

Involuntary Resettlement (OP-710), GN-1979-3, July 1998

Principles

1. Every effort will be made to avoid or minimize the need for involuntary resettlement

...Particular attention must be given to socio-cultural considerations, such as the cultural or religious significance of the land, the vulnerability of the affected population, or the availability of in-kind replacement for assets, especially when they have important intangible implications. ...

Special considerations

Indigenous Communities. Those indigenous and other low-income ethnic minority communities whose identity is based on the territory they have traditionally occupied are particularly vulnerable to the disruptive and impoverishing effects of resettlement. They often lack formal property rights to the areas on which they depend for their subsistence, and find themselves at a disadvantage in pressing their claims for compensation and rehabilitation. The Bank will, therefore, only support operations that involve the displacement of indigenous communities or other low income ethnic minority communities, if the Bank can ascertain that: (i) the resettlement component will result in direct benefits to the affected community relative to their prior situation; (ii) customary rights will be fully recognized and fairly compensated; (iii) compensation options will include land-based resettlement; and (iv) the people affected have given their informed consent to the resettlement and compensation measures.

Criteria for design and appraisal of the resettlement plan

Once a conclusion has been reached that: (a) a project alternative that includes a resettlement component is the most desirable means to achieve project objectives; and (b) a full resettlement plan is required, the following criteria will apply:

Baseline Information. Accurate baseline information must be compiled as early as possible. It will include information on the number of people to be resettled, and on their socio-economic and cultural characteristics, including disaggregation by gender. In addition, the data will provide an important basis for the definition of eligibility criteria, and compensation and rehabilitation requirements.

Community Participation. The resettlement plan will include the results of consultations carried out in a timely and socio-culturally appropriate manner with a representative cross-section of the displaced and host communities. Consultations will take place during the design phase and will continue throughout the execution and monitoring of the plan, directly or through representative institutions and community organizations. Care will be taken to identify the most vulnerable subgroups and to ensure that their interests are adequately represented in this process.

Compensation and Rehabilitation Package ... The design of compensation packages, as well as the community consultation and decision making mechanisms included in the resettlement program, will take into account the characteristics of the resettled population as identified in the disaggregated baseline data with respect to gender, ethnicity, age, and any other factors pointing to special needs and/or vulnerability.

Legal and Institutional Framework. The resettlement plan must identify the legal and institutional context within which the compensation and rehabilitation measures have to be implemented. The first step in designing the compensation and rehabilitation package is to determine the entitlements of affected persons under applicable laws and regulations, to identify any services or social benefits to which they might have access, and to ensure that sufficient resources are available. The next step is to assess what additional measures are needed, if any, to restore the livelihoods of the affected population to the pre-resettlement standard, and to design mechanisms capable of delivering the goods or services that are needed, including effective and expeditious procedures for the *resolution of disputes*. This allows the compensation and rehabilitation package to work within the constraints of local laws and institutions, complementing them only as required, with project specific measures. *This may lead to the identification of gaps in the local institutional and regulatory frameworks, that need not be incorporated into the resettlement plan, but which can eventually be addressed through institutional strengthening or other components if the borrower and the Bank so agree.*

Timeliness. A preliminary resettlement plan must be prepared as part of the Environmental and Social Impact Assessment (EIA). It must undergo a process of meaningful consultation with the

affected population, and must be available as part of the EIA, prior to the analysis mission. It must include sufficient information to be evaluated along with other project components. At a minimum, it must include: (i) evidence that appropriate measures have been taken to prevent new settlements in the area subject to resettlement; (ii) a tentative cut-off date for compensation eligibility; (iii) an estimate of the number of people to be resettled based on sufficiently reliable data; (iv) a definition of the various options to be made available under the compensation and rehabilitation package; (v) an estimate of the number of people that will be eligible for each option; (vi) a preliminary budget and schedule of execution; (vii) a diagnosis of the viability of the regulatory and institutional framework, identifying issues to be resolved; and (viii) evidence of consultation with the affected populations. The plan will be summarized in the Environmental and Social Impact Report (ESIR).

The final plan must contain

(vii) provisions for consultation and involvement of local entities (public or private) that can contribute to execution and assume responsibility for the operation and maintenance of programs and infrastructure; (viii) provisions for monitoring and evaluation, including funding, from the beginning of the execution period through the target date for achievement of full rehabilitation of the resettled communities; (ix) provision for participatory supervisory arrangements, which combined with monitoring, can be used as a warning system to identify and correct problems during execution; and (x) a mechanism for the settlement of disputes regarding land, compensation and any other aspects of the plan.