Resettlement Policy Framework

for the

Mitigation of Social Impacts

of the

Lake Chad Basin Commission (LCBC) Project

entitled

Reversal of Land and Water Degradation Trends in the
Lake Chad Basin Ecosystem

29 March 2002

the World Bank

Africa Safeguards Policy Enhancement Team
# Table of Contents

Table of Contents ................................................................................................................. 1  
List of Acronyms ..................................................................................................................... 3  
1. General Background ........................................................................................................... 4  
   1.1. Description of Project: Reversal of Land and Water Degradation Trends in the Lake Chad Basin Ecosystem ......................................................................................... 4  
   1.2. Rationale for Preparation of the Resettlement Framework .............................................. 6  
   1.3. Objectives of the Resettlement Framework ........................................................................ 6  
   1.4. Adverse Social Impacts .................................................................................................... 7  
2. Institutional Framework ....................................................................................................... 9  
   2.1. Project Organisational Framework .................................................................................. 9  
   2.2. Resettlement Planning Principles and Process .................................................................. 10  
3. Legal Framework for Compensation ................................................................................ 11  
   3.1. Compensation Laws ....................................................................................................... 11  
   3.2. LCBC Strategy for Expropriation and Compensation ....................................................... 11  
   3.3. World Bank Procedures for Resettlement/Rehabilitation (OP 4.12) ................................. 13  
4. Organisational Procedures ................................................................................................ 14  
   4.1. Implementation Process .................................................................................................. 14  
   4.2. Grievance Redress Mechanism ....................................................................................... 14  
   4.3. Arrangements for Funding ............................................................................................... 14  
5. Operational Procedures ..................................................................................................... 15  
   5.1. Institutional Framework .................................................................................................. 15  
   5.2. Project Launching .......................................................................................................... 15  
   5.3. Project Implementation .................................................................................................... 17  
6. Socio-Economic Background of PAPs ............................................................................. 18  
   6.1. Identification of PAPs ..................................................................................................... 18  
   6.2. Social Impacts of the LCBC ........................................................................................... 18  
7. Methods of Valuing Affected Assets ................................................................................. 19  
   7.1. Organizational Procedures for Delivery of Entitlements .................................................... 19  
   7.2. Method and Basis of Valuation ....................................................................................... 19  
   7.3. Compensation Procedures and Civil Work Schedule ..................................................... 20  
8. Sources of Funding .......................................................................................................... 22  
9. Consultation and Participation Process .......................................................................... 23  
   9.1. Data Collecting Phase ..................................................................................................... 23  
   9.2. Planning Phase .............................................................................................................. 23  
   9.3. Implementation Phase ..................................................................................................... 24  
   9.4. Monitoring and Evaluation Phase .................................................................................. 24  
10. Monitoring and Evaluation Arrangements ................................................................. 25  
   10.1. monitoring principles ..................................................................................................... 25  
   10.2. External Monitoring and Evaluation ............................................................................. 25  
11. Annexes .......................................................................................................................... 26  
   Annex 11.1. List of People contacted ...................................................................................... 26  
   Annex 11.2. Outline of a Resettlement Plan .......................................................................... 27
Annex 11.3. World Bank Operational Policy 4.12................................................. 31
Annex 11.4. Methods of Valuation for Structures, Land, Trees and other Assets.... 41
# LIST OF ACRONYMS

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>APR</td>
<td>Annual Project Review</td>
</tr>
<tr>
<td>BCSP</td>
<td>Basin Committee for Strategic Planning</td>
</tr>
<tr>
<td>CPTF</td>
<td>Country Project Task Forces</td>
</tr>
<tr>
<td>FAO</td>
<td>Food and Agriculture Organisation of the UN</td>
</tr>
<tr>
<td>GEF</td>
<td>Global Environment Facility</td>
</tr>
<tr>
<td>IC</td>
<td>Incremental Cost as defined by the GEF</td>
</tr>
<tr>
<td>KYB</td>
<td>Komadougou-Yobe Basin</td>
</tr>
<tr>
<td>LCBC</td>
<td>Lake Chad Basin Commission</td>
</tr>
<tr>
<td>LCB</td>
<td>Lake Chad Basin</td>
</tr>
<tr>
<td>NGO</td>
<td>Non-Governmental Organisation</td>
</tr>
<tr>
<td>NRM</td>
<td>Natural Resource Management</td>
</tr>
<tr>
<td>PDF-A</td>
<td>Project Development Facility of the GEF</td>
</tr>
<tr>
<td>PDF-B</td>
<td>Project Development Facility of the GEF</td>
</tr>
<tr>
<td>PDF-C</td>
<td>Project Development Facility of the GEF</td>
</tr>
<tr>
<td>OP</td>
<td>GEF Operational Program</td>
</tr>
<tr>
<td>PMU</td>
<td>Program Management Unit</td>
</tr>
<tr>
<td>PIR</td>
<td>Project Implementation Review</td>
</tr>
<tr>
<td>PSC</td>
<td>Project Steering Committee</td>
</tr>
<tr>
<td>PPER</td>
<td>Project Performance and Evaluation Review</td>
</tr>
<tr>
<td>PTF</td>
<td>Project Task Force</td>
</tr>
<tr>
<td>SAP</td>
<td>GEF Strategic Action Program</td>
</tr>
<tr>
<td>STAP</td>
<td>Science and Technical Advisory Panel of the GEF</td>
</tr>
<tr>
<td>TDA</td>
<td>Transboundary Diagnostic Analysis</td>
</tr>
<tr>
<td>TPR</td>
<td>Tri-Partite Review</td>
</tr>
<tr>
<td>UN-DESA</td>
<td>The Department of the United Nations Secretariat for Economic and Social Affairs</td>
</tr>
<tr>
<td>UNDP</td>
<td>United Nations Development Programme</td>
</tr>
<tr>
<td>UNEP</td>
<td>United Nations Environment Programme</td>
</tr>
<tr>
<td>UNOPS</td>
<td>United Nations Office of Project Services</td>
</tr>
<tr>
<td>UNSO</td>
<td>United Nations Sudano-Sahelian Office</td>
</tr>
<tr>
<td>WB</td>
<td>The World Bank</td>
</tr>
</tbody>
</table>
1. GENERAL BACKGROUND

1.1. DESCRIPTION OF PROJECT: REVERSAL OF LAND AND WATER DEGRADATION TRENDS IN THE LAKE CHAD BASIN ECOSYSTEM

The project aims to address the problems of land and water degradation in the Lake Chad Basin, which are:

- **shrinking lake and climate change**
  Persistent drought has caused Lake Chad and its associated aquifers to shrink, with serious consequences for the people dependent upon the lake and its environment.

- **persistent rural poverty**
  The symbiotic relationship between poverty and environmental degradation is particularly strong in the Lake Chad basin. Arid conditions coupled to deforestation and unsustainable agricultural practices exacerbate desertification.

- **short-term policy focus**
  A focus on the short-term often results in unsustainable policy decisions. The consequences of these unsustainable decisions include costly investment that is abandoned because of unforeseen changes in water availability; construction of large upstream dams without taking sufficient account of downstream considerations and the absence of an integrated approach to water resource management.

- **non-existent or unsuitable water and environmental management policies**
  There is insufficient knowledge of water resources and how aquatic systems function. There is no effective system for monitoring the quantity and quality of freshwater resources, nor are there effective water quality protection programs.

- **poor intersectoral program coordination with limited public participation and impact**
  Low-level public participation and inadequate mechanisms to secure such participation characterize the region. There is insufficient cooperation between and among sectors and countries. Environment-centred public education is virtually non-existent and enforcement is weak.

The Lake Chad Basin Commission (LCBC) has approached the Global Environment Facility for support in confronting these problems. UNDP and the World Bank have both assisted in developing the project. The project has six components:

Component 1: **project mechanisms**: e.g. an established Project Management Unit (PMU), Transboundary Diagnostic Analysis (TDA) and pilot projects. To be implemented by UNDP.

Component 2: **Enhanced regional policy initiatives** to address transboundary issues. To be implemented by the World Bank.
Component 3: **Strengthened engagement of Stakeholders.** To be implemented by UNDP.

Component 4: **Completed TDA** and framework for concerted management of the basin. To be implemented by UNDP.

Component 5: **Six Pilot Projects** to test and validate methodologies, stakeholder involvement and implementation modalities. To be implemented by the World Bank and UNDP.

Component 6: **a Global Environmental Facility (GEF) Strategic Action Plan (SAP)** designed, endorsed and supported by funds. To be implemented by the World Bank.

Of the six components, Component 5 (Pilot Projects) is the only one that has direct impacts from physical works (the other components are mostly “administrative”, comprising plans, frameworks, management units, initiatives, the impacts of which will be felt at a later stage of the project). The screening procedure of the World Bank therefore focused on these “Pilots”:

- **Waza-Logone Floodplains (northern Cameroon).**  
  The pilot will include regular allocation of water to the floodplain from Maga dam, rehabilitation / creation of a wildlife pond in Waza National Park, cleaning / enlarging of a channel connecting two streams on the floodplain and developing management plans.

- **the Komadougou-Yobe Integrated Wetlands (the KYB pilot) (northern Nigeria).**  
  The pilot will include clearing blockages on floodplain channels to facilitate flow to floodplains, reducing water consumption and developing systems of negotiated access to common property resources to reduce land / water resource use in the wetlands.

- **the Transboundary Desertification Control (Niger and Chad).**  
  The pilot proposes to work in the areas of sand dune fixation, range management, water point development and agricultural improvements on upland, rain fed sites.

- **the Lake Chad Shorelines pilot (Cameroon, Chad, Niger, and Nigeria),**  
  The pilot will produce a management plan and monitoring scheme for Lake Chad and its shores according to Ramsar guidelines.

- **the Lake Fitri pilot (Chad).**  
  The activities of the pilot are to compile existing studies, to hold a seminar, to conduct new studies and dialogue with stakeholders, to formulate a management plan, approve the plan, and to establish a management platform.

- **Upper Chari Basin Transboundary Project (Central African Republic and Chad).**  
  This pilot proposes a participatory planning approach to develop strategic and sustainable actions designed to reverse current resources degradation.

The principal role of the pilot projects is the development / testing / adoption of sustainable natural resource management (NRM) systems on a small scale to identify those that are best suited for large scale application in the SAP. The present level of development of natural resource management systems in the Lake Chad Basin is very low.
1.2. RATIONALE FOR PREPARATION OF THE RESETTLEMENT FRAMEWORK

The World Bank Safeguards policy requires “screening” of all projects proposed for Bank financing to help ensure that they are environmentally and socially sound and sustainable, and thus to improve decision making. In the process of project preparation, World Bank screening concluded that, under Operational Policy (OP) 4.12 (Involuntary Resettlement) some of the pilots will involve physical resettlement of population. A Resettlement Framework was therefore necessary for the “Reversal of Land and Water Degradation Trends in the Lake Chad Basin Ecosystem” project. This ensures that involuntary resettlement, which can be traumatic, debilitating and financially crippling, is fully addressed. The policy includes activities to address and mitigate these risks. The present document (Resettlement Framework) is the instrument used to address this. The guidelines are clear that there is a need to involve communities in the planning and implementation of interventions that result from these polices and in most cases this implies the need for a conflict resolution mechanism. OP 4.12 states “…particular attention is paid to the needs of vulnerable groups ... especially those below the poverty line, the landless, the elderly, women and children, indigenous peoples and ethnic minorities.”

Another reason that the Resettlement Framework is required is because of the risk of dam failure. The pilots operate in wetlands that have been dried out by the construction of dams. World Bank safeguard Operational Policy 4.37 (Safety of Dams) was triggered by the initial environmental assessment of the project. Recent inspections of the dams by a dam safety expert hired by the World Bank has demonstrated that none of the dams are under imminent danger of failure, but has also revealed that no emergency planning in case of failure exist. It is therefore recommended under OP 4.37 that planning for emergency evacuation of dams be carried out.

World Bank screening also concluded that an environmental assessment (EA) was necessary under Operational Policy (OP) 4.01 (Environmental Assessment). A team of consultants therefore analysed the proposed activities of the project and produced and environmental assessment (see separate document).

OP 4.12 was also triggered because the project intends to designate protected areas (Ramsar sites), which could limit the availability of resources within these sites for surrounding inhabitants. The instrument used to mitigate against reduced access to resources within a protected area or national park is a Process Framework (see separate document). Although this does not relate to involuntarily displaced people, the effect is the same to the population (loss of income, deterioration of standard of living).

As required by OP 4.01, the Safeguard Policies were applied to all project activities, including those that would be co-financed by other donors. Safeguard Policies were also applied to numerous pilot activities that are to be “catalysed” or promoted by the pilot projects, but not funded by the projects.

1.3. OBJECTIVES OF THE RESETTLEMENT FRAMEWORK

The purpose of the Resettlement Framework is to clarify the principles for social impact mitigation as regards compensation for loss of property, livelihood and relocation or resettlement. The framework is valid for all subproject operations executed under the Reversal of Land and Water Degradation Trends in the Lake Chad Basin project financed by the World Bank in the six countries of the Lake Chad basin.
Lake Chad - Resettlement Policy Framework - General Background

The operational objective of the framework is to provide guidelines to stakeholders participating in the mitigation of adverse social impacts of the project, including rehabilitation / resettlement operations, in order to ensure that project affected persons (PAPs) will not be impoverished by the adverse social impacts of the project.

The objectives of the Bank’s policy on involuntary resettlement are that it should be avoided where feasible, or minimised, exploring all viable alternatives. Where it is not feasible to avoid resettlement, resettlement activities should be conceived and executed as sustainable development programmes, providing sufficient investment resources to give the persons displaced by the project the opportunity to share in project benefits. Displaced persons should be meaningfully consulted and have opportunities to participate in resettlement programs. Displaced persons should be assisted in their efforts to improve their livelihoods and standards of living.

It implies that PAPs should be: compensated for loss of wages; compensated for loss of assets at replacement costs; given opportunities to share project benefits; and be assisted in case of relocation or resettlement. The paramount purpose is to restore the income earning capacity of the project-affected persons. The aim is to improve or at least sustain the living conditions of the PAPs prior to project operations or to resettlement.

1.4. ADVERSE SOCIAL IMPACTS

The long-term objective of the LCBC project is to build capacity within the Lake Chad Basin Commission and its national committees so that it can better achieve its mandate of managing land and water resources in the greater conventional basin of Lake Chad. In the short term, however, project operations may have adverse social impacts, which will be mitigated in parallel with project implementation. The project aims to address severe land and water degradation in the basin. To do this, some of the activities will have to include reflooding of the former floodplain and restricting access to common properties (rangeland, open water). These activities will be implemented after consultation and participation with stakeholders, and be based to a large extent on input from the stakeholders. However, in the process, the most critical project components presumed to induce immediate adverse social impacts in the short term is the resettlement of population as a result of reflooding of the floodplain under Maga Dam (Waza Logone Pilot) and the potential risk of dam failure. The potential restriction of access rights to natural resources in future Ramsar sites (Niger / Chad Transboundary Desertification Pilot, Lake Chad Shorelines Pilot).

These project components are unlikely to induce substantial and immediate adverse social impacts. Some, such as reflooding the floodplain below the Maga dam, is welcomed by the local population and was requested by them. Restriction of access to natural resources is going to be negotiated according to management plans that are arrived at by common consensus, in a participatory manner. The actions associated with restriction of access are addressed in the Process Framework.

This framework will address adverse social impacts directly related to project operations. In this context, the World Bank’s safeguard policy focuses on four main aspects of adverse social impacts to be mitigated: resettlement, cultural heritage, health and indigenous people. Any subproject that will have immediate adverse impact on the four subjects will trigger this Resettlement Policy Framework.
Lake Chad - Resettlement Policy Framework - General Background

The population eligible for resettlement are those people who will be displaced by project activities e.g. those who have built homes on sites that would be flooded by proposed increased releases of water from dams. The estimated number of people to be displaced in the project will be assessed by the project.

Dam Safety
Although the project does not plan to construct dams, the safety of dams (OP 4.37) does enter into the project because the project will rely on the performance of existing dams, and failure of dams upstream to project activities and structures is relevant. Bank procedure therefore requires that independent dam safety specialists inspect and evaluate the safety status of the existing dams, review and evaluate the owner’s operation and maintenance procedures and provide a written report of findings. Reviews for the three dams involved in the project (Maga, Tiga and Challawa) were completed by a dam safety expert recruited by the Bank.

There is no direct risk of failure of Maga dam, which is a 30km long earthen structure. However, there is a need to implement management activities to make the operation of the dam safe (water level not to exceed a certain height). The dam is threatened by erosion, wave action, overtopping and seepage. The most viable option for improving the dam is modification to the left abutment spillway. An emergency preparedness plan should also be put in place as soon as possible. The plan should then be updated in accordance with the solution that will be implemented. If the dam fails, several thousand people are at immediate risk to their lives, and approximately 20,000 are at risk of being flooded.

At Tiga the probability of failure is considered high for this 8km zoned earthfill embankment. An emergency preparedness plan should also be put in place as soon as possible. The number of people at risk at Tiga is in the tens of thousands. The main threat is from "piping" (water creating channels through the dam).

At Challawa the probability of failure is considered several orders of magnitude lower than Tiga. The dam is a new 6km zoned earthfill embankment. An emergency preparedness plan should be put in place as soon as possible. The number of people at risk of dam failure is in the tens of thousands. The report states that more information is required to fully appraise the Challawa dam, however the risks appear lower than at Tiga.

The reports concerning the three dams show that the danger of dam bursts is not immediate and that therefore it will not be necessary to prepare resettlement plans as a requirement for proceeding with project preparation. The report does however give recommendations that management actions (e.g. lowering water level in the dam to reduce risk of overflow / failure) be carried out. It is imperative that the management authorities for each dam carry out these recommendations, as put forward in the dam safety report. Furthermore, emergency evacuation plans should be prepared in addition to other actions such as installation of formal warning systems, which are absent at Tiga and Challawa Gorge.
2. INSTITUTIONAL FRAMEWORK

2.1. PROJECT ORGANISATIONAL FRAMEWORK

The Lake Chad Basin Commission (LCBC) was established in 1964 by the four countries, which bordered the lake (Cameroon, Chad, Niger and Nigeria) with the signing of the Fort Lamy Convention. Central African Republic (CAR) joined the LCBC in 1994, and brought with it the Chari-Logone and Komadougou-Yobe river systems. Further expansion is anticipated with the Sudanese Government left to ratify the LCBC Convention in Parliament.

**Executing Agencies**

*Project Management Unit.* The Lake Chad Basin Commission (LCBC) will execute the World Bank managed portion of the project. The LCBC will act on behalf of the LCBC member countries, and be responsible to the World Bank (as Implementing Agency) and GEF to ensure that applicable rules and procedures are adhered to. An inherent strategy within the project is to establish a project management unit (PMU) to build capacity within the LCBC to execute the SAP. The LCBC will have overall responsibility for the activities of the pilot demonstration activities, specifically coordination responsibilities such as monitoring and evaluation. The PMU staff will be housed at LCBC headquarters and comprise an internationally recruited Project Manager, a regionally recruited Director of Administration and Finance, and other locally recruited staff.

*Project management*

*Project Steering Committee.* The Project Steering Committee (PSC) will be chaired by the Executive Secretary of the LCBC, with one member from each of the member states, and two representatives of the LCBC staff. Additionally, the PSC will be comprised of a representative of the two GEF Implementing Agencies, one member from UNOPS, and the Project Manager, who shall serve as an *ex-officio* member. Other members may be added to the PSC at the discretion of the PSC at any time.

*Inter-Ministerial Coordinating Committees.* Each of the Participating Countries shall convene an Inter-Ministerial Coordinating Committee (IMCC). The LCBC will assist the countries in this activity. Each IMCC will function to coordinate country level activities necessary to the formulation of the Transboundary Diagnostic Analysis (TDA) and the Strategic Action Program (SAP). As part of country specific TDA activities, each country will formulate and prioritise its project related, country specific activities on a sector-by-sector basis. Further, working with and through the Project TDA formulation process, they will determine, in priority sequence, the transboundary issues that confront the Lake Chad Basin as a whole. Each Participating Country shall, with the assistance of the LCBC, name a Lead Country Official who will Chair the IMCC. Provision has been made for staff assistance to each of the designated Country Chairs. Limited financial provision has also been made for meetings of each country IMCC.

**Monitoring**

The LCBC via the Project Management Unit (PMU) and Project Steering Committee (PSC) will have overall responsibility for the activities of the pilot demonstration activities, specifically coordination responsibilities such as monitoring and evaluation. The LCBC will report to the Bank and be responsible for ensuring that all GEF-funded activities are carried out in compliance...
with the project design and contracts. The project will comply with the required monitoring and evaluation procedures as required for the Mid-Term Review and Implementation Completion Report. The evaluation will rely on both qualitative and quantitative criteria using Bank guidelines, “Monitoring and Evaluation of Program Impacts.”

The project will also be closely monitored by the UNDP Country Office through quarterly meetings or more frequently as deemed necessary with the Project Manager. This will allow to take stock and to trouble shoot of any problems pertaining to the project quickly to ensure smooth implementation of project activities.

2.2. RESETTLEMENT PLANNING PRINCIPLES AND PROCESS

The LCBC will provide the general direction for the planning of the relocation / compensation process, ensure coordination between various stakeholders and monitor the implementation. At launching of each subproject, stakeholders will be consulted to establish planning principles and work arrangements aimed at identifying and mitigating adverse social impacts induced by sub-project operations. Baseline surveys, valuation of properties and payment of compensation will be effected ahead of the commencement of works. Progressively, all PAPs will be consulted in the process, be it in the context of resettlement / compensation, in the context of mitigating adverse impacts on cultural heritage or in the context of mitigating other project related social impacts.

Likewise, prior to project launching, appropriate government agencies will be consulted by the LCBC.

In line with established procedures, the LCBC via specialized NGOs and agencies will conduct the registration of PAPs and properties in the project zone, establish compensation committees, execute the payment of compensation, effect the valuation of crops and trees and execute the valuation of houses. Similar arrangements will be established with local governments whenever and wherever necessary.

The LCBC will be the contracting entity that will contract out resettlement operations to specialised NGOs and resettlement agencies. All resettlement plans will be reviewed and approved by the government as well as by the World Bank.
3. LEGAL FRAMEWORK FOR COMPENSATION

3.1. COMPENSATION LAWS

The laws in the Lake Chad Basin countries that govern the compensation to individuals of assets foregone from resettlement are not known to the project. Various project activities e.g. *project Output 2, Activity 2.5* aim to address these gaps in knowledge. The project will have to address the legal basis for the expropriation and compensation procedures to be used by the LCBC. Likewise, it will have to establish the legal framework for the resettlement and rehabilitation policy framework.

The activities within Component 2 aim to assess relevant legal frameworks in each country and establish regional structural arrangements for participating countries to review, harmonise and coordinate these frameworks, although this applies mostly to sharing international water resources.

World Bank policies, however, are explicit in that even if national and regional legislation does not provide for compensation, projects funded fully or in part by the Bank do provide for compensation. The major indicator of the effectiveness of mitigation measures is that the affected people should not be worse off after resettlement and/or compensation than they were before the project activity affecting them was implemented.

3.2. LCBC STRATEGY FOR EXPROPRIATION AND COMPENSATION

The LCBC strategy for expropriation and compensation applies to any component of the project that involves resettlement. This section illustrates how compensation applies (or does not apply) to the populations affected by the project. It shows that in previous subprojects that the current LCBC project has taken over, participation was widely used. The current GEF project hopes to continue where the previous implementing / funding agencies left off, using the same methodology. As an example, the methodology of the Waza Logone Pilot is given:

**Background: Waza Logone Pilot**

The Waza Logone Project was established in 1988, with the support of the International Union for the Conservation of Nature (IUCN). The objectives included: promoting the integrated management of the natural resources of the floodplain, providing a sustainable livelihood for the local communities, maintaining biodiversity, and in particular maintaining the integrity of the Waza National Park.

In 1992 the project began evaluating constraints and opportunities, collecting data on socioeconomics, hydrology and ecology, and initiating a process of stakeholder participation in the evaluation and planning of the management of the floodplain. This led to the idea of creating breaks in the dike that extends downstream from Maga Dam as a means of increasing flooding and partially restoring the ecology and livelihoods on the upper Waza-Logone floodplain. Project evaluation indicated the idea was sound.
Lake Chad - Resettlement Policy Framework - Legal Framework for Compensation

Supported by strong requests from local communities and the local administration, in 1994 SEMRY\(^1\) (the owners and managers of Maga dam) allowed the project to open a section of dike that had blocked the flow from the Logone river to the Petit Gorema floodplain channel, and flood waters re-entered the system.

In 1995, with funding from the Netherlands Government and WWF, the project continued monitoring the effects of the 1994 release and continued the dialogue with affected communities and other stakeholders. In 1997, a second break in the dike was opened. The additional flow re-instated flooding to a major part of the floodplain west of the Logomaty channel. The total "average" flooded area has been increased by some 200 km\(^2\), equivalent to 6% of the original floodplain. The impact is locally very significant as the flooding is focused on the area affecting the southern zone and the Waza National Park. The major achievements of the Waza Logone project are at two levels.

Regionally and internationally: the project has drawn attention to the social, economic and ecological benefits of maintaining or reintroducing floods in natural floodplains.

Within the floodplain: the "pilot" releases have been maintained and are effectively a permanent feature, re-establishing flooding to some 6% of the floodplain with localised significant benefits to communities in the south and other parts of the floodplain, and to the ecological integrity of Waza National Park.

Need for Compensation
This shows that although there is increased flooding in the floodplain, the inhabitants benefit from it, which raises the question as to whether compensation is really the issue. What is probable is that, if necessary (flooding has already been going on for nearly a decade) the project should assist the populations to be resettled with transport, logistics, housing or cash equivalent.

The identification / survey of project-affected persons (PAPs), should be conducted by the LCBC with the assistance of WWF, IUCN or Netherlands Government experts with experience in the project. LCBC staff will need guidance in applying World Bank requirements in expropriation / compensation standards and the valuation of houses and other assets (see Annex 11.4).

The standards for compensation of loss of land and loss of property in Cameroon should also be researched, and applied accordingly. Compensation will take into account: i) the legal status of the land to be compensated; ii) the quality of the land as regard to its utilization and iii) the quantity and the number of people using the land as the main source of income. The project has to decide if the land will be bought, and if so, who will buy it (local government, SEMRY, the LCBC?). The value of land will be established by a qualified organisation.

PAPs who will lose their titles, will be provided new land with titles. Likewise, PAPs without titles will also be provided land in accordance with the legal status of the land that they previously cultivated or exploited. Economically marginalized PAPs with reduced access to land will be given particular attention by providing them with more land in order to enhance the sources of their livelihood. Also, home gardens for women will be restored with equivalent facilities in terms of access to sources of water.

\(^1\) Société d'Expansion et de Modernisation de la Riziculture de Yagoua
3.3. WORLD BANK PROCEDURES FOR RESETTLEMENT/REHABILITATION (OP 4.12)

The World Bank operational directive OP 4.12 states: “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”.

The commitment of the LCBC to comply with the requirements of World Bank’s operational directives should be made explicit and incorporated in the credit agreement. Furthermore, the LCBC will ensure, in the credit agreement, its commitment to addressing the adverse social impacts of project operations.
4. ORGANISATIONAL PROCEDURES

The LCBC, its Steering Committee (PSC) and Management Unit (PMU) will be responsible for the organizational procedures for the delivery of entitlements. This will be done in coordination with experts having experience on the project. The LCBC / PSC / PMU will also be responsible for financial disbursements, if they occur.

4.1. IMPLEMENTATION PROCESS

The process for implementing the mitigatory measures is:

1. To determine if resettlement is required (survey if populations have not already resettled as a result of floods in 1992, 1994 and 1997).
2. To draw up a detailed list of all persons affected (PAPs).
3. To determine what each PAP stands to lose (valuation of houses, land, crops and other properties).
4. To determine what the timeframe is for compensation.
5. To determine what the preferred compensation is (participatory process).
6. To offer compensation (kind or cash).

4.2. GRIEVANCE REDRESS MECHANISM

The PAPs will be given opportunities to present complaints and grievances through the resettlement process. The mechanisms for redressing the grievances of the affected populations will be through consultation. Their concerns will be taken into account by 1) the implementing agency in cooperation with local authority, traditional leaders, existing user organisations, and other organisations and 2) there will also be a mechanism for PAPs to receive assistance to direct their complaints to higher level of authority should it not be solved under 1).

The process by which grievances will be redressed, for each Pilot, is first through the project implementing agency. The project implementing agency will have a conflict resolution committee, which include representatives of the PAPs, which will review each grievance case. Compensation rates will be determined by this committee. Compensation will be paid to PAPs after written consent. Should a PAP refuse the compensation suggested, he/she could appeal to the local administration or traditional court. Should grievance prevail, a civil court will settle the litigation. Each individual PAP has the right to refuse the compensation rate proposed and take his case to the court when other grievance redress measures have failed. This process will be further refined during implementation.

4.3. ARRANGEMENTS FOR FUNDING

The arrangements for funding will include either the facilities to relocate or the cash equivalent. The source for funding will be specified in the credit agreement.
5. OPERATIONAL PROCEDURES

5.1. INSTITUTIONAL FRAMEWORK

The Lake Chad Basin Commission (LCBC) was set up in 1964 and is headed by a Steering Committee comprised of representatives of each member country. A management unit will help build capacity to implement the Strategic Action Plan. The LCBC via the Project Management Unit (PMU) and Project Steering Committee (PSC) will have overall responsibility for the activities of the pilot demonstration activities, specifically coordination responsibilities such as monitoring and evaluation.

Project operations regarding resettlement / rehabilitation will be coordinated and monitored by the LCBC office. Independent, recognised specialists (consultants / NGOs) with the necessary expertise, selected by LCBC, will be contracted to carry out the payment of compensation and to effect the valuation of land and houses. Although this is not yet set up, it is suggested that each Pilot committee deal with its own resettlement issues, in parallel to issues of access to resource and conflict resolution. The committee will therefore have a specialised unit for resettlement. It will include a sociologist familiar with participatory methods, an economist familiar with valuations, representatives of local governments, representatives of local traditional groups and representatives of PAPs. The exact responsibility of each resettlement committee will vary between Pilots, and will be absent if resettlement is not an issue.

5.2. PROJECT LAUNCHING

At project launching, an assessment of the social impacts of the Pilot projects will be conducted. The assessment will help to: (i) determine which mitigation measures to be taken; and (ii) establish whether or not detailed Resettlement Action Plans (RAPs) with timetables and budgets should be prepared.

Terms of reference (TOR) for the assessment will be drafted by the LCBC. Issues to be addressed by the assessment will include: demography; land tenure; socio-economic structure, consultations with local authorities and with PAPs. A key task to be conducted under this process is a household survey describing the extent of the social impacts. The social survey should contain general household data such as: family size, gender and age information; education; occupation; land ownership, tenure arrangements, inheritance regulations; sources of income and so forth.

The survey would estimate the extent to which the affected families will experience loss of assets, including control over resources, as well as infrastructure and social services available and disturbed. The survey should further describe local organizations and institutions, traditional village councils, religious groups, etc., that could later participate in planning and implementing the resettlement options. Expected changes in demography and health impacts should also be addressed. At this stage, all PAPs will be listed in order to avoid an influx of people trying to take advantage of the compensation and rehabilitation. A cut off date will be proclaimed. That means, a date from which eligibility for compensation will be terminated. New inhabitants coming to the project affected areas will not be considered for compensation.
Lake Chad - Resettlement Policy Framework - Operational Procedures

A critical task of the assessment will be to identify new land for those PAPs who will lose their land.

The principles of compensation / rehabilitation will be triggered wherever there will be land acquisition and adverse social impacts. Should, however, the assessment reveal that more than 200 persons are affected, a Resettlement Action Plan (RAP) will have to be prepared. The World Bank OD 4.30 paragraph 4, states:

*Where large-scale\(^2\) 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.*

The TOR for the RAP will be drafted by the LCBC and focus on the following:

- Land tenure, household survey; socio-economic baseline study;
- Selection of resettlement area and provision for alternative sites;
- Organizational structures;
- Community participation of both resettles and hosts, including also community institutions or organizations of both groups and NGOs;
- Legal framework;
- Plan and design of development assistance to cover both project affected persons (PAPs) and host community;
- Valuation methodology, title registration, time frame in compensation procedures, appeal mechanisms;
- Impact on marginal groups, old people, women, ethnic minorities and pastoralists;
- Cultural identity and preservation;
- Access to training, employment and credit;
- Housing, including criteria for house plot allocation, infrastructure and social services;
- State of natural resources, land suitability and carrying capacity at resettlement site estimated at least two generations ahead taking into account population and livestock growth, as well as water availability and water quality;
- Immediate as well as foreseen health implications at resettlement site in relation to water-borne diseases, nutrition, environmental hygiene, availability of clinics or other health extension services, hazardous chemicals, toxic wastes, food contamination and the work environment;

\(^2\) *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.*
5.3. **PROJECT IMPLEMENTATION**

The LCBC will consult with the stakeholders to assess presumed adverse social impacts of project operations and plan for the expropriation / compensation / resettlement operations to be executed. Once the resettlement plan is prepared, reviewed and approved by the government and the World Bank, implementation of the expropriation / compensation and resettlement / relocation operations should be completed as soon as possible.

The implementation procedures will be carried out by the contracted specialists in line with the approved resettlement plan.
6. SOCIO-ECONOMIC BACKGROUND OF PAPS

6.1. IDENTIFICATION OF PAPs

The number of people who would be affected by the project has not been identified. It is known that their economic activities are agricultural and pastoral (cattle). However, more detailed studies of the stakeholders have not been done for this project. It is suggested that as much information on the social structure of the potential PAPs be found from the former projects, if applicable, and that, if these data are insufficient, to carry out a detailed survey of the potential PAPs.

Social impact assessment will be conducted prior to project operations that are presumed to have major social impacts in terms of expropriation and compensation. It will establish the social structures of PAPs, serve as basis for determining eligibility criteria and for estimating resettlement costs as well as establishing baseline data for monitoring and evaluation.

6.2. SOCIAL IMPACTS OF THE LCBC

Impacts on Land Use, Crops, Buildings and other Property
The LCBC’s operations’ impacts on land use, crops, buildings and other property are expected to cover a very large area (the Lake Chad basin). Close to 20 million people depend for their livelihood on activities carried out in the lake and its active basin. However, it is anticipated that considerably less than that number of people will be affected by resettlement issues.

Impacts on Economic Activities
The LCBC will affect economic activities of the project regions. The project is presumed to have positive impacts on mid-term and long-term economic activities on the macro level, although short-term disturbance is considered if persons affected by the project have to resettle.
7. METHODS OF VALUING AFFECTED ASSETS

7.1. ORGANIZATIONAL PROCEDURES FOR DELIVERY OF ENTITLEMENTS

With regard to land and structures, "replacement cost" can be obtained using the following rules: for agricultural land, it is the pre-project or pre-displacement, whichever is higher, market value of land of equal productive potential or use located in the vicinity of the affected land, plus the cost of land preparation to levels similar to those of the affected land, plus the cost of any registration and transfer taxes. For land in urban areas, it is the pre-displacement market value of land of equal size and use, with similar or improved public infrastructure facilities and services and located in the vicinity of the affected land, plus the cost of any registration and transfer taxes. For houses and other structures, it is the market cost of the materials to build a replacement structure with an area and quality similar to or better than those of the affected structure, or to repair a partially affected structure, plus the cost of transporting building materials to the construction site, plus the cost of any labour and contractors' fees, plus the cost of any registration and transfer taxes.

In determining the replacement cost, depreciation of the asset and the value of salvage materials are not taken into account, nor is the value of benefits to be derived from the project deducted from the valuation of an affected asset. Where domestic law does not meet the standard of compensation at full replacement cost, World Bank guidelines and technical specifications for compensation at replacement cost will be applied.

7.2. METHOD AND BASIS OF VALUATION

Two methods can be used to conduct the valuation of property for PAPs. These are replacement cost and compensation value (see also Annex 11.4). It is recommended that governments follow the World Bank policy in this regard.

Replacement Cost

The replacement cost approach is based on the premise that the cost of replacing productive assets that have been damaged because of project operations are taken as a minimum estimate of the value of measures that will reduce the damage or improve on-site management practices and thereby prevent damage. The approach involves direct replacement of expropriated assets and covers an amount that is sufficient for asset replacement, net depreciation, moving expenses and other transaction costs. This minimum value is then compared to the cost of the new measures. This is arrived at, by analysing current construction costs relative to design, materials employed, workmanship and final finish of the subject properties.

In line with the principles of "equivalent reinstatement" if the premises to be reinstated require repair, a deduction to reflect this should be made. The deduction for repairs is made in accordance with the principle that the reinstated property should as far as possible be equal to the property being reinstated.

The basis of the valuation is Gross Current Replacement Cost (GCRC). Gross Current Replacement Cost is defined as the estimated cost of erecting a new building having the same gross external area as that of the existing one, with the site works and services on a similar piece of land. The valuation process will also consider the use of “compensation value” for affected properties.

**Compensation Value**

Compensation value is defined as an amount which is above the gross current replacement cost, including the costs for the inconvenience caused to the PAP by relocation, and enables the same PAP to build slightly better houses than what they currently occupy.

Compensation for land, structures, business, fixed improvements and other temporary assets will be based on market valuation, productivity valuation, negotiated settlements, material and labour valuation, disposition of salvage materials and other fees paid. It should be noted that lack of title, license or permit would not be a bar to compensation because even squatters have construction costs relative to design, materials employed, workmanship and final finish.

If relocation of business becomes necessary, access to customers and suppliers will be taken into account. In addition, workers losing employment in the process of relocating should be entitled to transitional income support.

Compensation for temporary impacts should include, but not limited to, the following:

- Compensation equivalent to lost income required for the duration of impact;
- Compensation equivalent to lost income required for loss of access;
- Physical restoration of assets (or access) required prior to return.

In addition, PAPs will be entitled to transitional assistance which include moving expenses, temporary residence (if necessary), employment training and income support while awaiting employment and should have an option for full compensation if duration of impact is to exceed two years. In preparing the valuation, average costs will have to be assumed. It should be noted that costs of construction vary from one locality to the other.

### 7.3. Compensation Procedures and Civil Work Schedule

An assessment of the number of PAPs will be made and establish whether or not a Resettlement Action Plan (RAP) is required. The LCBC or a local consultant will conduct the assessment.

Compensation will be paid at replacement cost. An expropriation and compensation committee will be established for PAPs in the project area following the social impact assessment. The committee will be constituted of a sociologist, an economist, representatives of local governments, representatives of local traditional groups and representatives of PAPs. Together they will conduct the registration of affected PAPs and properties. Likewise, they will establish the compensation rates, taking into account World Bank requirements.

Compensation procedures will include three steps: (a) Establishment of compensation committees, (b) Assessment of replacement values of identified assets; (c) Establishment of compensation rates for all assets to be expropriated.
Compensation Rates for Loss of Houses
Compensation procedures for loss of houses will be established in consultations between the LCBC, project staff and the PAPs. This committee will establish the rates. The committee should conduct market surveys to monitor changes in building material costs in order to update the expropriation / compensation rates. The rates will be established at market value. Each administrative decision in the process will be documented. Also, each individual PAP will have the right to refuse the rate proposed and take his case to court should he disagree with the compensation rates proposed.

Grievance Redress
First, compensation committees including representatives of PAPs will establish the compensation rates in order to avoid litigation. Second, compensation will be paid to individual PAPs only after a written consent of the PAPs, including both husband and wife. Should a PAP refuse the compensation suggested, he/she could appeal to the local administration or traditional court. Should grievance prevail, a civil court will settle the litigation. Each individual PAP has the right to refuse the compensation rate proposed and take his case to the court when other grievance redress measures have failed.
8. SOURCES OF FUNDING

A budget to cover expropriation and compensation costs for loss of properties for PAPs will be provided by the project, as well as for necessary studies. A provision (US $) still has to be made in the project budget and will be specified in the credit agreement. Institutional mechanisms for the payment of compensation still have to be elaborated.
9. CONSULTATION AND PARTICIPATION PROCESS

Relocating or compensating people implies communication or dialogue with the stakeholders. The consultation and participation process will include four phases: i) data collecting; ii) preparation and planning of operations; iii) implementation of operations; iv) monitoring and evaluation.

The LCBC will coordinate all four operations.

9.1. DATA COLLECTING PHASE

**Actors:** LCBC, NGOs, PMU, PSC.
Possibly: IUCN, WWF, experts formerly involved in project, Netherlands government, PAPs (provision of data).

The actors will constitute the main task force in the data-collecting phase. This process will include consultations with PAPs and other relevant stakeholders. The data collected will serve as instruments for the monitoring of the social mitigation measures applied.

PAPs will be consulted to participate in the data-collecting phase by providing socio-economic information about their livelihoods. Also, PAPs will be consulted through meetings with traditional village committees to share information about the LCBC, discuss the social impacts of project operations and the mitigation measures suggested. The contributions of the PAPs will be integrated into the subproject implementation process, from planning to evaluation.

Furthermore, data about the social impacts of the subprojects and the mitigation measures suggested will be provided to local newspapers and radio stations.

The data-collecting phase includes three major processes:

i) Preparation of the resettlement / rehabilitation policy framework;
ii) Execution of the social impact assessment (to be initiated / completed at project launching) and
iii) Establishment of the presumed RAP (to be initiated / completed before civil works).

9.2. PLANNING PHASE

**Actors:** LCBC, PAPs (planning inputs, sounding board and advice-giving), representatives of local communities.

Planning and coordination of the tasks of the various actors is the key to a successful implementation of the expropriation / compensation arrangements. The PAPs will be consulted in the aim to obtain their positions on issues at stake. The requirements of their work programs / businesses activities will be incorporated into the expropriation / compensation plans.

The work will focus on:
a) taking stock of the legal framework for compensation; b) settle institutional arrangements and mechanisms for payment of compensation; c) define tasks and responsibilities of each stakeholder and d) establish a work plan.

8.29.3. **IMPLEMENTATION PHASE**

*Actors:* principal actor is the World Bank. Also LCBC, PAPs (endorsement of arrangements).

The execution of the expropriation / compensation operations will be conducted by the LCBC, by their contracted specialist team. PAPs will be consulted about the compensation arrangements prepared. Cash compensation amount and size of land offered for compensation will be presented to each eligible PAP (husband and wife) for consideration and endorsement before cash payment or land for land compensation can be effected.

9.4. **MONITORING AND EVALUATION PHASE**

*Actors:* LCBC, PSC, PMU, independent consultants, NGOs, PAPs.

The LCBC will organize project completion workshops with government agencies, NGOs and representatives of PAPs after completion of the expropriation / compensation operations but prior to the closure of the mitigation measures. The aim of that exercise is to assess progress in the operations executed, suggest corrective measures where needed and solve pending issues.

After completion of all expropriation / compensation operations, PAPs will be consulted in a household survey. The aim of that survey is to assess the impacts of the social mitigation measures implemented. Likewise, rural communities with PAPs will be consulted to provide their assessments of the impacts of the social mitigation measures applied.

The findings of the survey and the workshops will be presented in the project completion report, which will be established by the LCBC.
10. MONITORING AND EVALUATION ARRANGEMENTS

*Actors*: LCBC, PAPs, NGOs.

Monitoring and evaluation will be a continuous process. The LCBC will continuously take stock of all expropriation / compensation reports and discuss their outcomes in its technical meetings. The LCBC / PSC will directly monitor compensation costs for loss of wages. The LCBC / PSC will review project activities, including social mitigation measures and provide guidance.

10.1. MONITORING PRINCIPLES

A monitoring and an evaluation plan of the mitigation measures will be established. The scope of the plan will take into account the size of the social impacts to be mitigated while respecting the basic monitoring principles. The plans will describe:

- The internal monitoring process;
- Key monitoring indicators (provide a list of monitoring indicators, which would be used for internal monitoring);
- Institutional (including financial) arrangements;
- Frequency of reporting and content for internal monitoring, process for integrating feedback from internal monitoring into implementation;
- Financial arrangements for external monitoring and evaluation, including process for awarding and maintenance of contracts for the duration of resettlement;
- Methodology for external monitoring;
- Key indicators for external monitoring, focusing on outputs and impacts;
- Frequency of reporting and content for external monitoring and process for integrating feedback from external monitoring into implementation.

**Internal Monitoring**

Internal monitoring will be conducted by the LCBC, following the plan described. Likewise, the communities will conduct their own monitoring. Quarterly LCBC progress reports will include a section on progress made regarding mitigation of adverse social impacts.

10.2. EXTERNAL MONITORING AND EVALUATION

External monitoring will be conducted though World Bank supervision missions. Classic World Bank supervision mission (twice a year) will, however, not be sufficient to monitor progress in the mitigation of adverse social impacts. Given the limited social scientific capacity of the lake Chad countries, World Bank supervision missions should be coupled with capacity building inputs from an international resettlement expert. This would ensure: progress on the ground; strengthen analytical capacity and safeguard proper documentation of operations executed and the progress made.

Before closure of the mitigation of adverse social impacts, the LCBC will consult with a local NGO to conduct an evaluation of the mitigation measures executed. A university could also do that work. The evaluation report will be used as a planning instrument to correct pending issues and suggest a post-project monitoring period in the aim to ensure that PAPs have not been subject to impoverishment induced by LCBC operations.
## Annex 11.1. List of People Contacted

<table>
<thead>
<tr>
<th>Pilot Projects</th>
<th>Names</th>
<th>Titles</th>
<th>Institutions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Waza Logone</td>
<td>Oyo, Pierre</td>
<td>Directeur</td>
<td>CACID Waza Logone</td>
</tr>
<tr>
<td></td>
<td>Kouokam, Roger</td>
<td>Chef DPP</td>
<td>CACID Waza Logone</td>
</tr>
<tr>
<td></td>
<td>Pirot, Jean Yves</td>
<td>Coordinateur Programme Zones</td>
<td>IUCN</td>
</tr>
<tr>
<td></td>
<td>Santen, José Van</td>
<td>Homologue</td>
<td>CEDC</td>
</tr>
<tr>
<td></td>
<td>Madi, Ali</td>
<td>Coordinate CEDC</td>
<td>CEDC Maroua</td>
</tr>
<tr>
<td></td>
<td>Nono, Micheline T.</td>
<td>RAF CACID/Waza Logone</td>
<td>CACID Waza Logone</td>
</tr>
<tr>
<td></td>
<td>Mohamadou, Oumarou</td>
<td>A.T. Ecologie Appliquée</td>
<td>CACID Waza Logone</td>
</tr>
<tr>
<td></td>
<td>Saleh, Adam</td>
<td>Conservateur du Parc National de</td>
<td>Conservation</td>
</tr>
<tr>
<td></td>
<td>Ngantou, Daniel</td>
<td>Directeur Regional IUCN BRAC</td>
<td>IUCN</td>
</tr>
<tr>
<td></td>
<td>Peghouma, Ibrahim</td>
<td>Responsable Chargé de l'éco-</td>
<td>CACID Waza Logone</td>
</tr>
<tr>
<td></td>
<td>Kélélé, Mahamat Absakine</td>
<td>Sultan</td>
<td>Yao/Lake Fitri</td>
</tr>
<tr>
<td></td>
<td>Ibrahim, Mahamat</td>
<td>President</td>
<td>Groupement des Pêcheurs du Lac Fitri</td>
</tr>
<tr>
<td></td>
<td>Ousmane, Abakar</td>
<td>President</td>
<td>Douhounou -- Groupement des Agriculteurs de Yao</td>
</tr>
<tr>
<td></td>
<td>Jerma, Mahamat</td>
<td>President</td>
<td>Marmiton -- Groupement des Agriculteurs de Yao</td>
</tr>
<tr>
<td></td>
<td>Abba, Al Hadj Hassane</td>
<td>President</td>
<td>Doumbourou -- Groupement des agriculteurs de Yao</td>
</tr>
<tr>
<td></td>
<td>Yirima, Al Hadj Hassane</td>
<td>President</td>
<td>Hijer</td>
</tr>
<tr>
<td></td>
<td>Youssou, Mariam</td>
<td>Presidente</td>
<td>Siyé -- Groupement des femmes</td>
</tr>
<tr>
<td></td>
<td>Kaida, Mariam</td>
<td>Secrétaire</td>
<td>Siyé -- Groupement des femmes</td>
</tr>
<tr>
<td></td>
<td>Dogo, Haoua</td>
<td>Présidente</td>
<td>Logona -- Groupement des femmes</td>
</tr>
<tr>
<td></td>
<td>Issa, Aiché</td>
<td>Secrétaire</td>
<td>Logona -- Groupement des femmes</td>
</tr>
<tr>
<td></td>
<td>Abba, Mariam</td>
<td>Trésorière</td>
<td>Logona -- Groupement des femmes</td>
</tr>
<tr>
<td></td>
<td>Payouni, Ahmad</td>
<td>Responsable Unité Appui et</td>
<td>SECADEV--Direction</td>
</tr>
<tr>
<td></td>
<td>Bertran, Hadji</td>
<td>Directeur Délégué</td>
<td>SECADEV--Ambassetna</td>
</tr>
<tr>
<td></td>
<td>Beral, Bernard</td>
<td>Délégué adjoint</td>
<td>SECADEV--Ambassetna</td>
</tr>
<tr>
<td>Lakeshore /</td>
<td>Kala, Badoua</td>
<td>Chef Service</td>
<td>Environnement-Diffa, Niger</td>
</tr>
<tr>
<td>Desertification</td>
<td>San, Garba</td>
<td>Chargé du Génie Rural</td>
<td>Environnement-Diffa, Niger</td>
</tr>
<tr>
<td></td>
<td>Kanta, Moussa</td>
<td>Directeur</td>
<td>CEG</td>
</tr>
<tr>
<td></td>
<td>Ouma, Hamza</td>
<td>Chef Service</td>
<td>Plan</td>
</tr>
<tr>
<td></td>
<td>Sani, Mamadou Gani</td>
<td>Chef Service</td>
<td>Elevage PI</td>
</tr>
<tr>
<td></td>
<td>Chabane, Hassine Ben</td>
<td>Manager</td>
<td>Ramboil--Water &amp; Sanitation Project</td>
</tr>
<tr>
<td></td>
<td>Mai, Manga Maina Yacouba</td>
<td>Député National</td>
<td>PCD/E</td>
</tr>
<tr>
<td></td>
<td>Louali, Maroussa Mahamane</td>
<td>Directeur Adjoint</td>
<td>Hydraulique--Diffa, Niger</td>
</tr>
</tbody>
</table>
## Annex 11.2. OUTLINE OF A RESETTLEMENT PLAN

### Introduction – Project Background

- Brief introduction about the project
- List of project components
- Description of project components causing land acquisition and resettlement. Overall estimates of land acquisition and resettlement.
- Minimizing resettlement
- Describe efforts made for minimizing resettlement
- Describe the result of these efforts
Census and Socio-economic Surveys

- Identify all categories of impacts (loss of property and assets; loss of livelihood; impacts on groups and communities)
- Give formats and tables for census surveys
- Provide outlines for socio-economic survey
- Summarize process for consultations on the results of the census surveys
- Describe need and mechanism to conduct updates, if necessary

Resettlement Policy and Legal Framework

- Identify areas of conflict between local laws and World Bank policies, and project-specific mechanisms to address conflicts
- Provide a definition of project affected persons
- Describe entitlement categories for each category of impact
- Describe method of evaluation used for affected structures, land, trees and other assets
- Provide entitlement matrix

Resettlement Sites

- Does the project need community relocation? Have these been approved by the PAPs?
- Give layouts and designs of residential sites
- Have the PAPs agreed to the strategy for housing replacement? Have the selected sites been explicitly approved by the PAPs describe the specific process of showing the sites to the PAPs and obtaining their opinion on them.
- Describe the technical and feasibility studies conducted to determine the suitability of the proposed sites.
- Is the land quality/area adequate for allocation to all of the PAPs eligible for allocation of agricultural land?
- Give calculations relating to site requirements and availability.
- Describe mechanisms for (i) procuring, (ii) developing and (iii) allotting resettlement sites
- Provide detailed description of the arrangements for site development for agriculture, including funding of development costs.

Institutional Arrangements

- Identify and discuss the institutions responsible for delivery of each item/activity in the entitlement policy
- Describe the project resettlement unit – functions and organizational structure of the unit and coordination relationship
- State how coordination issues will be addressed in cases where resettlement is spread over a number of jurisdictions.
- Identify who will coordinate all agencies-with the necessary mandate
- State when the project resettlement unit will be staffed.
Lake Chad - Resettlement Policy Framework - Annexes

- Describe plans for training and development of staff in the resettlement unit/local agencies.
- Discuss initiatives taken to improve the long term capacity or resettlement institutions

**Income Restoration**

- Briefly spell out the main restoration strategies for each category of impacts, and describe the institutional, financial and technical aspects.
- Describe the process of consultation with project affected persons (PAPs) to finalize strategies for income restoration
- How do these strategies vary with the area/locality of impact?
- Are the compensation entitlements sufficient to restore income streams for each category of impact? What additional economic rehabilitation measures are necessary?
- Does income restoration require change in livelihoods, development of alternative farmlands, etc., or involve some other activities, which require a substantial amount of time for preparation and implementation?
- How does the action plan propose to address impoverishment risks?
- Are choices and options built into the entitlements? If so, what is the mechanism for risk and benefit analysis of each option? What is the process of ensuring that PAPs have knowledge about alternatives and can make informed decisions? Is there a mechanism to encourage vulnerable groups among PAPs to choose lower risk options such as support in kind rather than cash?
- What are the main institutional and other risks for the smooth implementation of the resettlement programs?

**Implementation Schedule**

- List and briefly describe the chronological steps in implementation of the resettlement, including identification of agencies responsible for each step of the program.
- Prepare a month-wise implementation schedule of activities to be undertaken as part of the resettlement implementation (Gantt chart)
- Describe the linkages between resettlement implementation and initiation of civil works for each of the project components.

**Costs and Budget**

- Clear statement of financial responsibility and authority.
- Ensure that the cost of resettlement is included in the overall project costs.
- Identify components, if any, to be funded by donors such as the World Bank, JICA, NORAD, DANIDA, etc.
- Resettlement costs should be a part of annual involvement plans.
- Prepare a cost-wise, item-wise budget estimate for the entire direction of resettlement implementation, including administrative expense, monitoring and evaluation and contingencies.
- List the sources of funds and describe the flow of funds.
Describe the specific mechanisms to adjust cost estimates by the inflation factor.

Describe provisions to account for physical and price contingencies.

- Participation and Consultation
  - Describe the process of consultation/participation in resettlement preparation and planning.
  - Describe the various stakeholders.
  - Describe the plan for disseminating information to project affected persons (PAPs), such as provisions for a booklet to inform PAPs and other stakeholders.
  - Describe examples of outcomes of participation and consultation, such as how local beneficiaries’ views have influenced the design process, entitlements and support mechanisms, or other issues.
  - Have workshops been conducted, or are they planned? Who are the participants, and what are the expected outcomes?

- Grievance Redress
  - Describe the step-by-step process for registering and addressing grievances
  - Provide specific details regarding registering complaints, response time, communication modes, etc.
  - Describe the mechanism for appeal
  - Describe the provisions to approach civil courts in case other provisions fail.
**Monitoring and evaluation**

- Describe the internal monitoring process.
- Define key monitoring indicators. Provide a list of monitoring indicators, which would be used for internal monitoring.
- Describe institutional (including financial) arrangements.
- Describe frequency of reporting and content for internal monitoring.
- Describe process for integrating feedback from internal monitoring into implementation.
- Describe financial arrangements for external monitoring and evaluation, including process for awarding and maintenance of contracts for the duration of resettlement.
- Describe methodology for external monitoring.
- Define key indicators for external monitoring, focussing on outputs and impacts.
- Describe frequency of reporting and content for external monitoring.
- Describe process for integrating feedback from external monitoring into implementation.

**Annex 11.3. WORLD BANK OPERATIONAL POLICY 4.12**

This directive was prepared for the guidance of staff of the World Bank and is not necessarily a complete treatment of the subjects covered.

**OP 4.12**

Involuntary Resettlement

**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.

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 property (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. 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 location 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 semi landless, 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 property 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,14 may provide good opportunities and benefits to resettlers and host populations alike (e.g., project-financed compensatory forestation 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.15 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 freestanding resettlement project with appropriate cross-conditionalities, 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. 17 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)18 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 for planning resettlement and building institutional capacity.

**Preparation**

29. During project preparation, the feasibility of resettlement must be established, a strategy agreed upon, the resettlement plan drafted, and budget estimates prepared. 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 resettles (as compared to the "without project" circumstances) should be added to the benefit stream of the main investment. While the resettlement component or freestanding project need not be economically viable on its own, it should be the least-cost approach consistent with the policies laid out above.

**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.

**Implementation and Supervision**

31. Resettlement components should be supervised throughout implementation. 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.

**Ex Post Evaluation**
Lake Chad - Resettlement Policy Framework - Annexes

32. The project completion report submitted to the Operations Evaluation Department should evaluate resettlement and its impact on the standards of living of the resettles 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 waterborne 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.

Annex 11.4. METHODS OF VALUATION FOR STRUCTURES, LAND, TREES AND OTHER ASSETS

Example 1:A
- Determining replacement cost in countries with active land markets: Determining replacement cost of affected land can be relatively easy where active land markets exist (for example, in most regions of India, Pakistan, Bangladesh, and Thailand). In projects located in these areas, RAPs should include land market surveys. Private and independent real estate agencies, banks, or mortgage firms could be engaged to determine market prices for land, or to evaluate the adequacy of administratively set compensation. If Borrowers refuse to engage private professional agencies, or if legal restrictions preclude payment of fair market prices, solatiums, relocation or subsistence allowances, or other forms of cash assistance can be used to "top up" compensation to replacement cost levels. Alternatively, committees including PAPs or NGO representatives can be formed to participate in establishing land valuation, and helping PAPs to identify and purchase replacement land.

Example 1:B
- Determining replacement cost in countries with "mixed" land markets and property systems: In some Borrower Countries (notably Indonesia and the Philippines), or in particular regions within Borrower Countries, formal property titling remains incomplete, leaving a complex mélange of competing legal and customary claims upon land (see also Customary Claims and Common Property). In Indonesia, for example, untitled land continues to exist even in downtown Jakarta, with titled land valued 10-60% higher. In areas lacking coherent and integrated property systems, resource valuations may differ substantially and some property claims are likely to go unrecognised. Hence, establishing replacement cost requires much greater attention to the type of title and usage rights held by affected persons. And projects acquiring land in such areas should encourage vigorous information disclosure, negotiation or arbitration procedures, and independent grievance mechanisms.

Precedents in Practice
In the Philippines, resettlement plans for the Leyte-Luzon Geothermal Project (Ln.3746) called for negotiated settlements on land acquisition between PAPs and the National Power Corporation. In the event agreement could not be reached, compensation disputes would be addressed by an Independent Appraisal Committee, consisting of a real estate expert and representatives from the local land bank and the Philippines National Bank.
Also in the Philippines, PAPs in the Transmission Grid Reinforcement Project (Ln.3996) could choose between compensation as evaluated by an independent appraiser or replacement land provided by the project.
In Indonesia, resettlement plans for the pending Second Sulawesi Urban Development Project would give PAPs with insecure tenure (and those now in rental housing) tenurial rights in developed house plots that cannot be sold for at least 10 years.

Example 1:

- **Determining replacement cost in countries lacking land markets:** Though both Vietnam and China are experimenting with mechanisms to increase individual or household tenure, land remains collectively or publicly owned and cannot be alienated. In China, the Bank accepts country practice of compensating the collectivities rather than affected households for expropriated land. (Affected households, in turn, receive replacement land or other forms of rehabilitation assistance from collectives or local authorities.) In Vietnam, by contrast, affected households often are directly compensated for loss of use of land. In the absence of land markets, replacement cost in these countries needs to be linked to the productive value of the affected land.

Precedents in Practice

In China, compensation for expropriated rural land is calculated as a multiplier (usually 3-6) of the average annual value of agricultural production over the preceding three years. Some project plans, gradually increase the multiplier to favour smaller average landholdings in affected villages. An additional resettlement "subsidy" (allowance) for the people who need to be economically rehabilitated is also paid (and also is calculated as a multiplier). Where PAPs are relocated from one local jurisdictional unit to another, compensation and rehabilitation packages can be split among both. In some projects, the original unit of residence is compensated for loss of land while the unit of relocation receives rehabilitation assistance for providing alternative lands, jobs, or commercial opportunities. In the Xiaolangdi Resettlement Project (Cr.2605), however, all compensation and rehabilitation assistance goes to the local unit in the area of relocation; if collectives lose both land and PAPs they receive no compensation. National law limits combined compensation for land and economic rehabilitation to no more than 20 times the average annual productive value of the acquired land.

In Vietnam, an emerging market permits land use rights to be bought and sold at highly fluctuating prices. Compensation rates payable in cash to project affected households were introduced by national decree (87-CP) in 1994, which sets minimum and maximum prices for various categories of land. The prices established in this decree are set administratively and may not represent replacement cost. Bank experience in Vietnam so far has mainly focused on the land-for-land option for people losing more than 20% of their total holding, and cash compensation for people losing less than 20%. New laws also allow for outright ownership (and alienation) of house plots up to 200 square meters in size. The Irrigation Rehabilitation Project (Cr.2711) provides 60% of replacement cost for non-owned homesteads (plus full compensation for the house or other structures) to be used for purchase of privately owned homesteads. In all instances, compensation is to be sufficient to purchase a 200-square-meter parcel. The conversion from use rights to outright, alienable ownership is considered as contributing to replacement cost.

Example 2: Method of Valuation for Structures, Land, Trees and other Assets,
Replacement Cost for Structures

- **Schedule of rates obtained from the infrastructure department:** The infrastructure construction departments in all countries have a schedule of rates for preparing estimates for construction projects, which Borrower agencies themselves use to assess costs for construction materials and labour. When applied to calculation of replacement cost, rates current for the period of actual replacement must be used.

- **Rates quoted by contractors for similar structures in other construction projects / programs:** Where rate schedules do not exist or are out of date, recent quotations by contractors for similar types of construction in the vicinity of the project can be used for calculating replacement cost. In projects offering the options of cash compensation or alternative accommodation, the construction cost estimates for alternative accommodation could be used for calculating cash compensation payable.

Example 3: Method of Valuation for Structures, Land, Trees and other Assets,
replacement cost for Land – replacement cost for other assets

- **For public infrastructure:** in-kind replacement under force account within an agreed time schedule, or full compensation to the agency replacing the service is required.

- **For cultural property and community-owned facilities:** in-kind replacement or compensation at replacement cost for land and structures (e.g., religious churches, mosques, temples, or shrines; private or community-operated schools; village meeting houses; local libraries).

- **For cash crops:** Arrangements should be made to allow for harvest or market value should be paid for lost cash crops. In some countries average annual market value of crops for the previous 3 years is deemed appropriate as crop compensation. Compensation for subsistence crops can be in-kind, or can be an amount of cash sufficient to purchase equivalent supplies.

- **For trees:** Where markets do not provide sufficient information about the value of fruit or timber, compensation for fruit-bearing and non-fruit-bearing trees should be at net present value calculated for the productive life. In the case of immature trees, a less costly alternative may be to directly replace seedlings.

**Other assets:** Tubewells, graves, fishponds, poultry houses, fences, and other tangible assets should be replaced in kind (or with functional equivalents), relocated, or be compensated at replacement cost.