and self-resettlers is fully paid prior to relocation (or at least set aside to be paid in instalments if money management is unfamiliar). This should be accompanied by training in financial management and how to manage financial risks.
- The dates chosen and the methods for moving are culturally appropriate and acceptable for those who will be moved.
- The project supports dismantling of all old village assets, moving of all mobile assets to the new village or location, and re-assembling structures (this could be through payment for resettles' and self-resettlers' labour).
- Culturally appropriate and agreed departure, in-transit and arrival ceremonies are conducted as is relevant and important to those being moved.
- Transitional support measures are well understood and provided for, as agreed within the relevant resettlement package (e.g. a disturbance allowance, moving allowance, food support, free electricity for the first months, free health services for a defined amount of time).
- Processes are in place to support those who are vulnerable or at risk of not coping well.
- Monitoring and evaluation mechanisms are set up and ready to provide information on how well all measures are achieving their objectives.

Once all resettlement transition and adjustment measures are in place and effective, then support measures should be oriented towards helping resettles build the capacities, resources and practices to eventually fully assume responsibility for their livelihoods and assets. This takes time, and support programmes and follow-up should realistically allow up to 10 years, with indicators included to know when support closure measures are appropriate. The reality is that not all resettles will behave in ways that set themselves up for long-term self-sustaining livelihood behaviours,

regardless of how supportive the project is. This may be due to the trauma of resettlement, mental or physical health issues, lack of community support and cohesion, short-term opportunism, or a number of other factors. Another issue can be that the next generation leaves the village, and the resettled households do not have enough labour to continue with the livelihood activities that they were set up to do.

These sorts of risks require close monitoring and adaptive management measures which may go

beyond what was included in the resettlement budget and commitments. For this reason, longer-term approaches and relationships between the project and the resettlement village(s), such as through community development support and benefit-sharing arrangements, can be very influential on ultimate outcomes for the resettles.

4.15 Resettlement implementation

The resettlement implementation process should be guided by a detailed schedule that addresses not only the preparation activities for resettlement, but also the actual relocation process, supportive measures and follow-up. The resettlement plan implementation schedule within the RAP might have headings (and activities) such as:

- Consultations and engagements
- Land acquisition
- Compensation and support payments
- Resettlement site development (land clearing, land preparation, infrastructure, etc.)
- Cultural ceremonies (for departure and arrival)
- Relocation (house dismantling, people and belongings transportation)
- Capacity-building (trainings)
- Livelihoods support programmes
- Resettlement supervision and monitoring

The relocation process itself needs very detailed planning. Steps that need to be included are outlined in the checklist provided in Box 22.

4.16 Resettlement budget

The previous sections highlighted the multifaceted nature of a resettlement programme, the range of expertise and support required, and the numerous risks to be managed. The budget needs to be well planned to ensure that all requirements can be met.

Many examples of poor resettlement outcomes can be traced back to underinvestment in the resettlement programme, either in the extent of its coverage, the duration of its allocation, the quality of resources and expertise used, or a combination of these.

Examples of cost items within a resettlement budget, by major cost category, are shown in Box 23.

The budget needs to be guided by sound financial management processes regarding how money is accessed, approved and distributed, and accompanied by good corporate and public sector governance processes to ensure and demonstrate appropriateness and accountability.

4.17 Resettlement staffing

For resettlement programmes of any size, the project developer should have its own resettlement unit. This needs to be appropriately staffed, as relevant to the scale and complexity of resettlement, in order to implement the responsibilities it is required to administer relating to planning, compensation, information management, entitlement delivery, monitoring and reporting. Staff may include project staff or consultants, but all should be appropriately qualified. The head of the project resettlement unit should have a strong working relationship with the government counterparts, to ensure coordination in and confirmation of the accomplishment of all agreed actions, and to enable effective problem-solving and adaptive management as required.

The number of staff and types of roles should be guided by an analysis of implementation requirements in the RAP. The example budget cost items in Box 23 provide an indication of the focal areas for different roles that will need to be included. Important roles to be fulfilled by the team, either as staff or consultants, could include, in no particular order: financial management, legal advisors, facilitators, stakeholder engagement specialists, community development specialists, agricultural and other livelihood extension officers, inventory management, information management, database management, data analytic experts, government liaison, social scientists, vulnerability

Box 23: Examples of cost items within a resettlement budget

RAP preparation

- Census
- Socio-economic survey
- Other resettlement-related studies
- RAP development
- Public hearings

Stakeholder engagement and consultation

- Information provision
- Meetings
- Support services
- Site visits for options assessment
- Grievance mechanism administration

Compensation

- Asset compensation
- Compensation allowances (e.g. disturbance, moving, business disruption)

Relocation

- Dismantling, moving and transportation of movable items
- Construction of replacement housing
- Resettlement site and infrastructure development and services
- Cultural ceremonies (departure, arrival)
- Subsistence allowances and support during the Resettlement Transition Period
- Replacement businesses

Living-standard support programmes

- Livelihood improvement activities (e.g. training, resources, support)
- Community services (e.g. extension, health, education)
- Common property resource support (e.g. forests, grazing land, fisheries)
- Village administration and community development

Administrative/services

- Physical facilities (office space, staff housing, etc.)
- Transport/vehicles, materials
- Operation staff (managerial, technical), and support staff
- Staff training for capacity development and monitoring
- Funding of government resettlement unit
- Partner organisation services

Monitoring and reporting

- Monitoring of RAP implementation
- Follow-up socio-economic surveys
- External review and advice

Contingency

- A reasonable estimate would be ~10 per cent of the estimated resettlement project costs

specialists, ethnic/cultural specialists, logistics experts, infrastructure planning and design experts, construction supervisors, welfare officers, grievance managers, etc. Staff based within resettlement villages or easily accessible in or near the new relocation areas should be part of the resource plan. Roles, numbers, and organisational set-ups may and should evolve through the various resettlement stages. Rotation of roles and independent review can be judicious, to avoid situations of unethical behaviours regarding distribution and access to support resources.

The project developer needs to ensure that it draws on the appropriate resettlement-related

expertise of its staff and the consultants that it uses. The developer should fully utilise this expertise to evaluate, advise, plan and monitor actions to improve resettlee and host living standards and livelihoods, and to ensure that the guidance from this expertise is part of major project planning decisions. Social-oriented expertise is far from the usual expertise within a business project team. Without it, innumerable resettlement-related risks can arise, which can ultimately cause project cost or timing increases and/or adverse reputational and political impacts.

A number of the considerations to guide the selection of experts for the resettlement-related

social assessments, as outlined in Section 4.6.1 and Box 8, are equally relevant to the selection of expertise for the resettlement unit.

4.18 Monitoring and evaluation

Typically, monitoring may be an afterthought in a resettlement planning and implementation programme; whereas in fact, it needs to be integrated into the whole scoping and planning process right from the outset. An important distinction to make is between ‘outputs’, which concerns whether tasks have been done, versus ‘outcomes’, which relates to what differences the tasks have made. Resettlement programmes can end up being very transactional, meaning that actions were undertaken and money spent as per annual budgets and commitments, but with little feedback on whether those actions were realising

their objectives. For example, a training programme might be delivered for making organic compost for farmlands, but it is not feasible for any training participants to actually implement what they were trained to do, because the input resources needed are not accessible to them. Hence, the output was delivered without achieving the intended outcome.

The key questions that monitoring needs to answer are “has resettlement been successful?”, and “can that success be sustained?”. This means that resettlement objectives need to be clearly articulated early in the planning process. There must be measurable indicators to show that objectives have been met. These indicators need to allow comparison of the pre-resettlement and post-resettlement situation, and a timeframe should be set to demonstrate exceedance of these indicators, to ensure sustainability. To achieve these requirements, the planning for socio-economic

Box 24: Good practice attributes of a resettlement monitoring programme

- ❑ Well-designed from the start of resettlement planning.
- ❑ Consistent with the information and methods for data collection in the pre-resettlement socio-economic survey, to enable valid comparisons.
- ❑ Attentive to resettlement risks and able to provide early alerts regarding any emerging issues or concerns.
- ❑ Adequately funded in the RAP budget.
- ❑ Undertaken by appropriately qualified personnel using consistent and quality-controlled methods.
- ❑ Includes evaluations at community, household and individual levels.
- ❑ Disaggregates and analyses data with respect to meaningful sub-groups aligned with risks (e.g. host communities, self-resettlers, women, ethnic minorities, elderly people, different pre-resettlement locations).
- ❑ Strongly linked to resettlement objectives, guided by tests of sustainability of the achievement of objectives.
- ❑ Well-integrated into project management activities, so that the results are properly evaluated and inform necessary adaptations to the programme.
- ❑ Accompanied by a well-designed database and information management system that will provide easily retrievable information over the long term.

data collection during the Preparation Stage needs to consider post-resettlement monitoring, and the methods for collection, analysis and reporting of the information collected need to be repeatable over the project life.

Monitoring has three critical roles:

1. To track delivery of the resettlement entitlements to the resettles, self-resettlers and host communities.
2. To demonstrate that the entitlements have delivered the intended outcomes for resettlement.
3. To demonstrate that outcomes can be sustained over a period of several years without support mechanisms.

Among other functions, resettlement monitoring needs to demonstrate the attributes shown in Box 24.

The monitoring indicators will be individual to a particular project and context; they should be grouped around particular themes and strongly linked to the resettlement entitlements matrix. The evaluation of the monitoring data and indicators should address questions important to the resettlement programme. Some examples are provided in the boxes below, grouped under important themes emphasised in this guide; however, these would need to be tailored to suit the individual situation, objectives and commitments. For self-resettler monitoring, a more limited approach should be designed, such as an annual check of selected indicators, for two years following relocation.

“How can we ensure that the entitlements and intended benefits for resettles are most likely to achieve their objectives?”

Reporting requirements may be distinct for the owner, government and financiers. The resettlement programme should be clearly framed in ‘sustainability’ terms that meet the needs and

expectations of all of these key stakeholders, and include indicators centred on important criteria for sustainable-development related outcomes in the local context.

Box 25: Monitoring questions relating to compensation

- Was the identification, assessment and quantification of displacement impacts conducted through credible, timely, methodologically rigorous and appropriately resourced processes?
- Was there a clear, fair, official and transparent framework for compensation eligibility and entitlements?
- Were all persons entitled to compensation paid fully, according to their eligibility and entitlements?
- How were compensation payments made, to whom among the displaced persons, and at what point in time, with respect to all project and resettlement activities?
- What measures were taken to support issues and challenges faced by women and more vulnerable individuals and sub-groups?

Box 26: Monitoring questions relating to stakeholder engagement

- How were resettlement stakeholders identified?
- Were stakeholders in the resettlement process fully identified and included in engagement processes?
- Were all persons affected by displacement properly notified, and by what means?
- Was a stakeholder engagement and consultation plan developed that set out a range of meaningful and well-designed engagement activities?
- What evidence is there of timeliness and adequate time made available with respect to approaches taken for stakeholder engagement?
- What measures were provided to ensure that the voices of women and the more vulnerable were adequately included in the engagement processes?
- Do all persons affected by displacement feel that they were adequately informed, consulted and engaged?
- What options were offered to physically displaced persons regarding resettlement, with different levels of cash compensation versus relocation support?
- What examples are there of empowering those affected by displacement within the process?
- How well are all stakeholder engagement activities, participants and results recorded, and is the information shared and retrievable?
- Are stakeholders satisfied with the resettlement processes, activities and outcomes, and how is this expressed?

“The ideal approach is to design resettlement activities as sustainable development programmes for those affected, and encourage their full participation in the process. Such an approach integrates livelihood and compensation measures into the design of the project itself (rather than seeing them as isolated mitigation activities), and seeks to ensure long-term and sustained project benefits for those affected by displacement.”

Box 27: Monitoring questions relating to grievances

- Is there a clearly documented and widely communicated grievance procedure?
- Is the grievance process well understood by all displaced persons and host communities?
- Were all institutional requirements in place, key personnel trained, and processes sufficiently resourced in a timely manner to implement the grievance mechanism?
- Is the grievance process easily accessible to all and free of any charges or barriers to access?
- Is the grievance process being used?
- Are grievances being properly recorded, acknowledged, responded to, resolved and closed out in a timely and well-communicated manner?
- Are unresolved grievances at lower levels being properly escalated for resolution?
- Do stakeholders in the grievance process consider it accessible and effective?

Box 28: Monitoring questions relating to living standards and well-being

- Were all commitments to the replacement, restoration and improvement of aspects of living standards fully delivered?
- Was replacement housing provided in a timely manner and to the agreed design, location and standards?
- Was community infrastructure provided in a timely manner and to the agreed design, location and standards?
- Do resettles and host communities have improved access to health, education and transport facilities and services?
- Were physical cultural resources disrupted or lost due to resettlement replaced, improved or otherwise addressed as per commitments?
- What do indicators regarding social cohesion, community development and well-being show, and are there any concerns or issues?
- Are indicators of income and consumption at higher (and, if relevant, target) levels compared to pre-resettlement?
- Are there individuals and/or sub-groups who were resettled who have not shown improvements against pre-resettlement living-standard indicators, and why not?
- Are there any concerns or significant risks regarding sustainability of the main factors influencing living standards?

Box 29: Monitoring questions relating to livelihoods

- What were the livelihood restoration and improvement options provided to resettles?
- What feasibility assessments guided the design and delivery of livelihood resource and support packages for resettles, and have re-assessments been conducted to ensure that the assumptions and approaches are still advisable?
- Were all commitments to the re-establishment and improvement of livelihoods fully delivered?
- Were community common property resources adequately provided for and their livelihood support objectives fully met?
- Have all measures carried out with project support, to re-establish and improve livelihoods, been effective, and if not, why not?
- What are the main livelihood activities and income sources now for those resettled, and are these aligned with the support areas provided by the project?
- Are there resettled individuals and/or sub-groups who do not seem to have re-established and improved their livelihoods, and if so, why not?
- Are there any concerns or significant risks regarding sustainability of the main factors influencing livelihood activities and income sources?

Box 30: Monitoring questions relating to vulnerability, gender and disadvantage

- What is the project's policy on vulnerability?
- Are any analyses and approaches taken that consider factors that may lead to disadvantage, such as with respect to gender, age, ethnicity, capability, or other influences of importance in the local context?
- Have assessments been undertaken at appropriate times and with credible methods to identify those who may be vulnerable?
- What ongoing measures have been in place to enable anyone who is seeking additional assistance can raise this need and access further support?
- What support measures have been designed to support the needs of and opportunities to empower women throughout all resettlement processes?
- Have commitments to supporting vulnerability, addressing disadvantage, supporting women and responding to special needs been fully delivered?
- Have commitments to supporting vulnerability, addressing disadvantage, supporting women and responding to special needs been effective? If not, why not?
- Are there any concerns or significant risks for the more vulnerable individuals and/or sub-groups, looking forward?

“Governments have to address the long-term outcomes for affected households and communities if resettlement programme activities are not successful.”

Box 31: Monitoring questions relating to training and support

- What were the main focal areas for training and support, and did these align with resettlement objectives?
- Were all commitments to training and support fully delivered?
- Were training and support activities well-designed, appropriately timed, delivered using credible expertise, and appropriately attended?
- Did attendees consider the training and support activities to have met the objectives and added value?
- How were training and support activities tailored to meet the particular needs of the more vulnerable?
- Were training and support approaches and activities appropriate to the needs of the resettled persons before, during and following resettlement?
- What adaptations and additions to training and support were made in response to monitoring data, so that resettlement objectives and improvements to living standards and livelihoods could be better addressed?

Box 32: Monitoring questions relating to outcomes

- What conclusions can be made regarding accomplishment of the original resettlement objectives?
- What adjustments have been made to ensure the original resettlement objectives can be fully met?
- Are improvements from pre-resettlement conditions sustainable, and if not, why not?
- Is monitoring data properly managed and stored for long-term ease of retrieval and analysis over time?
- Are monitoring results being regularly analysed and informing adaptations to ongoing support programmes and approaches?
- What supplementary and longer-term measures have been identified and committed to, so that long-term sustainable outcomes for the resettlement objectives can be ensured?
- What adaptations and additions to training and support were made in response to monitoring data, so that resettlement objectives and improvements to living standards and livelihoods could be better addressed?

Maintenance of certain income targets over a designated (multi-year) timeframe, with targets based on detailed analysis, has been conducted by some hydropower projects as an important overall target regarding livelihood outcomes. Some examples of other outcome-related indicators relevant to a developing country context, linked to quantitative targets, are:

- Villages with year-round road access
- Households with electricity
- Households with year-round access to an improved water source
- Households reporting regular toilet use
- Households reporting that women or girls are responsible for fetching domestic water
- Households within 5 km of a health centre
- School attendance by school-age children
- Anaemia in women of reproductive age

International good practice would involve at least an annual report timed to inform the next annual budget cycle for the project. A risk over time is that the reporting loses sight of the resettlement objectives, especially as personnel change and corporate memory is lost. Annual reports may only identify whether the planned budget was spent on the list of designated activities, without examining if the activities were purposeful and effective, and genuinely contributed to achieving resettlement outcomes. Independent expert review can be effective in assessing the accomplishment of original objectives, whether resettlement outcomes have been achieved, what more should be done, and lessons learnt for future projects.

An important feature for a resettlement programme is a well-designed and robust information management system. Information from the original census and socio-economic survey should be captured and coded in a database that enables follow-up surveys to be uploaded and trends analysed. All evidence associated with delivery of entitlements should be captured in a structured manner that enables summary views of the delivery status of each entitlement in the resettlement entitlements matrix (i.e. a compliance register that includes evidence). The grievance database could be made available in the same information management system, or could be within a software system for incident management, with the dynamic function of prompting those with responsibilities to follow-up and report in a timely manner.

“The project developer is challenged to go beyond basic good practice in order to build trust and deliver positive outcomes.”



5 Conclusions



Conclusions

This How-to Guide has provided an overview of the approach taken to hydropower-related resettlement in international good practice. Resettlement is a highly sensitive issue and needs to be handled with great care and commitment.

This guide maps out the key steps for resettlement at each stage of the project development cycle. It provides considerable advice about risks to be avoided, or identified and managed, and about activities and approaches in a resettlement programme that meet international good practice. Checklists and examples are provided for guidance; however, all projects and displaced communities are unique, and government and financier requirements will also vary. The users of this guide are encouraged to continue to read, research and ask further questions,





Replacement house
in the Reventazon project
in Costa Rica
Photo Credit: Doug Smith

in order to help shape the best approach for a particular hydropower resettlement programme.

The success of a project should not be seen as separate from the success of the project's resettlement programme. By meeting the important criteria requirements for resettlement in each life cycle stage of the Hydropower Sustainability Tools, the hydropower developer should be able to demonstrate good process and outcomes aligned with international standards. Hydropower developers will be making a significant contribution to the overall sustainability of the sector by adding to the examples of good resettlement practice associated with hydropower developments worldwide.

Annex 1

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Annex 2

Project examples

From assessments using the Hydropower Sustainability Assessment Protocol

| Project | Extent of resettlement | Notable aspects |
|---|--|--|
| <p>Chaglia 456 MW</p> <p>Implementation stage</p> <p>Peru</p> | <p>33 households, primarily involved in agricultural activities.</p> | <ul style="list-style-type: none"> • 24 households remained in the same communities, and 9 moved elsewhere; 5 elected to have the project rebuild their houses, whereas the rest took cash compensation and rebuilt the houses themselves. • All agreements were negotiated. • Resettled households were offered the opportunity to participate in the agricultural technical assistance programme. • Improvements in living standards and livelihoods can be shown, and surveys demonstrate high levels of satisfaction. |
| <p>Devoll 72 & 184 MW</p> <p>Implementation stage</p> <p>Albania</p> | <p>29 households displaced by the Banjë HPP, and relocated to higher land within the same village. 21 households displaced by the Moglicë HPP, to be relocated to a resettlement site in Maliq town.</p> | <ul style="list-style-type: none"> • The assessments included an initial socio-economic baseline that was further updated with progress of the resettlement programme. • Measures included compensation for houses and land, construction of replacement housing, and support through a Livelihood Support and Development programme. • All measures were documented in the ESMP and project Compensation Policy and Entitlement Matrix. • Internal and external monitoring of commitments was being undertaken. |

| Project | Extent of resettlement | Notable aspects |
|---|--|--|
| <p>Jirau 3,750 MW Implementation stage Brazil</p> | <p>488 households physically displaced, consisting of 239 resident owners and 148 non-owners from the 'urban' district of Old Mutum Paraná, and 55 resident owners and 46 non-owners from surrounding 'rural' areas.</p> | <ul style="list-style-type: none"> Households had the choice of relocation to a resettlement village, a letter of credit towards the cost of new house and land, or a full lump-sum cash compensation ('indemnification'). Due to concerns, two asset surveys were carried out, and compensation based on whichever stated the higher amount. Two new settlements were built, one urban and one rural. All households signed formal agreements. A range of technical and social assistance was provided, and numerous methods of monitoring and of communications and engagement. Court review was available, and used by five households |
| <p>Reventazón 306 MW Implementation stage Costa Rica</p> | <p>Three households physically displaced; two households who were economically displaced also chose land-for-land compensation.</p> | <ul style="list-style-type: none"> Minimising physical displacement was an Early Stage objective, which was achieved through iterative design adjustments. The project developed a Strategic Resettlement Project Framework which included assessment of resettlement risks, and a Plan for the Restoration or Improvement of Living Conditions, which was essentially a full RAP. Households were consulted in-depth through the process, and were involved in the selection of replacement land. The three households were compensated with ~20, 15 and 7 ha of land, equivalent to what was acquired from them, and received considerable support to improve their livestock-based livelihoods. |

| Project | Extent of resettlement | Notable aspects |
|--|---|---|
| <p>Santo Antonio 3,568 MW Implementation stage Brazil</p> | <p>1,021 households physically displaced at the time of assessment, of which 497 chose to be relocated.</p> | <ul style="list-style-type: none"> • 160 public meetings were held about the project between 2008 and 2014. • Households without legal titles and those who were resident as employees (e.g. caretakers, housekeepers) or tenants were included in the resettlement programme. • New dwellings were built in seven locations, and households moving were involved in action plans for each community. • Monthly monitoring of resettles included 28 socio-economic indicators with parameters for income, education, agricultural production, culture and leisure, health and welfare, infrastructure and environment. • Rural resettlements are firmly on track towards achieving self-sufficiency. |
| <p>Teesta-V 510 MW Operation stage India</p> | <p>72 households were identified in the EIA as 'oustees', being those who would lose their land completely or have less than 1 acre left. Of these, 62 required resettlement. All were farmers with small landholdings and very low incomes. 33 households were categorised as Other Backward Classes, 10 as Scheduled Tribes, and 2 as Scheduled Castes.</p> | <ul style="list-style-type: none"> • Resettlement was addressed through a Resettlement and Rehabilitation (R&R) Plan. • New homes were built in the project resettlement colony, and households given long-term tenancy. • 59 resettles (one from each family) accepted permanent jobs with the project (the other three chose not to), at wages significantly higher than pre-project farming incomes. This has been instrumental in livelihood improvements. Training was provided, and they are mostly employed as electricians, welders and scientific assistants. • One additional household had to be resettled after several years of operation, due to erosion at the reservoir tailwater. |



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