THE REPUBLIC OF UGANDA
MINISTRY OF WORKS, HOUSING AND COMMUNICATIONS

ROAD DEVELOPMENT PROGRAMME PHASE 2
RESETTLEMENT / LAND ACQUISITION POLICY FRAMEWORK

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PREPARED BY:
ROAD AGENCY FORMATION UNIT
P.O. BOX 28487,
KAMPALA.

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EXECUTIVE SUMMARY

1.0 Introduction

The Government of Uganda (GOU) is implementing a Ten Year Road Development Programme (1996/97 – 2005/06) for the classified road network. The primary objective of Road Development Programme Phase 2 (RDPP2) is to improve access to rural and economically productive areas by removing major constraints to transport services on Uganda's road network. The road investment expenditures include contribution by Uganda's development partners. All RDPP2 Projects must comply with GOU as well as Donor safeguard policies. This brings into focus the need for Uganda to have a Resettlement Framework that takes into account these requirements.

The main objective of land acquisition and resettlement is to ensure that the displaced people receive benefits from the displacing project. Compensation should aim to minimise social disruption and assist those who have lost assets as a result of a road project to maintain their livelihood through income restoration.

Effective and efficient resettlement of people requires a good resettlement policy, appropriate legal framework, suitable institutional arrangements, adequate resources and planning guidelines. The purpose of this Resettlement Policy Framework is to present an appropriate approach to resettlement planning for road projects in Uganda.

2.0 Institutional and Legal Framework

In the context of the road sector in Uganda, there are at least three actors involved in resettlement. These are the Ministry of Water, Lands and Environment (compensation), the Prime Minister's Office (resettlement) and RAFU (Lead Agency). RAFU, as the Lead Agency of the RDPP2, will take responsibility for resettlement and identifying and coordinating all the other players in resettlement.

The position of the government of Uganda in relation to compensation to be paid if damage is caused to land is clear under the 1995 Constitution and other Ugandan laws. The following constitute the legal framework within which resettlement and compensation should take place. The laws include: the Uganda Constitution (1995); the Land Act (1998); Land Acquisition Act (1965); the Roads Act 1964; the Town and Country Planning Act 1964; the Local Government Act 1997; and By Laws

World bank Operational Directive OD 4.30 on "Involuntary Resettlement" requires that displaced persons should be compensated at full replacement cost, assisted with relocation/resettlement and during transition period. The developer should be encouraged to offer replacement land rather than cash.
compensation when the residual land holdings are not economically viable.

There are some differences between the World Bank Policy and the Ugandan Laws on Resettlement and Compensation. While for instance the Ugandan Laws restrict themselves to fair, adequate and prompt compensation (which is interpreted to mean cash), the World Bank policy extends it to providing alternative land and resettling the persons.

3.0 Socio-Economic Profile: Baseline Surveys

It is important that comprehensive baseline surveys of affected populations/communities are done. Inadequate baseline data can result in project planners lacking a realistic picture of the numbers or the social and economic organisation of the people affected by the road development. A comprehensive survey of affected populations/communities should cover the following: Identification of project affected people; Demographic information; Land tenure regimes; Farming and additional/other income-generating activities and the:

4.0 Community Participation

Public involvement will assist in the following:-

- Identifying cultural and communal property;
- Identifying cultural/social groups which should move together;
- Sensitisation of both host and resettlement communities. This should be done well in advance;
- Identification of various resettlement alternatives;
- Identification of vulnerable groups, which should be protected. Such groups will include disadvantaged women, the disabled, the landless, the orphans, and other minorities;

As a matter of strategy, public consultation and involvement should be an ongoing activity taking place throughout the entire/project cycle.

They should be consulted in planning resettlement, and should play a key role in implementation at grass roots levels. NGOs with experience, knowledge of, and contacts with PAPs can assist a resettlement agency effectively in many ways.

5.0 Compensation System

Affected persons irrespective of their status (whether they have formal title, legalizable rights, non-legalizable) are eligible for some kind of assistance if they occupied the land before the entitlement cut-off. Compensation covers: Land, Structures and Assets, and Crops and Trees, Resettlement plans must target restoration of lost incomes due to the road projects.
It is envisaged that a number of issues (grievances) will come up as a result of land acquisition by the project. A system must be put in place to settle these issues amicably through recognised institutions such as local councils, land boards and land tribunals to the satisfaction of involved parties.

6.0 Implementation of Resettlement/Compensation

Resettlement losses most often arise because of land acquisition, through expropriation and the use of regulatory measures, to obtain land. To ensure that some people are not disadvantaged in the process of development, it is important to avoid or minimize resettlement effects. If resettlement is unavoidable, the Government should help restore the quality of life and livelihoods of those affected.

Community infrastructure must be replaced and ideally improved in situations where it was deficient. This includes installation of sanitary and waste product facilities, electricity generation systems, road links and provision of water.

It is essential that a resettlement timetable, which is well coordinated with proposed roadworks activities, is put in place so that the resettlement exercise is not left to be implemented towards the end of the road project.

7.0 Resettlement Budget

It is necessary to prepare an adequate budget to meet the costs of resettlement. If the budget is too low, then the funds will be inadequate and this will lead to delays in implementing the RDP. Secondly, if the budget is excessive, it may discourage donors from investing in that particular road, and the Government may not be able to afford such costs.

8.0 Monitoring and Evaluation System

The evaluation of results of environmental and social mitigation of the effects of road development can be carried out by comparing baseline data collected in the planning phases with targets and post-project situations. Monitoring and Evaluation will be carried out by RAFU.

9.0 Conclusion:

Good practice in resettlement planning and implementation are the key to fulfilment of objectives of involuntary resettlement. It encompasses among others the following:- minimizing or eliminating involuntary resettlement, carrying out social economic surveys and census of people affected early in the project preparation; involvement of all stakeholders, compensating all affected persons and appropriate income restoration programs.
1.0 INTRODUCTION

1.1 Background

The Government of Uganda (GOU) is implementing a Ten Year Road Development Programme (1996/97 – 2005/06) for the classified road network. The road investment expenditures include contribution by Uganda's development partners. Among them are the World Bank, European Union, African Development Bank and Nordic Fund. Each has pre-requisite resettlement standards. All RDP Projects must comply with GOU as well as Donor safeguard policies. This brings into focus the need for Uganda to have a Resettlement / Land Acquisition Policy Framework for the road sector that takes into account these requirements.

This framework puts forward a procedural guide for resettlement/land acquisition, against the current legal and policy framework in Uganda. Also included in the document are guidelines for public participation and consultation, which are fundamental requirements when issues of compensation and resettlement arise.

1.2 Purpose of the projects

The Road Development Programme (RDP) covers road network improvement, road network administration and capacity building. The primary objective of RDPP2 is to improve access to rural and economically productive areas by removing major constraints to transport services on Uganda's road network. The programme, which consists of 4 phases, including RDDP2 will also support actions aimed at strengthening further road sector management and the implementation of other Road Sector Development Programme activities.

1.3 Purpose of resettlement/land acquisition

Under the road improvement component (i.e upgrading, rehabilitation and maintenance), it is likely that communities will be affected. This is particularly true of areas where roads will pass through people's properties and dwellings. This may lead to involuntary displacement of people and to the need for land acquisition, resettlement, and compensation. Because involuntary displacement disrupts and impoverishes communities, it should be avoided, or at least minimised. If displacement is inevitable then displaced persons should not only be adequately compensated for their losses, but they should be given opportunities to share in road project benefits, and assisted in improving their livelihood.

The main objective of land acquisition and resettlement is to ensure that the displaced people receive benefits from the displacing project.
Involuntary resettlement, therefore, should be an integral part of the RDPP2 projects and should be handled at the onset of the project, i.e. at the planning and feasibility stages, and throughout the project cycle. When communities or individuals are displaced, it is likely that production systems are dismantled, kinship groups may be scattered, jobs may be lost, and social networks may collapse leading to a number of other socio-economic problems. The involuntary resettlement plan should consider all these socio-economic aspects of the affected people.

Article 26 of the 1995 Constitution of Uganda, states that compulsory deprivation of one's property is prohibited except when taking possession or acquisition is necessary for public use. If this is proved to be the case, as for a road, then acquisition is subject to prompt payment of fair and adequate compensation. Compensation should aim to minimise social disruption and assist those who have lost assets as a result of a road project to maintain their livelihood through income restoration.

1.4 Resettlement as development

The concept of programming resettlement as development is increasingly gaining appreciation. In this respect, good practices are those that (a) focus on means of livelihood rather than on assets (b) assume an inclusive relationship between people and assets, and (c) admit negotiated just compensation. The record indicates that in cases where compensation packages were negotiated with project affected people and other stakeholders, the process has resulted in better outcomes for the resettlement process as a whole. This is mainly because people tend to feel more satisfied, as a result of the negotiation process.

1.5 Political commitment to resettlement

Successful resettlement with development is a fundamental political commitment and responsibility of the state. Effective and efficient resettlement of people requires a good resettlement policy, appropriate legal framework, suitable institutional arrangements, adequate resources and planning guidelines.

A study leading to the development of a “National Resettlement Policy and Institutional Capacity for Resettlement” was carried out in 1995. With the promulgation of the new Constitution of the Republic of Uganda in 1995 and enactment of the Land Act in 1998 much of what the study covered has been converted into law. The policy and guidelines remain relevant and can be used as a guide.

A new National Resettlement Policy, covering all sectors, is currently under development by the Commissioner responsible for Resettlement in the Office of the Prime Minister. However, there are policies and laws/regulations with respect to land tenure, local governance and environment, all of which have a bearing on resettlement and can be applied as and when necessary.
1.6 The project, affected sites and potential new resettlement

Under RDPPII July 2001 - June 2006 are:

- the upgrading of main roads to paved standard: Karuma - Pakwach-Nebbi - Arua road (Section Karuma - Olwiyo - Pakwach, 108 km) in 2 construction packages;

- Strengthening Main Roads Katunguru - Kasese - Fort Portal, Kasese - Kilembe and Equator Roads, in 3 construction packages (163 km);

All the roads in the program are existing roads. Earth and gravel roads have been repeatedly scraped over the years such that the actual road corridor is about 10 metres wide. Local governments employ "slashers" to keep grass and bush low beside the roads to a distance of about 5 meters (depending on slopes and other obstacles). There is very little intrusion of crops or structures into these strips along the roadways. Some of the roads carry telephone and/or electricity transmission lines alongside the road, from about 5 metres away from the scraped roadway to a much deeper setback. Except where some slight realignments will be done, construction activities will take place almost entirely within the scraped roadway and adjacent slashed strips. However, construction yards and storage zones, camps for engineers and skilled labourers, borrow pits and quarries are among the additional land that will be required temporarily or permanently and form part of the total "foot print" of the project roads.

2.0 INSTITUTIONAL AND LEGAL FRAMEWORK

2:1 Institutional responsibilities

In the context of the road sector in Uganda, there are at least three actors involved in resettlement. These are the Ministry of Water, Lands and Environment (compensation), the Prime Minister's Office (resettlement) and RAFU (Lead Agency). RAFU, as the Lead Agency of the RDPPII, will take responsibility for resettlement and identifying and coordinating all the other players in resettlement. RAFU should also liaise with the MOWHC on these matters.

All organisations that have a role to play in the implementation of a project resettlement plan should be identified during the planning stage and should have the opportunity to contribute their points of view as to how their function is best carried out and what constraints there might be. There should be no surprises during plan implementation.
2:2 Legal framework, laws and regulations

The position of the government of Uganda in relation to compensation to be paid if damage is caused to land is clear under the 1995 Constitution and other Ugandan laws. The following sections describe the legal framework within which resettlement and compensation should take place.

2.2.1 The Uganda Constitution (1995)

Article 237(1) of the Constitution vests all land in Uganda in the citizens of Uganda. However, under Article 237(1) (a), the Government or Local Government may acquire land in public interest. Such acquisition is subject to the provisions of Article 26 of the same Constitution, which gives every person in Uganda a right to own property. The Constitution also prescribes the tenure regimes in accordance with which rights and interest in which land may be held (Customary, Leasehold, Mailo, Freehold). It provides procedures to follow during the acquisition of land for public interest and provides for the “prompt payment of fair and adequate compensation” prior to taking possession of land. The Constitution however does not make resettlement a right.

2.2.2 The Land Act (1998)

The 1998 Land Act addresses land holding, management control and dispute processing. The developer should seek to enter into mutual agreement with the occupier or owner of the land upon payment of compensation. The Act creates a series of land administration institutions consisting of Uganda Land Commission (ULC), District Land Boards (DLB), Parish Land Committees (PLC) and land tribunals. Section 78 of the Act gives valuation principles for compensation i.e. compensation rates to be yearly approved by DLBs. The basis for compensation are depreciated replacement costs for rural properties and market values for urban properties.

2.2.3 Land Acquisition Act (1965)

This Act makes provision for the procedures and method of compulsory acquisition of land for public purposes whether for temporary or permanent use. The Minister responsible for land may authorise any person to enter upon the land and survey the land dig or bore the subsoil or any other thing necessary for ascertaining whether the land is suitable for a public purpose.

The Government of Uganda is supposed to pay compensation to any person who suffers damage as a result of any action. Any dispute as to the compensation payable is to be referred to the Attorney General or court for decision.

The Land Acquisition Act stops at payment of compensation. It is not a legal requirement to purchase alternative land for the affected people by the project. Once they are promptly and adequately compensated, then the obligations stop there. The Government
through the Ministry of Lands, Water and Environment, will pay the compensation to the affected persons.

There is no requirement or provision in the law that people need to be moved or that alternative land be made available or bought. Each affected person entitled to be compensated, on receipt of his/her compensation is expected to move and has no further claim.

2.2.4 The Roads Act 1964

The Roads Act of 1964 is a critical piece of legislation with respect to these projects. It defines a road reserve as that area bounded by imaginary lines parallel to and not more than fifty feet distant from the centreline of any road, and declared to be a road reserve. The Act is silent on whether such land is “taken” for the state, but states that no person shall erect any building or plant, trees or permanent crops within a road reserve. It also allows the roads authorities to dig and take materials from the road reserve for the construction and maintenance of roads.

The Minister or, with the consent of the Minister, a District Commissioner, in relation to any road within or passing through any government town or an Administrator in respect of any area not being in a government town, may by order:

a) prescribe the line in which buildings shall be erected in such town or area or
b) prescribe the distance from the centre of the road within, which no building shall be erected in such town or area.

The road authority is required to give written notice to the owner or occupier of the land on which prohibited activities have been carried out:

i) to pull down or remove the building or erection; or
ii) to cut down or uproot the trees or crops; or
iii) to alter or repair the cattle path, bicycle track side road or entrance or means of access or to close the same.

The Act allows a road authority to dig and take away materials required for the construction and maintenance of roads in any part of a road reserve approved by the district commissioner without payment to any person.

In recent months, a series of meetings involving the Ministry of Works, Housing and Communications, Ministry of Water, Land and Environment, Ministry of Justice and Constitutional Affairs, and RAFU have been held to discuss issues pertaining to the road reserve. It was decided that:

- The road reserve be preserved for planning purposes only, but should not be acquired as this would be unnecessary, expensive and disruptive.
- In order to minimize land acquisition, only land required for road construction purposes (the “Site”) be acquired.
• This would be that land sufficient for the permanent works plus a 3m strip on either side.

2.2.5 The Town and Country Planning Act 1964

The Town and Country Planning Act of 1964 gives broad powers to planning authorities at the national and local level to take land, against compensation, for public purposes within an approved planning area. Further, such authorities can determine set back lines “beyond which no building may project” into a roadway including the road reserve area.

2.2.6 The Local Government Act 1997

The Local Governments Act provides for the system of local governments, which is based on the district. Under the district there are lower local governments and administrative units. This system provides for elected councils. The chairman nominates the executive committee of each council. The functions of this committee include:

i) Initiating and formulating policy for approval of council;
ii) Overseeing the implementation of the government and councils’ policies, and monitor and coordinate activities of non-government organisations in the district; and
iii) Receiving and solving disputes forwarded to it from lower local governments.

2.2.7 The Access to Roads Act 1965

The Access to Roads Act seeks to ensure that a private landowner who has no reasonable means of access to public highway may apply for leave to construct a road of access to a public high way. This law also establishes a mechanism of applying for such a road. It also establishes a legal regime to ensure the safety of the neighbouring environment.

The Act permits the owner of any land who is unable through negotiations to obtain leave from adjoining land owners to construct a road of access to the public highway, to apply to a magistrate for leave to construct a road of access over any land lying between his land and the public highway. This law also provides for means by which an order for the construction of an access road can be revoked.

The Act further provides for maintenance of the access road in a good and efficient state of repair, and for payment of compensation in respect of the use of the land, the destruction of crops of trees and such other property.

2.2.8 By Laws

Finally, byelaws were enacted in the 1960s in many local areas of Uganda, especially for the regulation of “trading centres,” which were the typical local embryonic urban centres across the country. Typically, these byelaws had provisions for shops to be built not closer
than 50 feet from the centreline of the road. They did not take land, but they reinforced the Town and County Planning Act and the Roads Act by creating a building restriction on any given plot of land.

2:3 Donor Safeguard Policies on resettlement

World Bank Operational Directive OD 4.30 on “Involuntary Resettlement”, requires that displaced persons should be compensated at full replacement cost, assisted with relocation/resettlement and during transition period. The developer should be encouraged to offer replacement land rather than cash compensation when the residual land holdings are not economically viable.

The main features of this directive are as follows:-

- All viable alternative project designs should be explored to avoid or minimise the need for resettlement and when it cannot be avoided, to minimise the scale and impacts of resettlement;
- Resettlement measures are to be conceived and executed as development activities providing sufficient resources to give the persons displaced the opportunity to share in project benefits. Assistance should be given to the community in their efforts to improve former production levels, incomes, earning capacity and living standards or at least restore them to the levels they would have without the project;
- Displaced persons should be:-
  - Compensated at full replacement cost prior to the actual move;
  - assisted with relocation;
  - assisted and supported during the transition period;
- Particular attention should be given to vulnerable groups;
- Communities should be given opportunities to participate in planning, implementing and monitoring their resettlement.
- Resettlers should be helped with integration into their host community.

The above requirements are also applicable to projects funded by other donors, including European Union (EU), African Development Bank (ADB), and Nordic Fund. However, ADB recognises that involuntary resettlement is a sensitive area involving competing economic, social, and political interests that may be difficult to balance in the best of circumstances. Accordingly, the Bank cautions that any proposed policy and planning principles should be introduced and implemented with sensitivity to the particular political, legal, economic, social and cultural contexts of a country.
2.4 *Differences between Uganda Laws and the World Bank Policy*

There are some differences between the World Bank Policy and the Ugandan Laws on this matter. While the Ugandan Laws restrict themselves to fair, adequate and prompt compensation (which is interpreted to mean cash), the World Bank policy extends it to providing alternative land and resettling the persons. A comparison of Uganda law and WB requirements regarding compensation is given in Table 2.1.

In a number of cases, as shown in Table 2.1, the WB requirements are more favourable to PAPs than the provisions of Uganda Law. The Government of Uganda does not wish to set precedents as to compensation amounts. However, GOU is strongly committed to fulfill WB requirements. Appropriate compensation approaches are therefore needed, with a first part of compensation meeting Ugandan Law requirements, and an additional uplift aiming at complying with WB requirements where they are not complied with by the sole Ugandan provisions.

**Table 2.1: Comparison of Ugandan Law and World Bank requirements regarding compensation**

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<th>Category of PAPs/ Type of lost assets</th>
<th>Ugandan Law</th>
<th>WB requirements</th>
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<tr>
<td>Land Owners</td>
<td>Cash compensation based upon market value of unimproved land and disturbance allowance (15%)</td>
<td>Strongly recommend land-for-land compensation. Other compensation is at replacement cost.</td>
</tr>
<tr>
<td>Land Tenants</td>
<td>Entitled to compensation based upon the amount of rights they hold upon land</td>
<td>Must be compensated whatever the legal recognition of their occupancy</td>
</tr>
<tr>
<td>Land Sharecroppers</td>
<td>Not entitled to compensation for land, entitled to compensation for crops</td>
<td>No specific provisions as to land compensation, but income must be restored.</td>
</tr>
<tr>
<td>Owners of &quot;Non permanent&quot; Buildings</td>
<td>Cash compensation based upon rates per m². established at District level and disturbance allowance (15 %) – Rates are based on depreciated market value.</td>
<td>Recommend in-kind compensation or cash compensation at full replacement cost including labour</td>
</tr>
<tr>
<td>Owners of &quot;Permanent&quot; buildings</td>
<td>Valuation by Valuer and disturbance allowance (15%). Valuation is based on depreciated market value.</td>
<td>Recommend in-kind compensation or cash compensation at full replacement cost including labour</td>
</tr>
<tr>
<td>Perennial Crops</td>
<td>Cash compensation based upon rates per m²./bush/tree/plant established at District Level and disturbance allowance (15%) Rates are calculated as the one year net agricultural income.</td>
<td>Requirements not specified</td>
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Annual Crops

| No compensation. 6 month notice to harvest crops. | No specific provision. Income restoration. Land for land compensation allows people to re-establish annual crops immediately. |

Business Income

| No compensation. 6 months notice to vacate premises | Establish access to similar opportunities. |

3.0 SOCIO-ECONOMIC PROFILE: BASELINE SURVEYS

It is important that comprehensive baseline surveys of affected populations/communities are done. Inadequate baseline data can result in project planners lacking a realistic picture of the numbers or the social and economic organisation of affected people.

In the past, topographic maps/surveys have been used to assess baseline socio-economic characteristics. This method should be discouraged, because often these topographic maps are outdated and their information does not exactly correspond with the ground truth.

Socio-economic issues are normally considered during Environmental Impact Assessment. However, most times it is not sufficient to be relied on completely during resettlement. A comprehensive survey of affected populations/communities is required.

3:1 Identification of project affected people

Project Affected Persons (PAPs) are defined as those who stand to lose, as a consequence of the project, all or part of their physical and non-physical assets, including homes, communities, productive lands, resources such as forests, range land, fishing areas, or important cultural sites, commercial properties, tenancy, income earning opportunities, social and cultural networks and activities. Such impacts may be permanent or temporary. The most often loss occurs through land expropriation, using eminent domain or other regulatory measures. They have no option but to re-establish elsewhere. People can also be affected through exposure to health and safety hazards which then force them to relocate.

The affected people are determined by the project area ear-marked by the developer (RAFU) with the consent of the communities to be affected. The project area is then surveyed to establish boundaries. The people whose land lies within the demarcated land are some of the persons directly affected by the project.

3:2 Demographic information

A survey of the individual plots should be carried out to establish the number of households affected, the area and the sizes of those plots taken by the project. After the survey, a map of the project area showing the individual plots should be produced.
It is essential that the project resettlement plan is based on the most recent information about the scale and impact of the displacement. The baseline survey should include:

i) An up to date field-based census of the number of people who will be displaced, the magnitude of displacement, income levels and assets and some idea of occupational categories. Distinguish between Seriously Project Affected Families (PAF) and Project Affected Families (PAF).

ii) An assessment of encroachment on to the road reserve;

iii) Information on the full resource base of the affected population;

iv) Extent to which groups will experience total or partial loss of assets;

v) Public infrastructure and social services that will be affected.

vi) Formal and informal institutions (e.g. CBOs, NGOs, churches, etc.) that can assist designing and implementing the resettlement programmes;

vii) Names of affected families should be recorded as early as possible to prevent in-flows of population ineligible for compensation.

3.3 Land tenure regimes

Article 237 of the Constitution, 1995 vests land in the citizens of Uganda and defines 4 land tenure systems, namely:

- Customary;
- Freehold;
- Mailo; and
- Leasehold

The incidents of these systems are detailed under section 4 of the Land Act, 1998. Those relevant to the RDP are the following:

3.3.1 Customary tenure

- Is governed by rules generally accepted as binding and authoritative by the class of persons to which it applies (in other words “customary regime is not governed by written law”)
- Is owned in perpetuity;
- Customary occupants are occupants of former public land, and occupy the land by virtue of their customary rights; they have propriety interest in the land and are entitled to certificates of customary ownership;
- Certificates for customary ownership may be required, through application to the Parish Land Committee and eventual issuance by the District Land Board;
3.3.2 Freehold tenure

- Derives its legality from the Constitution and its incidents from the written law;
- Involves the holding of land in perpetuity or for a period less than perpetuity fixed by a condition;
- Enables the holder to exercise, subject to the law, full powers of ownership;

3.3.3 Mailo tenure

- Has roots in the allotment of land pursuant to the 1900 Uganda Agreement;
- Derives its legality from the Constitution and its incidents from the written law;
- Involves the holding of land in perpetuity;
- Permits the separation of ownership of land from the ownership of developments on land made by a lawful or bona fide occupant;
- Enables the holder to exercise all the powers of ownership, subject to the rights of those persons occupying the land at the time of the creation of the mailo title and their successors;

3.3.4 Leasehold tenure

- Is created either by contract or by operation of the law;
- Is a form under which the landlord of lessor grants the tenant or leasee exclusive possession of the land, usually for a period defined and in return for a rent;
- The tenant has security of tenure and a proprietary interest in the land;

3.3.5 'Licence' or 'Share cropper'

Although only these later forms of tenure are legally defined under the Land Act, the context of common law also recognises the statute of "Licensee" or Sharecroppers", these terms having similar meanings in practice. Licensees are persons granted authority to use land within for agricultural production. Traditionally, such production would be limited to annual crops. Licensees have no legal security of tenure or any propriety right in the land. Their tenure is purely contractual.

3.4 Farming and additional/other income-generating activities

*Crops and trees may either be damaged during feasibility studies in preparation for RDPP2 projects or left by the affected communities when they move to other areas due to displacement. Both young and mature crops will have to be compensated for. The variation of ages of the crops and trees will have to be taken into account such that older crops/trees are worthy more than young ones.*

In Uganda, each District Land Board adopts its own compensation rates. As a result, variation exists among the different districts. The rates are reviewed every year.
3:5 Host community

Although, in the first instance the planning is for the resettlers, the host population should be taken into account. They may be making available land resources or may share their infrastructure. In some cases host communities welcome the arrival of settlers under the impression that 'development' which is supposed to come with relocates will also benefit them. In other cases the majority of the host community may curtail the availability of land in the future. In rural areas in particular, the host population should receive some benefits, not necessarily on an individual household basis but on community basis. Situations where the resettlers will be perceived as being better off than the hosts should be avoided.

4.0 COMMUNITY PARTICIPATION

Community participation and consultation are essential elements of environmental management of roads that ensure that the community is included in the decision making process. It is therefore necessary to develop procedures and skills for informing the public and other interested parties about proposed road projects.

4:1 Stakeholder analysis

The resettlers, RAFU/RA and the Resettlement study team must begin dialogue as soon as it becomes apparent that resettlement may be necessary, ie at the time of project planning or the feasibility stage. Public involvement will assist in the following:

* Identifying cultural and communal property;
* Identifying cultural/social groups which should move together;
* Sensitisation of both host and resettlement communities. This should be done well in advance;
* Identification of various resettlement alternatives;
* Identification of vulnerable groups, to be protected. Such groups will include disadvantaged women, the disabled, the landless, the orphans, and other minorities;

Community involvement should include the following:

* Informal leaders and representatives;
* LC Officials;
* Other formal leaders;
* Local NGOs and CBOs;
* FRSP officials (MOWHC);
* Representatives of the various categories of PAPs

4.2 Community mobilization and participation strategy

The major strategy evolves around the provision of a full opportunity for involvement of all stakeholders who include the project
beneficiaries, those likely to be adversely affected and other stakeholders who may have an interest in the road development programme for one reason or another. Because of the difficulty in identifying the public, care must be taken in deciding who participates to ensure that a fair and balanced representation of views is obtained from those directly affected, the poor, minority groups as well as influential members of the public.

As a matter of strategy, public consultation and involvement should be an ongoing activity taking place throughout the entire project cycle and should include the following:

- Public consultation before the inception of the project and before the environmental and social study is done.
- Public consultation during the environmental and social impact study and during the project design.
- Consultations after the environmental and social impact study has been done.
- Holding of public hearing if RAFU (the Lead Agency) should find it necessary as well as appropriate notification regarding the hearing.

4.3 Office services, information and documentation.

Depending on the scale of likely impacts, a resettlement field unit/office may be required. Projects with limited land acquisition affecting only a few families or having limited adverse impacts may not require a resettlement unit. In these cases, the Project management should identify the existing institutional arrangements, with appropriate lines of accountability within the existing institutional framework. These may include district/local administrations or urban councils.

If the scope of resettlement is large, a separate resettlement field unit/office within the project entity will probably be required to deal with issues concerning compensation and rehabilitation of PAPs. In this case the Project Team, during the project preparation stage, should address the following issues:

- the form and size of the resettlement unit/office;
- the mandate of the resettlement unit;
- the financial and administrative authority of the resettlement project director/manager/coordinator;
- staffing and budget; and
- the requirements for training and capacity building.

The form and size of the resettlement unit where applicable will depend on the severity of impact and the scale of displacement and resettlement. The Project Team should determine the institutional options for resettlement implementation. The Team Leader should pay special attention to both administrative and disbursement power of the organization head to ensure proper implementation of resettlement operations. The head of the resettlement unit should be a senior officer with appropriate financial power and authority to carry out all functions, including co-ordinating meetings with other departments.
A resettlement coordination unit will be established by RAFU. This allows the agency to coordinate all resettlement activities, including land acquisition and compensation payments to the PAPs, that are normally carried out by various agencies (e.g., land department or local administration). Resettlement unit staff can also maintain systematic and closer links with the main project and thus can contribute to faster and improved decision making and deployment of resources.

A separate resettlement agency, independent of RAFU, may carry out large-scale resettlement operations. This will entail creating a defined legal and administrative authority to perform all resettlement activities or to direct other departments and line agencies to carry out needed tasks. When an independent resettlement agency is used, then clear mechanisms are required for coordination among different departments involved in the resettlement operations (e.g., land department, local administration, labour department, education and health departments, and public works for infrastructure development in relocation sites). It is not yet clear as to whether the proposed National Disaster Management Commission will be suitable for this role.

4.4 Involvement of the local government.

District authorities manage most of the land in the rural areas. These institutions are stakeholders in settlement activities. They should be consulted in planning resettlement, and should play a key role in implementation at grass roots levels. LCs should participate in managing resettlement activities.

During the planning stages of the project it will be necessary to assist local authorities in dealing with project impacts. The involvement and gradual capacity building of local authorities is a good option. This ensures transparency and a degree of community participation in project planning and implementation. The National Environmental Statue (1995) provides for Local and District Environmental Committees as part of the EIA procedure. However, the resettlement study team should identify and specify the appropriate local government organs to be involved and how.

4.5 Involvement of NGOs

NGOs with experience, knowledge of, and contacts with PAPs can assist a resettlement agency effectively in many ways. Involvement of NGOs in resettlement projects is considered particularly useful in the following areas:-

- gathering and sharing information and avoiding potential problems;
- planning and implementing income-generating schemes;
- developing information campaigns and community participation;
- strengthening local institutions and community self-reliance; and
- delivering services to reach communities in a more efficient and cost-effective manner.
Uganda’s experience since the 1980s has shown a steadily increasing level of NGO involvement at all stages of project processing cycle and project implementation. It is advisable to involve NGOs and CBOs at an early stage of project preparation.

There are different kinds of NGOs in Uganda, ranging from advocacy groups to relief and charity organisations. The Team Leader should take the initiative during the fact-finding mission to identify an NGO/CBO (in consultation with the RAFU) appropriate to the tasks and having a developmental focus.

The following criteria should be used in selecting NGOs for resettlement work. The NGO should:

- be from the project-affected area or have prior work experience in the area;
- have a good track record in terms of program planning and implementation in areas like rural development, poverty, gender issues, environment, and community participation;
- have appropriate staff with technical and social skills in resettlement or community development and participation, including familiarity with the local language(s) and customs;
- be registered with the government as an NGO with good standing and sound financial condition for project implementation purposes; and
- not be involved with any political or religious groups directly or indirectly.

5.0 COMPENSATION SYSTEM

5.1 Inventory of impact of individual and communal properties

This entails a complete count and description of all property that will be acquired or lost as a result of relocation. The land inventory specifies the type of land (dry-land irrigated, perhaps soil type), its use (agricultural, types of crops, business) size and location, so that each can be correctly valued. The physical inventory lists each asset, including structures (homes, animal pens, store houses) and infrastructures (e.g., wells) and other assets (e.g., trees by type (fruit or timber) age and size, for valuation purposes.

The study team should pay special attention to the current values of assets and should value each asset individually. Eligibility criteria for the affected people/household must be established. The study should also take note of changes in price and values of assets between valuation and compensation.

5.2 Criteria and strategy for compensation for land, houses, crops other property

5.2.1 Criteria and eligibility for compensation

Affected persons irrespective of their status (whether they have formal title, legalizable rights, non-legalizable) are eligible for some kind of
assistance if they occupied the land before the entitlement cut-off. The entitlement cut-off refers to the time when the assessment of persons and their property in the project area is carried out. Thereafter, no new cases are entertained. The following categories will be eligible for compensation.

(i) People who are indirectly affected by the project
(ii) People whose houses/structures will be affected by land acquisition.
(iii) People who borrow land for cultivation and their crops or trees will be removed or damaged due to land acquisition activities.
(iv) Any other group of persons that has not been mentioned above but is entitled to compensation according to the laws of Uganda and World Bank policies.
(vi) Persons who encroach the area after the Resettlement survey (census and valuation) are not eligible to compensation or any form of resettlement assistance.

5.2.2. Land

Land management and control of its transactions are decentralised at District and Parish levels through District Land Boards and Parish Land Committees respectively. Fixing the value of land in Uganda depends on whether it is public (Government owned) or privately owned according to land tenure types indicated in the section on land regime. If it is public land, the Chief Government Valuer’s office will fix the rates of compensation. If owned privately, the developer (RAFU) will negotiate with the owner and agree on the amount to pay for the land to be acquired.

In both instances, the value of land varies from one location to another. For example, land in Hoima District will not have the same value as that in Nebbi District due to agricultural productivity and population density.

5.2.3 Structures and Assets

In Uganda, it is the responsibility of the developer to engage a professional valuer to carry out an assessment of all structures and assets in the affected area. However, rates of structures/buildings in urban areas are fixed by the Chief Government Valuer's office.

Rates of structures which are located on land which has a Title Deed are normally negotiated with the owner of the structure. Rates for structures on land that lacks a Title Deed are fixed by the District Land Board just like crops and trees. However, in World Bank funded projects, ownership and occupancy are treated equally. Therefore in both cases the affected people are entitled to the same compensation and have the same opportunity to negotiate.

The affected people should be provided with full replacement cost for the lost structures so that they are able to build their own houses without difficulties. The construction of a replacement house will be offered whenever a building has to be removed. This may either be on remaining land of the plot if it is deemed viable and the affected household agrees to such solution, or on another resettlement plot.
In the process of valuation of affected structures, the methods of replacement cost, comparable market price and a combination of these two are usually used by professional valuers to get compensation rates. When valuation of individual structures is completed, detailed compensation rates for different structures will be included in the resettlement action plan.

5.2.4 Crops and Trees

A number of trees and crops will be left by the affected communities when they move to other areas due to displacement. Crops and trees will also be damaged during feasibility studies in preparation for RDPP2 projects. These (young and mature) will have to be compensated for.

5.3 Strategy for income restoration

The plan to restore lost incomes for affected persons must include livelihood restoration. Since the majority of people in Uganda depend on the land for income and subsistence, agricultural extension, intensification and improvement of agricultural production and other interventions should form part of a comprehensive livelihood plan. Monitoring beyond the project construction period will be necessary in order to ensure income generation targets are met.

Resettlement plans must target restoration of lost incomes due to the road project. In densely populated areas, costs for compensation and resettlement will be substantial. The desirable plan to restore lost incomes must include compensation costs, resettlement costs, administrative costs, rehabilitation costs and costs of lost local government or Central Government public assets. To minimise losses to the community, it is essential that compensation is paid up front and compensation timetable/programme is put in place.

5.4 Training and manual labor opportunities

If the baseline survey indicates that the resettlers cannot get the same employment opportunities as before then the plan must include alternative employment strategies for the displaced people. It may be necessary to institute vocational training, employment counselling, extension of credit and any other as may be identified.

5.5 Conflict resolution and grievances system

It is envisaged that a number of issues (grievances) will come up as a result of land acquisition by the project. A system must be put in place to settle these issues amicably through recognised institutions such as local councils, land boards and land tribunals to the satisfaction of involved parties.

Although affected people will be given an opportunity to review the survey results and compensation policies during the process of resettlement planning and implementation, a number of issues will arise up among the settlers. If a person is not satisfied with the
compensation or rehabilitation measure given, he could raise his complaint through the mechanism that will have been put in place.

In order to address the above concerns, RAFU is to ensure setting up of small field offices by the supervising consultants in the contract sites before implementation to receive complaints and channel them to both RAFU and the relevant authorities. The local councils (LC1, LC2, LC3) will hear the grievances as applicable, with the Chief Government Valuer intervening where necessary and appropriate.

If the person complaining does not agree with the decision of the Councils he/she could appeal to the District Land Tribunal. If he/she still does not agree to the decision, he could go to court as a last option.

6.0 IMPLEMENTATION OF RESETTLEMENT/LAND ACQUISITION

6.1 Resettlement Impacts and Mitigation measures

Road projects change patterns of use of land, water, and other natural resources and cause a range of resettlement impacts. Resettlement losses most often arise because of land acquisition, through expropriation and the use of regulatory measures, to obtain land. Housing, community structures and systems, social networks, and social services can be disrupted. Productive assets, including land, income sources, and livelihoods can be lost. Cultural identity and potential for mutual help may be diminished. Loss of resources for subsistence and income may lead to exploitation of fragile ecosystems, hardships, social tensions, and impoverishment. The people affected have no option, and must try to rebuild their lives, incomes and assets base elsewhere.

To ensure that some people are not disadvantaged in the process of development, it is important to avoid or minimize resettlement effects. If resettlement is unavoidable, RAFU should help restore the quality of life and livelihoods of those affected. There may also be opportunities to improve the quality of life, particularly for vulnerable groups. All kinds of resettlement losses need mitigative measures, as set out in Table 6.1. An integrated approach to impact management is preferred.

<table>
<thead>
<tr>
<th>Type of Impact</th>
<th>Mitigation Measures</th>
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<tbody>
<tr>
<td>Loss of productive assets, including land, income and livelihood.</td>
<td>Compensation at replacement rates, or replacement, for lost incomes and livelihoods. Income substitution during re-establishment plus income restoration measures in the case of lost livelihoods.</td>
</tr>
<tr>
<td>Loss of housing, possibly entire community structures.</td>
<td>Compensation for lost housing and associated assets at replacement rates; relocation options including relocation site development if required;</td>
</tr>
</tbody>
</table>

Table 6.1: Major types of Resettlement Impacts and Mitigation Measures Required
systems, and plus measures to restore living standards

<table>
<thead>
<tr>
<th>Loss of other assets</th>
<th>Compensation at replacement rates or replacement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loss of community resources, habitat, cultural sites and goods</td>
<td>Replacement if possible, or compensation at replacement rates; restoration measures.</td>
</tr>
</tbody>
</table>

6:2 Provision of infrastructure and services

The objective of resettlement is that a community is replicated on a socially and economically viable basis. Therefore, community infrastructure must be replaced and ideally improved in situations where it was deficient. This includes installation of sanitary and waste product facilities and electricity generation systems. Road links should also be established. The provision of water is key as without adequate supplies of water the community is not viable. This is particularly important when new lands are being settled, without a previous history of settlement. The availability of water should be assessed before people are relocated to a new site. Services such as education (Primary and Secondary Schools and health facilities (dispensaries and clinics) should also be established in the new communities at the time people are settled. In cases where PAPs are actually resettled, infrastructure should be provided for in the plan.

6:2:1 Individual houses

Buildings are officially categorised for valuation purposes as "temporary" (i.e built with mud and wattle and grass), "semi-permanent" with mud and wattle walls and corrugated iron roofs and permanent (brick or concrete walls). In accordance with the with recent GOU policy decisions, compensation is payable on replacement basis. The affected people are entitled to compensation through negotiation. They should be provided with full replacement cost for the lost structures, and should be treated as provided for in 5.2.3. If people chose to build their own houses, they should receive compensation equivalent to the cost of materials plus labour, hired or their own. However, it is not recommended that people build their own houses, unless they insist on doing so.

6:2:2 Drinking water system

In the event that access to drinking water supplies is affected temporarily or permanently, RAFU (the developer) should be committed to providing access to alternative sources. Facilities can be provided either from boreholes or pumped supplies from a river, lake or wherever necessary. Consultations should be held with the relevant authorities over the most appropriate form of provision.
6.3 **Environmental Management**

Road Development Projects are bound to have their own environmental impacts, which should be identified during planning. The resettlement component may be subject to an environmental impact assessment depending on its nature and extent.

The environmental management arrangements ought to include:

i) clear identification of key stakeholders  
ii) definition of roles and responsibilities  
iii) provision of resources for implementation.

6.4 **Payment procedures of compensation**

All parties involved will sign a compensation certificate. Signatories to the compensation certificate will include, the recipient, Local Council representatives, member of the Parish Land Committee and a RAFU representative.

Compensation of amounts more than Ushs 100,000/= will be made by cheque. Payment below Ushs 100,000/= may be made in cash. On payment a receipt (based on a standard form) will be signed upon by the same parties as above. Peasant communities are often unable to properly manage large sums of money following compensation. Where applicable, the RAP should provide for training and assisting these communities to manage money, including facilitating them to open and manage bank accounts. Such training is under the responsibility of RAFU.

The resettlement study team, should draw up a payment plan which will ensure that payments are not delayed. The study should establish the best criteria for payment either in instalments, or re-season or lump sum, depending on the socio-economic characteristics of the society in question.

6.5 **Rehabilitation of incomes**

Relocatees should become the first beneficiaries of a project. Every effort should be made to ensure that their previous income levels are restored after relocation and that as a result of the resettlement their standards of living improve. In other words, those that are to make way for a project should be better off, not worse off after the project has been implemented. This is the fundamental objective of the resettlement task.

6.6 **Assistance to vulnerable people**

Vulnerable groups include sectors of the population such as female headed household, the elderly, children, the handicapped, indigenous people, forest dwellers, squatters, or the poorest of the poor. It is important that vulnerable groups are identified early in the resettlement planning process and their specific needs and aspirations
examined. Resettlement often provides an opportunity to enhance their economic and social conditions.

While all affected people should be treated fairly, this does not mean that they all be treated equally. The needs of vulnerable groups might be such that special provisions may have to be planned. In other words, special attention should be given to these groups.

6.7 HIV/AIDS Mitigation

Because of the characteristics of road projects, there is potential for increased presence of HIV/AIDS in the project areas. During the construction phase, the project will introduce new workers to the different areas. This will mean that there will be a higher frequency of interaction between the local people and construction/project workers. Further, through the improved network, the project will provide for increased communication and contact between people in villages and in cities/towns. This will result in a higher rate of HIV infection. The RAP should therefore provide for mitigation measures, including information campaigns, creation of awareness of the risk of HIV/AIDS and other STDs associated with mobile work force and its interaction with local people, and provision of condoms.

6.8 Alternatives for resettlement sites

With regard to alternatives for resettlement sites, the resettlement study team needs to:

iv) identify possible alternatives together with the host and resettlers;

v) identify the productive potential of alternative sites as well as availability of other sources of income;

vi) identify the comparable employment opportunities, infrastructure, services and production opportunities;

vii) identify and prepare relocation sites and drawing up timetables and budgets for resettlement

RAFU, with the assistance from MOWHC, will put in place legal arrangements for land title ownership and for guarding against land speculation.

6.9 Time schedule: summary of activities

It is essential that a resettlement timetable, which is well coordinated with proposed roadworks activities, is put in place so that the resettlement exercise is not left to be implemented towards the end of the road project.

It is desirable that a sound schedule for executing the resettlement operation spreads evenly over the duration of RDPP2 road projects requiring resettlement is put in place so as to avoid "end-bunching". The resettlement plan should include an implementation schedule for each activity covering the initial baseline and preparation, actual relocation and post relocation. The Resettlement timetable should
provide for phased resettlement to allow construction/improvement works and resettlement to take place at minimal cost. Thus resettlement can be synchronised with the gradual advance of the road works, especially in densely populated areas.

6.10 Outline for Resettlement Action Plan

- Table 6.2 outlines the contents of a RAP for RDPP2 projects. This is a full Table of Contents and each project context and degree of impacts will define whether all elements are required and to what extent. This outline conforms to best practice.

Table 6.2 Recommended Contents of the Resettlement /Land Acquisition Plan

<table>
<thead>
<tr>
<th>Topic</th>
<th>Contents</th>
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<td>Executive Summary</td>
<td>Significant findings and recommended actions</td>
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<tr>
<td>Introduction</td>
<td>• Overview of main goals and objectives of Plan.</td>
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<td></td>
<td>• The project location and affected sites.</td>
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<td></td>
<td>• Methods/approach of social assessment.</td>
</tr>
<tr>
<td>Institutional Legal and Policy framework</td>
<td>• Outline of institutional framework and recommended institutional strengthening strategy</td>
</tr>
<tr>
<td></td>
<td>• Identification of institutional tasks and responsibilities, ensure clear division of responsibilities.</td>
</tr>
<tr>
<td></td>
<td>• Review of relevant laws, regulations and policies, including issues relating to resettlement and eligibility for compensation.</td>
</tr>
<tr>
<td>Social-economic baseline information (basis for planning)</td>
<td>• Account of baseline survey results including identification of project affected people (PAP) and likely losses.</td>
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<td></td>
<td>• Demographic information,</td>
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<td>• Land tenure regimes,</td>
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<td></td>
<td>• Livelihood activities, agricultural production, resource usage,</td>
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<td>Present state of services and infrastructure</td>
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<td>---------------------------------------------</td>
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<tr>
<td>Host Community – status and attitudes.</td>
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<tr>
<td><strong>Project Impacts</strong></td>
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<td>Presentation of project impacts on the environment</td>
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<tr>
<td>Steps taken to minimise land acquisition and resettlement impacts.</td>
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<tr>
<td><strong>Community Participation and Consultation</strong></td>
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<tr>
<td>Stakeholder analysis.</td>
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<tr>
<td>Community participation and consultation strategy.</td>
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<tr>
<td>Involvement of local government(s).</td>
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<tr>
<td>Involvement of NGOs and CBOs</td>
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<tr>
<td><strong>Compensation System</strong></td>
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<tr>
<td>Inventory of affected individual and community properties.</td>
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<td>Criteria and strategy for compensation.</td>
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<tr>
<td>Income restoration strategy.</td>
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<tr>
<td>Training programmes and labour opportunities.</td>
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<tr>
<td>List of PAP and summary of compensation per individual or family.</td>
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<tr>
<td>Grievances redress system/mecahnism</td>
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<tr>
<td><strong>Implementation of resettlement/compensation</strong></td>
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<tr>
<td>Infrastructure works/social improvement</td>
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<td>Payment procedures</td>
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<td>Rehabilitation of incomes</td>
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<td>Attention to vulnerable groups</td>
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<tr>
<td>Time schedule and summary of activities</td>
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</table>
7.0 **RESETTLEMENT BUDGET**

It is necessary to prepare an adequate budget to meet the costs of resettlement because inadequate financial resources for resettlement programmes lead to their failure.

7.1 *Financial responsibilities*

To ensure the overall attractiveness of RDPP2, adequate resettlement finances will have to be provided by RAFU. Inadequate financial resources for resettlement programmes leads to their failure. Therefore it is necessary to prepare an adequate budget to meet the costs of resettlement/compensation.

There are two aspects to preparing the resettlement budget: Firstly, if the budget is too low, then the funds will be inadequate and this will lead to delays in implementing the RDPP2. Secondly, if the budget is excessive, it may discourage donors from investing in that particular road, and the Government may not be able to afford such costs.

7.2 *Approximate cost breakdown*

7.2.1 *Component Compensation Costs*

The component costs of compensation can be summarised as follows:-

- Compensation for land
- Compensation for crops
- Compensation for assets
- 15% or 30% disturbance allowance depending on notice given (15% of notice is 6 or more months, and 30% of notice is less than 6 months)

These exclude any potential uplift paid by the developer

7.2.2. Direct compensation items

Other items of direct compensation include:-

- Costs of relocating cultural properties (if any)
- Temporary loss of income
- Provision of water supplies and other infrastructure.
- Community development projects

7.2.3 Resettlement Costs

This covers the cost of items such as:

- Physical movement of families and their belongings
- Preparation of the new site
- Maintenance of families until new the new site is productive
- Necessary household or community infrastructure
- Individual or community rehabilitation

7.2.4 Administrative Costs

Project implementation will also involve administrative costs for the following items:-

- Office rent and operating expenses
- Salaries
- Payment for specialist services
- Transportation costs

8.0 MONITORING AND EVALUATION SYSTEM

8.1 Monitoring the resettlement process

The following are indicators for monitoring of the participation process involved in RDPP2 projects.

- Number and percentage of affected households consulted during the planning stage
- Levels of decision-making of affected people
- Level of understanding of project impacts and mitigation/resettlement options
- Effectiveness of local authorities to make decisions
- Frequency and quality of public meetings
- Degree of involvement of women or vulnerable disadvantaged groups in discussions

The following are social indicators for monitoring of the implementation of mitigation plans for RDP projects.
- Agricultural output and income of affected peoples
- Height-weight ratio for children to measure nutritional status and food security
- Waste disposal from camps and trading centres as well as rubbish disposal and sanitation arrangements for camps
- Water use and availability of safe drinking water
- Conditions of local dispensaries and staffing
- HIV testing and prevention programme for project area and camps
- Quality of buildings in project area and temporary dwellings for worker camps
- Availability of schooling, attendance and teacher per student ratio
- Inflation and availability of essential goods in local markets
- Effectiveness of compensation payments and procedures
- Effectiveness of resettlement of affected families and procedure – provisions for support in relocation
- Traffic safety
- Worker safety, referral system to hospitals and work site inspections
- Involvement of local authorities and NGOs in project-related activities
- Employment of local people on site
- Population influx and general security in the project area.

The monitoring should include, for each indicator:
  i) schedule for monitoring
  ii) responsibilities for monitoring
  iii) types of resources needed and their sources

8.2 Evaluation of the actual results

The evaluation of results of environmental and social mitigation can be carried out by comparing baseline data collected in the planning phases with targets and post-project situations.

For social issues it is possible to identify some basic targets for RDPP2 projects. Table 8.1 covers many indicators that may not be relevant for all RDPP2 project but could function as a checklist for monitoring, especially long-term monitoring of a project area. Possible targets are filled in whenever possible but these would have to be defined and related to the baseline data collected.

Monitoring and Evaluation will be the responsibility of RAFU.
<table>
<thead>
<tr>
<th>Indicator</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Village access to roads</td>
<td>Roads maintained or improved</td>
</tr>
<tr>
<td>Consumer price index</td>
<td>Stable</td>
</tr>
<tr>
<td>Real GNP per capita</td>
<td>Exceed national average</td>
</tr>
<tr>
<td>Calorie intake</td>
<td></td>
</tr>
<tr>
<td>Headcount index</td>
<td>Reduction of poverty and food poverty lines</td>
</tr>
<tr>
<td>Poverty gap index</td>
<td>No increase in poverty gap</td>
</tr>
<tr>
<td>Cultural heritage</td>
<td>No loss of cultural heritage site or full replace of sites</td>
</tr>
</tbody>
</table>

**1. LIVELIHOOD**

| Desegregated (ethnicity, gender, village income strata) imputed income summation of livelihood components (hunting/gathering, arable cropping, tree cropping, livestock husbandry, forestry, handicrafts, other commercial activities, wage labour) | Need to be enough so as to provide basic needs (food, shelter, health, education) and savings for investment. |
| Sustainability analysis               | For sustainability (i.e. compliance with the requirements of environmental and ecological integrity, social equity and legality) |
| Food staple sufficiency               | Less than 2,100 calories per capita, per day, considered to constitute food poverty (UNDP, 1999) |
| Livestock holdings                   | Defined number of cattle equivalents per hectare of arable crop land |
| Land holdings (by category)          | Proportionate to family labour availability                  |
| Agricultural equipment                | In accordance with agricultural practice requirements        |
| House size and type                  | Not less than average floor space per capita than in project surrounding area |
| Household assets (proxy, as a measure of savings) | Savings target of 10% annual imputed income |
| Crop yields (by land type)           | Not less than average yields for region                       |

**2. INCOME GENERATION**

| Amount and number of small enterprise loans disbursed/repaid | Possible increase depending on demand and local economy |
| Number of small enterprises                                | Increase during construction in project area |
| Number of skilled labourers                                | Increase during construction in project area |
| Unemployment                                              | Decrease during construction in project area |
| Number of unskilled wage earners                           | Increase during construction through employment of local labour |
| Number of skilled wage earners                             | Increase during construction through employment of local labour |
| Unskilled rural wage                                       | Increase in average wages due to increase in demand during construction |
| Skilled rural wage                                         | Increase in average wages due to increase in demand during construction |
| Credit and Savings groups established                      | Establishment of groups in project area |

**3. EDUCATION**

| Villages with complete primary school                       |                                              |
| Primary school enrolment                                   |                                              |
| Lower secondary school enrolment                           |                                              |
| Primary school completion rate                             |                                              |
| **LOWER SECONDARY SCHOOL COMPLETION RATE** | Improvements in project areas |
| **ADULT LITERACY** |  |
| **SKILLS TRAINING** | Possible increase depending on positions and promotion |
| **GENDER ISSUES** | Possible increase depending on demand and local economy |
| Women in administrative positions at local level | Possible increase depending on demand and local economy |
| Women in professional and technical positions | Increase during construction in project area |
| Number of small enterprises for women | Increase during construction in project area |
| Number of female skilled labourers | Increase during construction in project area |
| Female unemployment | Decrease during construction in project area |
| Number of female unskilled wage earners | Significant increase during construction through employment of local labour |
| Number of female skilled wage earners | Significant increase during construction through employment of local labour |
| Unskilled rural wage for women | Increase in average wages due to increase in demand during construction |
| Skilled rural wage for women | Increase in average wages due to increase in demand during construction |
| Credit and Savings groups established for women | Establishment of groups in project |
| Female literacy | Increase during project |

4. **HEALTH**

| **MATERNAL MORTALITY** | Significant improvements |
| **INFANT MORTALITY** | Significant improvements |
| **UNDER 5 MORTALITY** | Significant improvements |
| **CALORIE INTAKE** | Significant improvements |
| **DIETARY DIVERSITY** | Adequate balance between staples, proteins and ‘greens’ |
| **PUBLIC EXPENDITURE ON HEALTH RELATED SERVICES** | Significant increases |
| **ACCESS TO HEALTH CARE** | Access for all households in project affected areas |
| **POPULATION PER NURSE/HEALTH ASSISTANT** | Increase in ratio due to recruitment and training of local personnel and upgrading of facilities |
| **POPULATION PER DOCTOR** | Increase in ratio due to recruitment and training of local personnel and upgrading of facilities |
| **ACCESS TO CLEAN DRINKING WATER** | Improved access |
| **ACCESS TO SANITARY MEANS OF HUMAN WASTE DISPOSAL (TOILETS)** |  |
| **IMMUNISATION OF CHILDREN (DPT)** |  |
| **IMMUNISATION OF CHILDREN (MEASLES)** |  |
| **LIFE EXPECTANCY AT BIRTH** | Improvements |
| **UNDER 5S SEVERE MALNUTRITION** |  |
| **DEATHS FROM PNEUMONIA PER 1000 LIVE BIRTHS** |  |
| **PERCENTAGE OF BIRTHS UNATTENDED BY TRAINED HEALTH PERSONNEL** | Attended births for all women in project affected areas |
| **AVAILABILITY OF CONTRACEPTIVES** | Increase as part of health awareness (STD prevention) |
| **CONTRACEPTIVE USE** | Increase as part of health awareness (STD prevention) |
9.0 CONCLUSION:

- In conclusion, good practice in resettlement planning and implementation are the key to fulfilment of objectives of involuntary resettlement. It encompasses the following:-

- Taking steps to minimize or eliminate involuntary resettlement where feasible by exploring viable alternative design options.

- Defining the parameters of likely resettlement at the ISA stage, and include appropriate TORs in the Feasibility Study.

- Conceptualizing and implementing resettlement measures as development programs, to be part of projects,

- Completing social economic surveys and census of people affected early in the project preparation

- Involvement of all stakeholders in a consultative process,

- Resettling or Compensating all affected persons,

- Establishing appropriate income restoration programs.

- Providing a social preparation process for people affected

10. APPENDICES

Appendix 1: Map of Uganda showing major road development projects


Appendix 3: Sample format for monitoring resettlement activities
THE GOVERNMENT OF UGANDA
MINISTRY OF WORKS, HOUSING AND COMMUNICATIONS
Road Development Program Phase 2 Roads
Operational Directive

Introduction

1. This directive describes Bank policy and procedures on involuntary resettlement, as well as the conditions that borrowers are expected to meet in operations involving involuntary resettlement. Planning and financing resettlement components or freestanding projects are an integral part of preparation for projects that cause involuntary displacement. Any operation that involves land acquisition or is screened as a Category A or B project for environmental assessment purposes should be reviewed for potential resettlement requirements early in the project cycle (para. 20).

2. Development projects that displace people involuntarily generally give rise to severe economic, social, and environmental problems: production systems are dismantled; productive assets and income sources are lost; people are relocated to environments where their productive skills may be less applicable and the competition for resources greater; community structures and social networks are weakened; kin groups are dispersed; and cultural identity, traditional authority, and the potential for mutual help are diminished. Involuntary resettlement may cause severe long-term hardship, impoverishment, and environmental damage unless appropriate measures are carefully planned and carried out.

Policy Objectives

3. The objective of the Bank's resettlement policy is to ensure that the population displaced by a project receives benefits from it. Involuntary resettlement is an integral part of project design and should be dealt with from the earliest stages of project preparation (para. 28), taking into account the following policy considerations:

(a) Involuntary resettlement should be avoided or minimized where feasible, exploring all viable alternative project designs. For example, realignment of roads or reductions in dam height may significantly reduce resettlement needs.

(b) Where displacement is unavoidable, resettlement plans should be developed. All
involuntary resettlement should be conceived and executed as development programs, with resettlers provided sufficient investment resources and opportunities to share in project benefits. Displaced persons should be (i) compensated for their losses at full replacement cost prior to the actual move; (ii) assisted with the move and supported during the transition period in the resettlement site; and (iii) assisted in their efforts to improve their former living standards, income earning capacity, and production levels, or at least to restore them. Particular attention should be paid to the needs of the poorest groups to be resettled.

(c) Community participation in planning and implementing resettlement should be encouraged. Appropriate patterns of social organization should be established, and existing social and cultural institutions of resettlers and their hosts should be supported and used to the greatest extent possible.

(d) Resettlers should be integrated socially and economically into host communities so that adverse impacts on host communities are minimized. The best way of achieving this integration is for resettlement to be planned in areas benefiting from the project and through consultation with the future hosts.

(e) Land, housing, infrastructure, and other compensation should be provided to the adversely affected population, indigenous groups, ethnic minorities, and pastoralists who may have usufruct or customary rights to the land or other resources taken for the project. The absence of legal title to land by such groups should not be a bar to compensation.

Resettlement Planning

4. Where large-scale population displacement is unavoidable, a detailed resettlement plan, timetable, and budget are required. Resettlement plans should be built around a development strategy and package aimed at improving or at least restoring the economic base for those relocated. Experience indicates that cash compensation alone is normally inadequate. Voluntary settlement may form part of a resettlement plan, provided measures to address the special circumstances of involuntary resettlers are included. Preference should be given to land-based resettlement strategies for people dislocated from agricultural settings. If suitable land is unavailable, nonland-based strategies built around opportunities for employment or self-employment may be used.

Plan Content

5. The content and level of detail of resettlement plans, which will vary with circumstances, especially the magnitude of resettlement, should normally include a statement of objectives and policies, an executive summary, and provision for the following:

(a) organizational responsibilities (para. 6);

(b) community participation and integration with host populations (paras. 7-10);

(c) socioeconomic survey (para. 11);
(d) legal framework (para. 12);

(e) alternative sites and selection (para. 13);

(f) valuation of and compensation for lost assets (paras. 14-16);

(g) land tenure, acquisition, and transfer (para. 17);

(h) access to training, employment, and credit (para. 18);

(i) shelter, infrastructure, and social services (para. 19);

(j) environmental protection and management (para. 20); and

(k) implementation schedule, monitoring, and evaluation (paras. 21-22).

Cost estimates should be prepared for these activities, and they should be budgeted and scheduled in coordination with the physical works of the main investment project.

Organizational Responsibilities

6. The responsibility for resettlement rests with the borrower. The organizational framework for managing resettlement must be developed during preparation and adequate resources provided to the responsible institutions. The organization responsible for resettlement should be strengthened when entities executing infrastructure or other sector-specific projects lack the experience and outlook needed to design and implement resettlement. One alternative is to create a special resettlement unit within the project entity: this can facilitate the involvement of other line agencies. Another alternative is to entrust resettlement to the regional or town administration that knows the population and area, can mobilize local expertise, speaks the resettlers' language, and will ultimately be responsible for the integration of resettlers into the host population and area. There also may be considerable scope for involving nongovernmental organizations (NGOs) in planning, implementing, and monitoring resettlement.9

Community Participation and Integration with Host Population

7. Most displaced people prefer to move as part of a preexisting community, neighborhood, or kinship group. The acceptability of a resettlement plan can be increased and the disruption caused by resettlement can be cushioned by moving people in groups, reducing dispersion, sustaining existing patterns of group organization, and retaining access to cultural property10 (temples, pilgrimage centers, etc.), if necessary, through the relocation of the property.

8. The involvement of involuntary resettlers and hosts in planning prior to the move is critical. Initial resistance to the idea of involuntary resettlement is to be expected. To obtain cooperation, participation, and feedback, the affected hosts and resettlers need to be systematically informed and consulted during preparation of the resettlement plan about their options and rights. They should also be able to choose
from a number of acceptable resettlement alternatives. These steps can be taken
directly or through formal and informal leaders and representatives. Experience has
shown that local NGOs can often provide valuable assistance and ensure viable
community participation. Moreover, institutionalized arrangements, such as regular
meetings between project officials and communities, should be provided for
resettlers and hosts to communicate their concerns about the resettlement program
to project staff throughout planning and implementation. 11 Particular attention must
be given to ensure that vulnerable groups such as indigenous people, ethnic
minorities, the landless, and women are represented adequately in such
arrangements.

9. The plan should address and mitigate resettlement's impact on host populations.
Host communities and local governments should be informed and consulted. Any
payment due the hosts for land or other assets provided to resettlers should be
promptly rendered. Conflicts between hosts and resettlers may develop as increased
demands are placed on land, water, forests, services, etc., or if the resettlers are
provided services and housing superior to that of the hosts. Conditions and services
in host communities should improve, or at least not deteriorate. Providing improved
education, water, health, and production services to both groups fosters a better
social climate for their integration. In the long run, the extra investment will help
prevent conflicts and secure the project's aims.

10. Successful resettlement requires a timely transfer of responsibility from
settlement agencies to the settlers themselves. Otherwise, a dependency
relationship may arise, and agency resources may become tied up in a limited
number of continually supervised schemes. Local leadership must be encouraged to
assume responsibility for environmental management and infrastructure
maintenance.

Socioeconomic Survey

11. Resettlement plans should be based on recent information about the scale and
impact of resettlement on the displaced population. In addition to describing standard
household characteristics, socioeconomic surveys should describe (a) the magnitude
of displacement; (b) information on the full resource base of the affected population,
including income derived from informal sector and nonfarm activities, and from
common property; (c) the extent to which groups will experience total or partial loss
of assets; (d) public infrastructure and social services that will be affected; (e) formal
and informal institutions (such as community organizations, ritual groups, etc.) that
can assist with designing and implementing the resettlement programs; and (f)
attitudes on resettlement options. Socioeconomic surveys, recording the names of
affected families, should be conducted as early as possible to prevent inflows of
population ineligible for compensation.

Legal Framework

12. A clear understanding of the legal issues involved in resettlement is needed to
design a feasible resettlement plan. An analysis should be made to determine the
nature of the legal framework for the resettlement envisaged, including (a) the scope
of the power of eminent domain, the nature of compensation associated with it, both
in terms of the valuation methodology and the timing of payment; (b) the legal and administrative procedures applicable, including the appeals process and the normal time-frame for such procedures; (c) land titling and registration procedures; and (d) laws and regulations relating to the agencies responsible for implementing resettlement and those related to land compensation, consolidation, land use, environment, water use, and social welfare.

Alternative Sites and Selection

13. The identification of several possible relocation sites and the demarcation of selected sites is a critical step for both rural and urban resettlement. For land-based resettlement, the new site's productive potential and locational advantages should be at least equivalent to those of the old site. The Bank encourages "land for land" approaches, providing replacement land at least equivalent to the lost land. For rural settlers, irrigation, land reclamation, tree crop development, intensification of production, and other innovations often can provide adequate production potential on limited amounts of land to resettle agriculturalists, even in countries with high population densities. In selecting sites, attention must be paid to the availability of sources of off-farm income (fishing, gathering forest products, seasonal wage employment) to complement farm income. For urban settlers, the new site should ensure comparable access to employment, infrastructure, services, and production opportunities. For both rural and urban resettlement, the borrower needs to (a) develop institutional and technical arrangements for identifying and preparing relocation sites, e.g., pooling together small plots, wasteland reclamation, land leveling, and terracing; (b) draw up timetables and budgets for site preparation and transfer; (c) make legal arrangements for transferring titles to resettlers; and (d) consider, when necessary, a temporary freeze on land transactions within the relocation area to prevent land speculation. Though the Bank does not normally disburse against land acquisition, it can finance land improvement to accommodate resettlers.

Valuation of and Compensation for Lost Assets

14. Valuation of lost assets should be made at their replacement cost. Compensation is facilitated by (a) paying special attention to the adequacy of the legal arrangements concerning land title, registration, and site occupation; (b) publicizing among people to be displaced the laws and regulations on valuation and compensation; (c) establishing criteria for determining the resettlement eligibility of affected households, e.g., households that have only partially lost their assets but are no longer economically viable should be entitled to full resettlement; and (d) developing mechanisms to prevent illegal encroachers and squatters, including an influx of nonresidents entering to take advantage of such benefits, from participating in the compensation arrangements, by an early recording of the numbers and names of affected populations entitled to compensation/rehabilitation.

15. Some types of loss, such as access to (a) public services; (b) customers and suppliers; and (c) fishing, grazing, or forest areas, cannot easily be evaluated or compensated for in monetary terms. Attempts must therefore be made to establish access to equivalent and culturally acceptable resources and earning opportunities.
16. Vulnerable groups at particular risk are indigenous people, the landless and semilandless, and households headed by females who, though displaced, may not be protected through national land compensation legislation. The resettlement plan must include land allocation or culturally acceptable alternative income-earning strategies to protect the livelihood of these people.

**Land Tenure, Acquisition, and Transfer**

17. Resettlement plans should review the main land tenure and transfer systems, including common proper and nontitle-based usufruct systems governed by locally recognized land allocation mechanisms. The objective is to treat customary and formal rights as equally as possible in devising compensation rules and procedures. The plan should address the issues raised by the different tenure systems found in a project area, including (a) the compensation eligibility of land-dependent populations; (b) the valuation procedures applicable to different tenure types; and (c) the grievance procedures available for disputes over land acquisition. Plans should contain provisions for conducting land surveys and regularizing land tenure in the earliest stages of project development. Planning should also anticipate the approximate time needed to acquire and transfer land.

**Access to Training, Employment, and Credit**

18. Normally, general economic growth cannot be relied upon to protect the welfare of the project-affected population. Thus, alternative employment strategies are needed for nonagricultural displaced people, or where the land that can be made available is not sufficient to accommodate all the displaced farmers. The resettlement plan should, where feasible, exploit new economic activities made possible by the main investment requiring the displacement. Vocational training, employment counseling, transportation to jobs, employment in the main investment project or in resettlement activities, establishment of industries, incentives for firms to locate in the area, credit and extension for small businesses or reservoir aquaculture, and preference in public sector employment should all be considered where appropriate.

**Shelter, Infrastructure, and Social Services**

19. To ensure the economic and social viability of the relocated communities, adequate resources should be allocated to provide shelter, infrastructure (e.g., water supply, feeder roads), and social services (e.g., schools, health care centers). Site development, engineering, and architectural designs should be prepared for shelter, infrastructure, and social services. Since community or self-built houses are often better accepted and more tailored to the resettlers’ needs than contractor-built housing, provision of a building site with suitable infrastructure, model plans, building materials, technical assistance, and "construction allowances“ (for income foregone while resettlers build their houses) is an option communities should be offered. Planning for shelter, infrastructure, and services should take into account population growth.

**Environmental Protection and Management**
20. The screening process for an environmental assessment (EA) normally classifies projects involving involuntary resettlement as Category A. The EA of the main investment requiring the resettlement should thus cover the potential environmental impacts of the resettlement. The resettlement plan must be developed in coordination with the EA and define the boundaries of the relocation area, and calculate incremental population density per land unit. In agricultural projects (involving, for example, relocation to the catchment surrounding a reservoir, or to a downstream command area), if the incoming resettled population is large in relation to the host population, such environmental issues as deforestation, overgrazing, soil erosion, sanitation, and pollution are likely to become serious and plans should either include appropriate mitigating measures, including training of oustees, or else should allow for alternative sites to be selected. Urban resettlement raises other density-related issues (e.g., transportation capacity, access to potable water, sanitation systems, health facilities, etc.). Constructive environmental management, provided through the EA's mitigation plan, may provide good opportunities and benefits to resettlers and host populations alike (e.g., project-financed compensatory afforestation not only replaces the forests submerged by reservoirs but also offers gainful employment). If the likely consequences on the environment are unacceptable, alternative and/or additional relocation sites must be found.

**Implementation Schedule, Monitoring, and Evaluation**

21. The timing of resettlement should be coordinated with the implementation of the main investment component of the project requiring the resettlement. All resettlement plans should include an implementation schedule for each activity covering initial baseline and preparation, actual relocation, and post-relocation economic and social activities. The plan should include a target date when the expected benefits to resettlers and hosts would be achieved.

22. Arrangements for monitoring implementation of resettlement and evaluating its impact should be developed by the borrower during project preparation and used during supervision. Monitoring provides both a warning system for project managers and a channel for the resettlers to make known their needs and their reactions to resettlement execution. Monitoring and evaluation units should be adequately funded and staffed by specialists in resettlement. In-house monitoring by the implementing agency may need to be supplemented by independent monitors to ensure complete and objective information. Annual and midterm reviews are desirable for large-scale resettlement. The borrower should be required to continue impact evaluation for a reasonable period after all resettlement and related development activities have been completed. The borrower should also be required to inform the Bank about the findings.

**Bank Role and Project Options**

23. The Bank supports borrowers' efforts through (a) assistance in designing and assessing resettlement policy, strategies, laws, regulations, and specific plans; (b) financing technical assistance to strengthen the capacity of agencies responsible for resettlement; and (c) direct financing of the investment costs of resettlement. The Bank may sometimes finance resettlement even though it has not financed the main investment that made displacement and resettlement necessary (para. 26).
24. The task manager (TM) should inform the borrower of the Bank's resettlement policy. Starting early in the project cycle, the TM with the support of Bank operational, research, and legal staff should assess government policies, experiences, institutions, and the legal framework covering resettlement. In particular, the TM needs to ensure that involuntary resettlement is avoided or minimized, that laws and regulations concerning displaced people provide compensation sufficient to replace all lost assets, and that displaced persons are assisted to improve, or at least restore, their former living standards, income earning capacity, and production levels.

25. The adequacy of the resettlement plan should be reviewed by appropriate social, technical, and legal experts. Resettlement specialists should visit the possible resettlement sites and review their suitability. In the case of large-scale relocation, such experts should be included in independent technical or environmental review boards.16

26. Bank financing of resettlement can be provided as follows: (a) As a component of the main investment project causing displacement and requiring resettlement. (b) If large enough, as a free-standing resettlement project with appropriate cross-conditionality, processed and implemented in parallel with the investment project that causes the displacement. The latter approach may better focus country and Bank attention on the effective resolution of resettlement issues. (c) As a sector investment loan. Where the specific resettlement needs of each subproject are not known in advance, the borrower would need to agree to resettlement policies, planning principles, institutional arrangements, and design criteria that meet Bank policy and requirements as a condition of the loan. An estimate should be provided of total population to be displaced and overall resettlement costs, as well as an evaluation of proposed resettlement sites. Subprojects in sector investment loans should be screened by the implementing agency to ensure consistency with this directive, and approved individually by the Bank. For countries with a series of operations requiring resettlement, efforts to improve the policy, institutional, and legal framework for resettlement should form part of the Bank's ongoing country and sector dialogue with the government. These efforts should be appropriately reflected in economic and sector work and in country strategy papers and briefs.

Processing and Documentation

27. The Regional Vice President (RVP) should be kept informed of major resettlement issues, and his guidance sought where necessary. The Regional Environment Division (RED), the Legal Department (LEG), and settlement specialists in Sector Policy and Research (PRS) should be consulted or included as necessary in peer reviews on involuntary resettlement issues throughout the project cycle.

Identification

28. The possibility of involuntary resettlement should be determined as early as possible and described in all project documents. The TM should (a) briefly summarize in the Initial Executive Project Summary (Initial EPS)17 the magnitude, strategy, and timing of the resettlement; (b) inform borrowers of the Bank's resettlement policy; (c) review past borrower experience with similar operations; (d) invite agencies responsible for resettlement to discuss their policies, plans, and
institutional, consultative, and legal arrangements for resettlement; and (e) where appropriate, ensure that technical assistance is provided early to borrowers. Such assistance should include the use of project preparation facility (PPF) resources\textsuperscript{18} for planning resettlement and building institutional capacity.

\textit{Preparation}

29. During project preparation, the feasibility of resettlement must be established, a strategy agreed upon, the resettlement plan drafted, and budget estimates prepared.\textsuperscript{19} The full costs of resettlement should be identified and included in the total cost of the main investment project, regardless of financing source. The costs of resettlement should also be treated as a charge against the economic benefits of the investment project that causes the relocation. Any net benefits to resettlers (as compared to the "without project" circumstances) should be added to the benefit stream of the main investment. While the resettlement component or free-standing project need not be economically viable on its own, it should be the least-cost approach consistent with the policies laid out above.

\textit{Appraisal and Negotiation}

30. Submission to the Bank of a time-bound resettlement plan and budget that conforms to Bank policy is a condition of appraisal for projects involving resettlement, except for sector investment loans as discussed in para. 26. All final EPSs should confirm that this requirement has been met. The appraisal mission should ascertain (a) the extent that involuntary resettlement and human hardship will be minimized and whether borrowers can manage the process; (b) the adequacy of the plan, including the timetable and budget for resettlement and compensation; (c) the soundness of the economic and financial analysis; (d) the availability and adequacy of sites and funding for all resettlement activities; (e) the feasibility of the implementation arrangements; and (f) the extent of involvement of beneficiaries. At negotiations, the borrower and the Bank should agree on the resettlement plan. The resettlement plan and the borrower's obligation to carry it out should be reflected in the legal documents. Other necessary resettlement-related actions must be covenanted. The Staff Appraisal Report and the Memorandum and Recommendation of the President should summarize the plan and state that it meets Bank policy requirements.

\textit{Implementation and Supervision}

31. Resettlement components should be supervised throughout implementation.\textsuperscript{20} Supervision that is sporadic or left until late in implementation invariably jeopardizes the success of resettlement. Bank supervision missions should be staffed with the requisite social, economic, and technical expertise. Annual reviews of large-scale resettlement and in-depth Bank reviews of midterm progress are highly desirable. These reviews should be planned from the outset to allow the Bank and the borrower to make necessary adjustments in project implementation. Complete recovery from resettlement can be protracted and can often make it necessary to continue Bank supervision until well after populations have been relocated, sometimes even after a project has been closed.
32. The project completion report submitted to the Operations Evaluation Department should evaluate resettlement and its impact on the standards of living of the resettlers and the host population.

1. "Bank" includes IDA, and "loans" includes credits.
3. OD 4.00, Annex A, Environmental Assessment, para. 18.
4. Such projects may include construction or establishment of (a) dams, (b) new towns or ports, (c) housing and urban infrastructure, (d) mines, (e) large industrial plants, (f) railways or highways, (g) irrigation canals, and (h) national parks or protected areas. Refugees from natural disasters, war, or civil strife are also involuntary resettlers, but they are not discussed in this directive (see OP/BP/GP 8.50, Emergency Recovery Assistance).
6. Host communities are those receiving resettlers.
7. See OD 4.20, Indigenous Peoples.
8. Where only a few people (e.g., less than 100-200 individuals) are to be relocated, appropriate compensation for assets, logistical support for moving, and a relocation grant may be the only requirements. However, the principles on which compensation is to be based are the same as for larger groups.
10. See OPN 11.03, Management of Cultural Property in Bank-Financed Projects, to be reissued as OP/BP 4.11, Cultural Property.
11. Disputes of varying kinds may arise in the process of implementation of the agreed resettlement plan. These conflicts could take the form of appeals related to the compensation payable to affected persons, conflicts between the displaced persons and the host population, appeals to the agency charged with the implementation of the resettlement with regard to services promised, etc. It is therefore important to devise schemes for conflict resolution for all resettlement plans. Such schemes should, as far as possible, take into account existing procedures for settling disputes in the country or area concerned.
12. Health care services, particularly for pregnant women, infants, and the elderly, may be important during and after relocation to prevent increases in morbidity and mortality due to malnutrition, the stress of being uprooted, and the usually increased risk of water-borne diseases.
15. See OD 10.70, Project Monitoring and Evaluation.
17. See OP/BP 10.00, Investment Lending: Identification to Board Presentation.
20. See OD 13.05, Project Supervision, particularly paras. 44-47.
Appendix 3: Sample format for monitoring of resettlement activities

<table>
<thead>
<tr>
<th>Resettlement Activity</th>
<th>Total Task</th>
<th>Targeted Achievement in Year 1</th>
<th>Targeted Achievement Year 2</th>
<th>Targeted Achievement Year 3</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>First Quarter</td>
<td>Second Quarter</td>
<td>Third Quarter</td>
</tr>
<tr>
<td>Land acquisition</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Finalization of PAPs list</td>
<td></td>
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<tr>
<td>Final list of displaced persons</td>
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<tr>
<td>ID card of PAPs</td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>Compensation payments</td>
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<td></td>
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<tr>
<td>Site selection</td>
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<tr>
<td>Site development</td>
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<tr>
<td>Plot distribution</td>
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<tr>
<td>Relocation/Shifting</td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>Formation of PAPs committees</td>
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<tr>
<td>Replacement land</td>
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<tr>
<td>Income restoration plan</td>
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<tr>
<td>Training</td>
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</tr>
<tr>
<td>Employment</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Group-specific development project</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>