



Resettlement Planning Framework

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Regional Communication Infrastructure Program (RCIP) Phase 1

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Grenada, St Vincent and the Grenadines and St. Lucia (CARCIP)



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0.0 INTRODUCTION

1.1 BRIEF BACKGROUND

The World Bank is embarking on a Regional Communications Infrastructure Program (RCIP) aimed at assisting Caribbean countries to resolve existing major gaps in access to ICT infrastructure. Most countries in the region are currently served by only one alternative international cable, and some countries, such as Haiti and Guyana, were only recently connected to a cable. Major infrastructure gaps also exist at the national level with very little investment in broadband networks venturing beyond the main urban centers, especially in the form of fiber backbone networks, which have very limited extension in the few countries that have one.

This initiative referred to as The Caribbean Regional Communications Infrastructure Program (CARCIP), is a broad umbrella program focused on increasing access to, and reducing the cost of ICT services, thereby facilitating the development of a wide range of ICT applications that allow for social and economic development in the region. It will be implemented in phases; the first being Dominican Republic, Grenada, St. Lucia and St. Vincent and the Grenadines. Specific components are expected to be tailored to each country on the basis of the following broad Menu of Options: Connectivity infrastructure, ICT-led innovation, E-government standards, interoperability frameworks, E-government and M-government horizontal infrastructure and E-security infrastructure.

1.2 WORLD BANK'S POLICY

The World Bank's environmental and social safeguards policies require that the recipient country prepare an Environmental and Social Management Framework (ESMF) and a Resettlement Policy Framework (RPF) (consistent with national laws, any applicable treaty concerning international waters, and OP 4.1) for any cables and associated equipment that may be laid as part of Government Connectivity Program, or any cable through territorial waters and onto the national shores or contiguous shores. This safeguard document has to be prepared, disclosed and consulted before appraisal. Once the specific sites are known,

Environmental and Social Impact Assessments (ESIAs) and Resettlement Plans will be prepared as part of project implementation but before the infrastructure is put in place.

1.3 OBJECTIVE

The main objective of the program is to develop options for the implementation of a Resettlement Plan (RP) to be used for the environmental and social screening and assessment of activities relating to cable laying and construction of landing stations, as well as backbone and transmission telecommunications infrastructure development within the area.

1.4 THE RPF REPORT

This Report constitutes the Resettlement Policy Framework (RPF) for three of the above mentioned Countries included in the first phase of the Program - Grenada, St. Vincent and the Grenadines and St. Lucia. It is focused on providing the necessary guidance for the development of specific Resettlement Plans (RPs - OP 4.12) during project implementation in order to address potential land acquisition problems. It is also focused on clarifying the principles and procedures that will be followed to compensate and assist the affected landowners and other occupants or users of the land that will be required by the construction of the communications infrastructure to be financed under the Program. Details of the relevant elements of the RPF are outlined in the Scope of Works.

1.5 SCOPE OF WORK

The above mentioned objectives are expected to be achieved through the following activities:

- (a) Description of Project activities that will require land acquisition or Right of Way (RoW) acquisition for the installation of fiber optic cables and ancillary facilities: the RPF will describe these activities and their anticipated impacts (such as loss of assets, relocation of people who occupy existing RoW or RoW that need to be

acquired, loss of income sources and loss of livelihoods), based on the information available to date. The RPF should include a timetable for RP preparation for the activities that involve land acquisition and an explanation of why a RP cannot be prepared by project appraisal to address the impacts of these activities.

- (b) Principles and objectives governing the preparation and implementation of RPs. The RPF should clearly define the principles for compensating the affected landowners and other affected people and for addressing other losses, such as loss of shelter or income sources.
- (c) Process for preparing RPs: Although the exact locations of project activities are not known at this time and will not be known at the time of project appraisal, the RPF should describe the process for preparing and approving RPs, and for monitoring and evaluating their implementation.
- (d) Affected Population: The RPF should provide a reasonable estimate of project-affected populations (PAPs) and identify likely categories of displaced persons, to the extent feasible.
- (e) Eligibility: The RPF will define criteria, including relevant cut-off dates, for determining the eligibility of displaced persons for compensation and other resettlement assistance.
- (f) Legal Frameworks: The RPF will include a general review of the applicable legal frameworks in the countries, and will establish overall guidelines for the detailed legal framework review to be conducted as part of the development of country-specific RPs. The RPF will identify relevant national laws, especially with regards to the acquisition of RoW for the installation of fiber optic cables and related facilities and the valuation of losses suffered by landowners as a result of the establishment

of the RoW and the installation of the cables. The RPF will also discuss similarities and differences between the World Bank requirements and national legal requirements, and propose measures to bridge any gaps. The RPF should explicitly state that if there are discrepancies between World Bank requirements and government requirements and will explicitly state that Bank policies will prevail.

- (g) Valuing Assets: The RPF will include a general description of method(s) that will be used to value the losses of landowners and other affected people related to the establishment of RoW or the acquisition of land for other project facilities.
- (h) Delivery of Compensation: The RPF will identify the procedures for the delivery of compensation and other entitlements and describe the role of the responsible parties for this delivery.
- (i) Implementation Process: The RPF will describe the implementation arrangements (how RPs will be carried out, how compensation will be paid, how will resettlement implementation be linked to the initiation of civil works, etc.).
- (j) Grievance Redress Mechanisms: The RPF will describe the mechanisms available to affected people for filing complaints and resolving disputes and identify parties responsible for dispute resolution.
- (k) Funding: The RPF will describe the likely arrangements for funding resettlement, including the preparation and review of cost estimates, the flow of funds, and contingency arrangements.
- (l) Consultation: The RPF will describe the mechanisms for consultations with, and participation of persons affected by RoW acquisition and other land acquisition for

project activities. Also, as part of the preparation of the RPF, meaningful consultations must be carried out with a broad array of stakeholders, including government officials, and people who may be the beneficiaries of, and affected by typical program activities. The draft RPF will be circulated to interested parties, and their views and concerns will be taken into account before finalization of the document. The RPF should have an annex containing a record of all such consultations.

(m) Monitoring: The RPF will describe how RPs will be implemented, monitored and evaluated. This should include the monitoring and evaluation (M&E) arrangements in the implementing agency, including frequency of monitoring.

2.0 DESCRIPTION OF PROPOSED PROJECT

2.1 BACKGROUND

The proposed project is comprised of four components: Connectivity Infrastructure, ICT-Led Innovation, E-Transformation and Implementation Support, all to be implemented in each of the above mentioned three Countries over a period of 4-5 years. Financing is expected to include a combination of several sources of financing - World Bank lending, donor grant funding, government own resources and substantial amounts of private sector investment. World Bank financing will be on the basis of an IDA credit (35 year loan, with 10 years grace period, zero interest rate, 0.75% service charge). The lending instrument is an Adaptable Program Loan (APL), which allows countries to join at different points in time, depending on interest and readiness.

Despite the similarity of project components for each recipient country, there is a slight variation in activities in some instances (See World Bank Project Appraisal Report for details). Their administrative mechanisms for implementation are also similar but the individual project costs will be different (See Table 1 for the associated activities and costs). The Project will be implemented in each Country by the Ministry responsible for ICT. The administrative mechanism includes a Project Steering Committee, a Project

Coordinator and the existing Project Coordination Unit (PCU) under the respective Ministries will be responsible for the day-to-day management of the technical and logistical aspects of the project.

Table 2.1: Project component, activities and costs per Island

Project component & activity	Cost per Island (US\$)		
	Grenada	St. Vincent	St. Lucia
1: Connectivity Infrastructure a) <i>Government Broadband Backbone Network</i> b) <i>Internet Exchange Point</i> c) <i>Rural connectivity</i>	5.75m <i>5.5m</i> <i>0.25m</i>	3.25m <i>2.725m</i> <i>0.025m</i> <i>0.5m</i>	2.525m <i>2m</i> <i>0.025m</i> <i>0.5m</i>
2: ICT- Led Innovation a) <i>Technology/Business Incubation Center</i> b) <i>Skills Development and Certification Program</i> c) <i>Venture Capital Fund for IT SMEs</i>	3.75m <i>2m</i> <i>1.5m</i>	2m <i>0.75m</i> <i>0.75m</i> <i>0.5m</i>	1.725m
3: e-Transformation (Largely accommodated under EGRIP)		0m	1m
4: Implementation Support. (a) <i>Establishment and hiring of core Project implementation staff.</i> (b) <i>Logistic support for Ministry and PCU (PCs, office equipment, operating costs, audits, monitoring and evaluation (M&E), and communication support)</i> (c) <i>Development of Project Implementation Manual (PIM)</i>	0.5 m	0.75 m	0.75 m
Total	10m	6m	6m

The above mentioned connectivity infrastructure activities usually involve the construction of buildings and other structures and laying of cables through private property in some instances. At least, some of those activities will quite possibly have to be undertaken on private property within urban centers and rural settlements within the study areas, in which case, the project can be faced with obstructions and other social problems to the extent that acquisition and resettlement of affected persons may be the only feasible options.

2.2 IMPACTS

Although it is not possible to identify the actual impacts until the location of the sites for the respective activities are identified, they will occur in situations where potential sites are within private property in an area where it is likely to restrict existing access to or the use of places of interest to the affected population or they may have to be relocated, particularly if they are likely to be economically or socially disadvantaged by the proposed activity. This situation will require acquisition and resettlement of affected persons. The associated impacts include:

- **Restrictions to the use of or loss of access to places of interest**

This impact can have long lasting effect on the affected persons if public safety regulations and/or protection of facilities during construction and operation render a place of special interest to an individual or community (though it may not mean anything to others) no longer accessible or have restrictions on its future use.

- **loss of assets**

It may be necessary for certain activities to occupy the only assets of a person or persons, in which case some level of resistance can be expected from them. They may also experiences difficulties in coping with such losses.

- **loss of existing sources of income and livelihood**

Acquired properties considered by an individual or community as a source of income and livelihood to them can result in serious problems, particularly if they have to be relocated to areas that are not appreciative either because of poor environmental conditions, limited resources and income generating opportunities or unfriendly neighborhood

- **depreciation of adjacent property value**

Some ICT infrastructure facilities - communication towers and generators for example- may have negative effects on market value of adjacent properties if there is public concern about noise nuisance, radiation and rig fall hazards.

In order to address those problems it is necessary that the Resettlement Plan or Plans (RP) be prepared in accordance with this policy framework and approved by World Bank before land acquisition, compensation or resettlement is done. Preparations should also be made for the RP assignment to commence within two weeks after the identification of specific activities and their locations.

The Resettlement Plans cannot be prepared by project appraisal to address the above mentioned impacts due mainly to the fact that, apart from the complexity of the associated issues, their occurrences will vary in relation to physical characteristics of the respective locations and cultural priorities, they can only be determined after the outstanding details and locations of the activities have been identified.

3.0 PRINCIPLES AND OBJECTIVES GOVERNING RESETTLEMENT PREPARATION AND IMPLEMENTATION

3.1 PRINCIPLES OF THE RESETTLEMENT PROGRAM

The most complicated environmental, economic and social problems likely to occur are those that are associated with the impacts of involuntary resettlement. In this regard the World Bank's OP 4.12 Resettlement Policy together with the relevant resettlement and land acquisition legislations in the respective islands - Grenada, St. Vincent and the Grenadines and St. Lucia are triggered. This policy covers direct economic and social impacts that both result from Bank-assisted investment projects, and impacts caused by the involuntary taking of land resulting in relocation or loss of shelter; loss of assets or access to assets; loss of income sources or means of livelihood, whether or not the affected persons must move to another location. It also addresses impacts on resettled persons and outlines measures required to address those impacts (see Annex A for details).

This policy applies to all components of the project that result in involuntary resettlement, regardless of the source of financing. It also applies to other activities resulting in involuntary resettlement that in the judgment of the Bank are:

- (a) directly and significantly related to the Bank-assisted project,
- (b) necessary to achieve its objectives as set forth in the project documents; and
- (c) carried out, or planned to be carried out, contemporaneously with the project.

The policy also addresses 'Impacts' on resettled persons and outlines 'Required Measures' to address these impacts.

3.2 OBJECTIVES OF THE RESETTLEMENT POLICY

The objectives of the Resettlement Policy are as follows:

- (i) Involuntary resettlement and land acquisition will be avoided where feasible, or minimized, by exploring all viable alternatives.
- (ii) Where involuntary resettlement and land acquisition is unavoidable, resettlement and compensation activities will be conceived and executed as sustainable development programs, providing sufficient investment resources to give the persons displaced by the project the opportunity to share project benefits. Displaced and compensated persons will be meaningfully consulted and will have opportunities to participate in planning and implementing resettlement and compensation programs.
- (iii) Displaced and compensated persons will be assisted in their efforts to improve their livelihoods and standards of living or, at least, to restore them, in real terms, to pre-displacement levels or levels prevailing prior to the beginning of the project implementation, whichever is higher.

4.0 PROCESS OF PREPARING THE RESETTLEMENT PLANS

4.1 GUIDELINES

The process of preparing the Resettlement Plans for the Islands will follow the guidelines of the above mentioned World Bank Resettlement Policy which requires that resettlement and compensation plans must include measures to ensure that displaced persons are:

- (a) informed about their options and rights pertaining to resettlement and compensation.
- (b) consulted on, offered choices among, and provided with technically and economically feasible resettlement and compensation alternatives.
- (c) and provided prompt and effective compensation at full replacement cost for losses of assets and access, attributable to the project.

Adequate Public Consultation and Participation are two mandatory components of the process. Components that ensure that affected persons must be made aware of:

- a. their options and rights pertaining to resettlement and compensation;
- b. specific technically and economically feasible options and alternatives for resettlement sites;
- c. process of and proposed dates for resettlement and compensation;
- d. effective compensation rates at full replacement cost for loss of assets and services; and
- e. proposed measures and costs to maintain or improve their living standards.

4.2 IMPLEMENTING AGENCIES

The project is expected to be implemented by the Ministry of Housing in each of the three countries. A Resettlement Specialist should be employed to work along with the Project Management Team which should include the Project Coordinator and Officials from the respective Physical Planning Units (see ESMF Report). His/her primary

responsibility would include, among other things, monitoring the implementation of both the RPF and the RPs, evaluation and ensuring that appropriate actions are taken to address potential resettlement problems.

Their first activity after the approval of the Resettlement Policy Framework (RPF) will be the preparation of Resettlement Plans (RPs) that include the necessary actions to address potential social impacts for each activity that requires land acquisition and resettlement. A participatory approach should be taken in accomplishing this task. It is the best way of ensuring a successful completion and acceptance of the RPs.

4.3 SCREENING AND REVIEW PROCESS

Screening is an important part of the resettlement and compensation planning process. The main purpose is to identify resettlement issues associated with each activity and the respective locations (see Annex B for screening form sample). This screening activity should be undertaken at the initial stage of the process.

4.4 SOCIO-ECONOMIC CENSUS

The next step of the process is the preparation of the RP by the Specialist. The initial activity would be a socio-economic survey (see Annex B for sample of survey form) to identify;

- persons who will be affected by the sub-projects,
- persons eligible for compensation and/or assistance and,
- type of compensation and assistance and/or assistance needed.

On completion, the RP will be submitted to the Project Management Committee for approval following which it will be forwarded to the Bank.

5.0 AFFECTED POPULATION

5.1 ESTIMATED POPULATION AND CATEGORIES OF DISPLACED PERSONS

It is quite obvious that the Project will have both positive and negative impacts on people in each of the participating islands. It is reasonable to assume that while it will have positive impacts on a large majority of the population, only a limited number of persons are likely to be negatively impacted on by certain activities of the project. The issue of concern here is to provide an estimation of the latter and the likely categories of displaced persons. However, the fact that the sites where the respective activities have to be located are currently unknown makes it very difficult to provide a reasonable estimate of such persons.

Although all of the activities have the potential to affect all categories of people in the respective locations (whether categorized by race, religion, gender, age, economic status, land tenure or other), only the activities that require resettlement are considered to have the potential of causing serious displacement problems. In any event, the disabled, poor and destitute persons are most likely to be seriously affected. They are usually considered to be within the vulnerable category of persons in the island and special provisions are often made to ensure that they receive the necessary assistance. Their population concerns and needs will be determined by the above mentioned census and site analysis.

6.0 ELIGIBILITY

6.1 ELIGIBILITY CRITERIA OF DISPLACED PERSONS FOR COMPENSATION

Like the above, any individual, household or community affected by the Project Activities may very well be eligible for compensation and other resettlement assistance depending on land tenure status and nature of impact. Land tenure /settlements in the islands within the study area are usually considered to be comprised of the following three categories similar to that of the World Bank: Formal, Semi-formal and Informal (see Annex A). The compensation recommended for each category are presented in

Table 6.1, followed by Table 6.1.1: a comparison of the compensation entitlement between the three islands and those recommended by the World Bank (OP4.12).

Table 6.1: Eligibility criteria of displaced persons and compensation recommended

Category	Definition	Compensation recommended
Formal	Persons with formal rights to land (including customary and statutory rights of occupancy recognized under the Laws of each respective country)	Compensation for land and assets lost, and other assistance in accordance with the policy.
Semi-formal	Those who do not have formal legal rights to land at the time the census begins but have a claim to such land or assets provided that such claims are recognized under the laws of each respective RCIP country or become recognized through a process identified in the resettlement and compensation plan	Compensation for land and assets lost, and other assistance in accordance with the policy
Informal	Those who have no claim to land they are occupying or using	Resettlement assistance in lieu of compensation for the land they occupy or use and compensation for assets lost

Table 6.1.1: Comparison of Local compensation laws and World Bank OP4.12

Category of PAPS/Type of Lost Assets	Compensation entitlement in Grenada, St. Vincent and the Grenadines and St. Lucia	World Bank OP 4.12
Formal Settlements / Land owners	Cash compensation, based upon market value. No land –for land- compensation in legislation, but occurs in practice on a case by case basis	Recommends land –for –land compensation. Other compensation is at replacement cost.
Semi- Formal Land Tenants Land users	Entitled to compensation based upon the amount of rights they hold upon land under relevant laws. Land users are provided with secure tenure under the land tenure law if the persons are using the land for personal income, and ownership is evident and permanent. Where a person uses land for twelve (12) consecutive years without a dispute entitles him the right equivalent to ownership. In other cases land users not entitled to compensation for land, entitled to compensation for crops and any other economic assets	Are entitled to some form of compensation whatever the legal recognition of their occupancy Entitled to compensation for crops, may be entitled to replacement land and income must be restored to pre-project levels
Informal settlements Owners of Squatters “Non permanent” Buildings	Cash compensation based on market value or entitled to new housing on authorized land under government (State or local) housing programs	Entitled to in-kind compensation or cash compensation at full replacement cost including labour and relocating expenses, prior to displacement
Owners of “permanent” buildings	Cash compensation is set by the tribunal, based on the total market value of the building. In some cases, other conventional compensations are allowed.	Entitled to in-kind compensation or cash compensation at full replacement cost including labour and relocation expenses, prior to displacement
Perennial crops	Cash compensation based upon market rates calculated as an average net agricultural income.	Entitled to in-kind compensation or cash compensation at full replacement cost including labour and relocating expenses, prior to displacement

6.2 CUT-OFF DATES

The relevant cut-off dates for determining the eligibility of displaced persons for compensation can best be defined at the time of completion of the socio-economic study after the sub-project sites have been identified. Persons who occupy the area thereafter would not be eligible for compensation or any form of resettlement assistance. Those dates will be set by the Project Management Committee as part of its implementation program, after consultations with affected persons and other stakeholders.

7.0 LEGAL FRAMEWORKS

7.1 RELEVANT LEGISLATION

There are several pieces of legislation in each of the three islands that have some relationship to Resettlement. However, the most relevant are the Land Acquisition Acts, The Land Settlement Act, Compensation and the Acts dealing with Land Development. The latter also includes provision for addressing most resettlement issues covered under the various other legislations. They are catered for in its wide ranging definition of Development being any activity in, on, over or under the land. Details of the most relevant pieces of legislation and their relationships to resettlement are presented in the following Tables (see Annex B,C and D for more details).

Table 7.1: Grenada's Relevant Resettlement Legislation

Relevant legislations	Functional Relationship to Resettlement
The Land Acquisition Act of 1945 and the Land Acquisition (Amendment) Act 16 of 1991	Provides for the acquisition of land for public benefit. The government has the powers under this Act to acquire land for projects, which are intended to benefit the general public. The sub-projects requiring resettlement are under the provision of this Act.
The land settlement Act (CAP 161) of 1933	Provides for the absolute proprietorship over land (exclusive rights). Such land can be acquired by the State under the Land Acquisition Act
Compensation (land , rates of labour, buildings and structures, Sacred Sites, Horticultural, Floricultural and Fruit trees, crops,	A person interested in any land which, without any portion thereof being compulsorily acquired, has been injuriously affected by the erection or construction on land compulsorily acquired of any works in respect of which the land was acquired, shall be entitled to compensation in respect of such injurious affection.
The Physical Planning and Development Control Act, No 25, of 2002	The Act requires that all lands intended for any development (resettlement or other) must first obtain planning and development approval.

Table 7.2: St Vincent and the Grenadines' Relevant Resettlement legislation

Relevant legislations	Functional Relationship to Resettlement
The Land Acquisition Act and Chapter 241 Laws of St. Vincent and the Grenadines	Provides for the acquisition of land for public benefit. The government has the powers under this Act to acquire land for projects, which are intended to benefit the general public. The sub-projects requiring resettlement are under the provision of this Act.
The Land Settlement and Development Act Chapter 242 Laws of St. Vincent and the Grenadines	Provides for the absolute proprietorship over land (exclusive rights). Such land can be acquired by the State under the Land Acquisition Act
Compensation (land , rates of labour, buildings and structures, Sacred Sites, Horticultural, Floricultural and Fruit trees, crops,	A person interested in any land which, without any portion thereof being compulsorily acquired, has been injuriously affected by the erection or construction on land compulsorily acquired of any works in respect of which the land was acquired, shall be entitled to prompt compensation in respect of such injurious affection.
Town and Country Planning Act, 45 of 1992and The Town and Country Planning Regulations 2000	The Act requires that all lands intended for any development (resettlement or other) must first obtain planning and development approval.

Table 7.3: St. Lucia's Relevant Resettlement Legislation

Relevant legislations	Functional Relationship to Resettlement
Land Acquisition Act established in 1946	Provides for the acquisition of land for public benefit. The government has the powers under this Act to acquire land for projects, which are intended to benefit the general public. The sub-projects requiring resettlement are under the provision of this Act.
Compensation (land , rates of labour, buildings and structures, Sacred Sites, Horticultural, Floricultural and Fruit trees, crops,	A person interested in any land which, without any portion thereof being compulsorily acquired, has been injuriously affected by the erection or construction on land compulsorily acquired of any works in respect of which the land was acquired, shall be entitled to compensation in respect of such injurious affection.
The Physical Planning and Development Act(revised December 31 2005)	The Act states that all land intended for any development (resettlement or other) requires planning and development permission.

8. 0 AFFECTED ASSETS VALUATION

8.1 METHOD OF VALUING AFFECTED ASSETS

The above mentioned Land Acquisition Acts in each of the recipient islands describes the methods of valuating lands acquired for public use. The process begins with the Governor General appointing the relevant authorized officer (the head of the Land Surveying Department or a competent officer who is involved in Land Valuation or

other) to prepare the relevant instruments and guidance necessary for the state to acquire the specified property in accordance with the provisions of the Acts (see Annex C).

The authorized officer then conducts a formal valuation of the property based on current market value. In the case of loss of assets, the replacement cost is usually applied and where the property is leased from the state, the physical investment, plus the expected income streams up to the end of the life of the lease is valued. Provisions are also made for engagement of affected persons, transparency and appeals.

Despite the occurrence of minor issues in some instances, this method has been working well. Therefore there is no reason why it should not be used for the Project. The first step after the sub-project sites are identified, should be a review of the provisions in the Acts to determine their relevance to the specific situation. They should be compared with OP 4.12 and wherever necessary the appropriate guidelines should be applied.

The intension is to ensure that affected persons do not end up being in a worse-off position than they were before the Project intervention. In which case, all the impact related elements should be valued and compensated for. In the case of an agricultural investment, crop farming for example, apart from the replacement cost (labor, planting materials etc.) a determination should be made on the potential losses during the period of transition. The agricultural department should be consulted for assistance with this issue.

The replacement cost that can be applied for agricultural land 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,
- 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.

9.0 DELIVERY OF COMPANSATION

9.1 COMPENSATION PROCEDURES

The procedures for the delivery of compensation and other entitlements to the POPs should include relevant elements of existing procedures used in each of the recipient islands and World Bank Policies (obtained from initial survey). It should involve the following three elements:

9.1.1 Stakeholder participation

The intension here is to establish a procedure that will ensure that all the relevant compensation issues are appropriately addressed and decisions are the product of genuine stakeholder (PAP and other interested persons and organizations) participation.

9.1.2 Public awareness

It is absolutely necessary that every affected person must become fully aware of the relevant compensation details including what is required of him/her. In this regard, he/she should be given copies of the relevant documents and be informed accordingly.

9.1.3 Compensation payment arrangements

In order to avoid unnecessary problems, the Project Coordinator with the assistance of the Resettlement Specialist will have to meet with the affected persons and other interested parties to determine, among other things, whether it is necessary to establish sub-committees to assist with the drafting of arrangements for and payment of compensation and other entitlements. If required, they will then establish the roles and responsibilities of those committees and make the arrangement for their appointment.

The Project Coordinator would then have to submit the findings to this Project Steering Committee for approval and requisite appointments. Following this, the Resettlement Specialist would have to, after due participation and consultation with all concerned, establish a PAP registration system with adequate provisions for recording all relevant data including documentations and signature of compensation payment agreements and other administrative decisions.

10.0 RPF IMPLEMENTATION PROCESS

10.1 IMPLEMENTATION ARRANGEMENTS

The RPs implementation process (as defined in the Scope of Works) is concerned with arrangements for the implementation of the RPs and compensation and the linkage between resettlement implementation and the initiation of civil works. A description of the above are as follows:

10.1.1 Resettlement action plans

The implementation of the Resettlement Plans will involve the following activities:

- a) Preliminary surveys to establish the sub-project study area and identify potential issues of concern.
- b) Finalise census design and implementation arrangements to capture relevant information about POPs (their entitlements regarding compensation, resettlement and rehabilitation assistance, income earning activities). Census and compensation cut-off dates should also be establishment at this stage.
- c) Census implementation.
- d) Preparation of inventory of potential losses, and a budget to cater for compensation, resettlement, and other assistance, together with a time phased action plan

Following the completion of the census, the Project Coordinator with the assistance of the Resettlement Specialist, shall ensure that a comprehensive Resettlement Plan is

prepared for each project activity that triggers resettlement. It may be necessary to employ a private consultant to assist with the activity. In cases of involuntary resettlement, approval of the new pieces of land to be used for resettlement shall be sought from the Government in consultation with local communities and affected individuals.

These RPs will have to be submitted to the Bank for approval before any land acquisition, compensation, resettlement or any other impact on livelihood occurs. This serves to ensure that displacement or restriction to access does not occur before necessary measures for resettlement and compensation are in place. The RPs should include the following:

1. Description and Mapping of Study Areas
2. Identification of PAPs and their Affected Assets
3. Surveys and analysis of Socioeconomic condition of the POPs
4. Consultation with PAPs and other stakeholders about associated assistance, benefits and development opportunities

10.1.2 Payments

Unless otherwise agreed by the relevant authority, all payments of compensation, resettlement assistance and rehabilitation assistance, as the case may be, shall be made in the usual manner established by Government for such activities. All acquisition and resettlement related payments must be completed as a precondition for the occupation of lands and commencement of project related civil works.

10.1.3 Timeframes

The following is a preliminary timeframe for the key elements of the implementation process of the RPs. Comprehensive time frames will have to be drawn up through stakeholder consultation and participation and then approved by the relevant authorities. Consultation and participation are most important components of the process. However, the allocated time for this activity will depend on the nature and extent of the resettlement and affected assets which are not yet identified. The

preliminary timeframe for the key elements (the Inventory, the Resettlement Plan and civil works) are:

- the Inventory shall be completed at most four months prior to the commencement of work;
- the Resettlement Plan shall be submitted to implementing agency for approval immediately after completion of inventory;
- civil works shall commence after compensation, resettlement and rehabilitation activities have been effected.

10.1.4 Method of linking resettlement implementation to civil works initiation

The strong linkage between resettlement implementation and civil works initiation has been already established. However in order to avoid controversy, resettlement plans must be implemented and affected persons fully compensated before the commencement of civil works. Project management will have to ensure that:

- 1) Displacement activities involving land acquisition or loss, denial or restriction to access of resources should not be undertaken before provisions are made for compensation, provision of resettlement sites with adequate facilities and other assistance required for relocation.
- 2) Land and related assets should not be taken away from POPs before compensation has been paid and resettlement sites and moving allowances have been provided to them.
- 3) Measures included in the respective RPs to address problems resulting from project activities that require relocation or will result in loss of shelter are required to be implemented accordingly.

The implementation schedule of each RP must include resettlement and compensation details which must include the following:

- target dates for start and completion of civil works,
- timetables for transfers of completed civil works to PAPs,
- dates of possession of land that PAPs are using (this date must be after transfer date for completed civil works to PAPs and for payments of all compensation) and;
- the link between RAP activities to the implementation of the overall sub project.

11.0 GRIEVANCE REDRESS MECHANISMS

11.1 DISPUTE RESOLUTION MECHANISM

The dispute resolution mechanism in the respective countries are similarly defined in the above mentioned Land Acquisition Acts. According to those Acts, persons who are dissatisfied with the decision of the authorized officer would have to refer the matter to the court for redress. This procedure is costly. It can also be very lengthy and frustrating. In which case affected persons may be easily driven to taking any other possible action (even if it may result in cancelation of the project) to address the matter.

In order to avoid this problem, the dispute resolution mechanism recommended for the Project shall be in accordance with provision made in the above mentioned Land Acquisition Acts in each of the recipient countries for the redress of grievances from displaced persons whose usual place of occupancy have been disrupted through compulsory acquisition. However, it includes a Government appointed Appeals Board (similar to the ones dealing with land development refusals in each of the three countries) for this purpose, leaving the court as the very last resort.

11.1.1 Grievances address procedure

Grievances shall be addressed by the Project Steering Committee (PSC) which will include representatives of PAP's. All grievance shall be made in writing, and addressed to the Project Coordinator and copied to the relevant authority of the respective

countries as defined in the Act. Grievances will be addressed by the PSC during the verification and appraisal process. If a grievance is not resolved at this level, that particular activity shall not be allowed to proceed until the matter is resolved. The procedure for handling grievances will begin with consultation and the participatory process indicated above which is also provided for in the Acts. It shall be as follows:

- 1) Affected persons should file his /her grievance in writing, to the Project Steering Committee. The grievance note should be signed and dated by the aggrieved person..
- 2) The Project Steering Committee should acknowledge within 5 working days, receipt of the complaint and should include notification of the period necessary to address the grievance.
- 3) If the aggrieved person does not receive a response within the agreed time or is not satisfied with the outcome, he/she can refer the matter to the Appeals Board for redress.
- 4) The Appeals Board should acknowledge within 10 working days, receipt of the letter of appeal and should include notification of the period necessary to address the appeal
- 5) If the aggrieved person does not receive a response within the agreed time, or is not satisfied with the outcome he/she can refer the matter to the responsible Minister for redress.
- 6) If the aggrieved person is not satisfied with the outcome he/she can refer the matter to the Court of Law for redress.

12 SOURCE OF FUNDING

12.1 RESETTLEMENT BUDGET

The estimated budget for the total costs of resettlement that may be associated with the implementation of the RCIP will be provided when the locations of subprojects and the number of PAPs have been identified. However, activities for individual RPs for subprojects is expected to be funded through activity eligible under the RCIP. Funding will be processed and effected through the programmer's financial processing arrangements. Funds for implementing inventory assessments and resettlement action plans will be provided by the implementing agency. In general, the cost burden of compensation will be included in the loan budget for RAs undertaken in each of the RCIP countries.

The RP for a sub-project would include an itemized, indicative budget and the implementing agency will finance this budget through the administrative and financial management rules and manuals like any other activity eligible for payment under the RCIP. This budget will be subject to the approval by the implementing agency. The implementing agency will have to finance the resettlement compensation because they will be impacting on the people's livelihoods. Disbursements based on budgetary requirements established by the RAs in consultation with PAPs and other interested parties, will be made through the relevant Administration.

13.0 CONSULTATION

13.1 NOTIFICATION PROCEDURE

The resettlement and compensation, like other components of the project, will be implemented through a participation and consultation process. In order to facilitate this the Project shall by public notice, and publicly announced in the media (Daily newspapers, National Television, National Broadcasting Radios), notify the public of its intention to acquire land earmarked for the project. The notice shall state:

- a) government's proposal to acquire the land

- b) the public purpose for which the land is needed
- c) that the proposal or plan may be inspected during working hours
- d) that any person affected may, by written notice, object to the transaction giving reasons for doing so, to the Project Management Committee and copied to the relevant authority within 14 days of the first public announcement or appearance of the notice. Assurances must be made that affected persons have actually received this information and notification.

13.2 PUBLIC CONSULTATION MECHANISM

Public consultation and participation provide the best opportunity for informing the POPs and other stakeholders about the proposed project. They also providing an opportunity for people to present their views and values and allowing consideration and discussion of sensitive social mitigation measures and trade-offs, as well as affording the PAPs an opportunity to contribute to both the design and implementation of the program activities, while at the same time creating a sense of ownership for the project. In so doing, the likelihood for conflicts between and among the affected and with the management committees will be reduced.

Particular attention shall therefore be paid to public consultation with PAPs, households and homesteads (including host communities) when resettlement and compensation concerns are involved. As a matter of strategy, public consultation shall be an on-going activity taking place during the:

- project inception and planning
- screening process
- feasibility study,
- preparation of project designs
- resettlement and compensation planning
- drafting and reading/signing of the compensation contracts.
- payment of compensations
- resettlement activities and
- implementation of after-project community support activities

Public consultation and participation shall take place through local meetings, radio and television programmes, request for written proposals/comments, completion of questionnaires/application forms, public readings and explanations of the project ideas and requirements.

14.0 MONITORING AND EVALUATION ARRANGEMENTS

The main objective here is to ensure that the PAPs are not disadvantaged in any way and if possible they are better off than before. In order to achieve this objective it is necessary that they are directly involved in the monitoring and evaluation process. The arrangements for monitoring the resettlement and compensation activities is part the overall monitoring programme of the entire RCIP, which will fall under the overall responsibility of the respective Project Management Committee. It will, with support from the Resettlement Specialist, will institute an administrative reporting system that:

- a) alerts project authorities on the necessity and procedures for land acquisition for the project activities and the need to incorporate land acquisition, resettlement, loss of assets and impact on livelihood provisions in the design technical specifications and budgets;
- b) provides timely information about the asset valuation and negotiation process,
- c) maintains records of any grievances that require resolution, and
- d) documents timely completion of project resettlement obligations (i.e. payment of the agreed-upon sums, construction of new structures, etc.) for all permanent and temporary losses, as well as unanticipated, additional construction damage.
- e) updates the database with respect to changes that occur on the ground as resettlement and compensation activities are being implemented

Periodic evaluations will be done in order to determine whether the PAPs have been paid in full and before implementation of the sub-project activities; and whether the PAPs enjoy the same or higher standard of living than before.

14.1. Monitoring Principles

A monitoring and evaluation plan of the mitigation measures will be established by the Project Management. 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; and
- frequency of reporting and content for external monitoring and process for integrating feedback from external monitoring into implementation.

14.2 Internal Monitoring

Internal monitoring will be conducted by the respective Project Management. The affected communities are expected to conduct their own monitoring based on their involvement in the process and their expectations and agreements.

14.3. External Monitoring and Evaluation

External monitoring is expected to be conducted by the World Bank through its supervision missions. Quarterly PSIPMU progress reports will include a section on progress made regarding mitigation of adverse social impacts.

ANNEX A: WORLD BANK SAFEGUARD POLICY OP 4.12

OP 4.12 - Involuntary Resettlement

These policies were prepared for use by World Bank staff and are not necessarily a complete treatment of the subject.

OP 4.12
December, 2001

This Operational Policy statement was updated in February 2011 to clarify the use of Use of Escrow Accounts in order to Help Reduce Delays in Implementation of Resettlement, and Clarification of Funding of Grievance Mechanisms. It was previously revised in March 2007 to reflect the issuance of [OP/BP 8.00, Rapid Response to Crises and Emergencies](#), and in August 2004 to ensure consistency with the requirements of [OP/BP 8.60](#). Questions on this policy may be addressed to [OPCS Quality Assurance and Compliance \(OPCQC\)](#).

Note: OP and [BP 4.12](#) together replace OD 4.30, *Involuntary Resettlement*. These OP and BP apply to all projects for which a Project Concept Review takes place on or after January 1, 2002. Questions may be addressed to the Director, [Social Development Department \(SDV\)](#).

Revised February 2011

1. Bank¹ experience indicates that involuntary resettlement under development projects, if unmitigated, often gives rise to severe economic, social, and environmental risks: production systems are dismantled; people face impoverishment when their productive assets or income sources are lost; people are relocated to environments where their productive skills may be less applicable and the competition for resources greater; community institutions and social networks are weakened; kin groups are dispersed; and cultural identity, traditional authority, and the potential for mutual help are diminished or lost. This policy includes safeguards to address and mitigate these impoverishment risks.

Policy Objectives

2. Involuntary resettlement may cause severe long-term hardship, impoverishment, and environmental damage unless appropriate measures are carefully planned and carried out. For these reasons, the overall objectives of the Bank's policy on involuntary resettlement are the following:

(a) Involuntary resettlement should be avoided where feasible, or minimized, exploring all viable alternative project designs.²

(b) Where it is not feasible to avoid resettlement, resettlement activities should be conceived and executed as sustainable development programs, providing sufficient investment resources to enable the persons displaced by the project to share in project benefits. Displaced persons³ should be meaningfully consulted and should have opportunities to participate in planning and implementing resettlement programs.

(c) Displaced persons should be assisted in their efforts to improve their livelihoods and standards of living or at least to restore them, in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher.⁴

Impacts Covered

3. This policy covers direct economic and social impacts⁵ that both result from Bank-assisted investment projects,⁶ and are caused by

(a) the involuntary⁷ taking of land⁸ resulting in

(i) relocation or loss of shelter;

(ii) lost of assets or access to assets; or

(iii) loss of income sources or means of livelihood, whether or not the affected persons must move to another location; or

(b) the involuntary restriction of access⁹ to legally designated parks and protected areas resulting in adverse impacts on the livelihoods of the displaced persons.

4. This policy applies to all components of the project that result in involuntary resettlement, regardless of the source of financing. It also applies to other activities resulting in involuntary resettlement, that in the judgment of the Bank, are

(a) directly and significantly related to the Bank-assisted project,

(b) necessary to achieve its objectives as set forth in the project documents; and

(c) carried out, or planned to be carried out, contemporaneously with the project.

5. Requests for guidance on the application and scope of this policy should be addressed to the Resettlement Committee (see [BP 4.12, para. 7](#)).¹⁰

Required Measures

6. To address the impacts covered under para. 3 (a) of this policy, the borrower prepares a resettlement plan or a resettlement policy framework (see paras. 25-30) that covers the following:

(a) The resettlement plan or resettlement policy framework includes measures to ensure that the displaced persons are

(i) informed about their options and rights pertaining to resettlement;

(ii) consulted on, offered choices among, and provided with technically and economically feasible resettlement alternatives; and

(iii) provided prompt and effective compensation at full replacement cost¹¹ for losses of assets¹² attributable directly to the project.

(b) If the impacts include physical relocation, the resettlement plan or resettlement policy framework includes measures to ensure that the displaced persons are

(i) provided assistance (such as moving allowances) during relocation; and

(ii) provided with residential housing, or housing sites, or, as required, agricultural sites for which a combination of productive potential, locational advantages, and other factors is at least equivalent to the advantages of the old site.¹³

(c) Where necessary to achieve the objectives of the policy, the resettlement plan or resettlement policy framework also include measures to ensure that displaced persons are

(i) offered support after displacement, for a transition period, based on a reasonable estimate of the time likely to be needed to restore their livelihood and standards of living;¹⁴ and

(ii) provided with development assistance in addition to compensation measures described in paragraph 6(a);

(iii) such as land preparation, credit facilities, training, or job opportunities.

7. In projects involving involuntary restriction of access to legally designated parks and protected areas (see para. 3(b)), the nature of restrictions, as well as the type of measures necessary to mitigate adverse impacts, is determined with the participation of the displaced persons during the design and implementation of the project. In such cases, the borrower prepares a process framework acceptable to the Bank, describing the participatory process by which

(a) specific components of the project will be prepared and implemented;

(b) the criteria for eligibility of displaced persons will be determined;

(c) measures to assist the displaced persons in their efforts to improve their livelihoods, or at least to restore them, in real terms, while maintaining the sustainability of the park or protected area, will be identified; and

(d) potential conflicts involving displaced persons will be resolved.

The process framework also includes a description of the arrangements for implementing and monitoring the process.

8. To achieve the objectives of this policy, particular attention is paid to the needs of vulnerable groups among those displaced, especially those below the poverty line, the landless, the elderly, women and children, indigenous peoples,¹⁵ ethnic minorities, or other displaced persons who may not be protected through national land compensation legislation.

9. Bank experience has shown that resettlement of indigenous peoples with traditional land-based modes of production is particularly complex and may have significant adverse impacts on their identity and cultural survival. For this reason, the Bank satisfies itself that the borrower has explored all viable alternative project designs to avoid physical displacement of these groups. When it is not feasible to avoid such displacement, preference is given to land-based resettlement strategies for these groups (see para. 11) that are compatible with their cultural preferences and are prepared in consultation with them (see [Annex A, para. 11](#)).

10. The implementation of resettlement activities is linked to the implementation of the investment component of the project to ensure that displacement or restriction of access does not occur before necessary measures for resettlement are in place. For impacts covered in para. 3(a) of this policy, these measures include provision of compensation and of other assistance required for relocation, prior to displacement, and preparation and provision of resettlement sites with adequate facilities, where required. In particular, taking of land and related assets may take place only after compensation has been paid and, where applicable, resettlement sites and moving allowances have been provided to the displaced persons. For impacts covered in para. 3(b) of this policy, the measures to assist the displaced persons are implemented in accordance with the plan of action as part of the project (see para. 30).¹⁶

11. Preference should be given to land-based resettlement strategies for displaced persons whose livelihoods are land-based. These strategies may include resettlement on public land (see footnote 1 above), or on private land acquired or purchased for resettlement. Whenever replacement land is offered, resettlers are provided with land for which a combination of productive potential, locational advantages, and other factors is at least equivalent to the advantages of the land taken. If land is not the preferred option of the displaced persons, the provision of land would adversely affect the sustainability of a park or protected area,¹⁷ or sufficient land is not available at a reasonable price, non-land-based options built around opportunities for employment or self-employment should be provided in addition to cash compensation for land and other assets lost. The lack of adequate land must be demonstrated and documented to the satisfaction of the Bank.

12. Payment of cash compensation for lost assets may be appropriate where (a) livelihoods are land-based but the land taken for the project is a small fraction¹⁸ of the affected asset and the residual is economically viable; (b) active markets for land, housing, and labor exist, displaced persons use such markets, and there is sufficient supply of land and housing; or (c) livelihoods are not land-based. Cash compensation levels should be sufficient to replace the lost land and other assets at full replacement cost in local markets.

13. For impacts covered under para. 3(a) of this policy, the Bank also requires the following:

(a) Displaced persons and their communities, and any host communities receiving them, are provided timely and relevant information, consulted on resettlement options, and offered opportunities to participate in planning, implementing, and monitoring resettlement. Appropriate and accessible grievance mechanisms are established for these groups.

(b) In new resettlement sites or host communities, infrastructure and public services are provided as necessary to improve, restore, or maintain accessibility and levels of service for the displaced persons and host communities. Alternative or similar resources are provided to compensate for the loss of access to community resources (such as fishing areas, grazing areas, fuel, or fodder).

(c) Patterns of community organization appropriate to the new circumstances are based on choices made by the displaced persons. To the extent possible, the existing social and cultural institutions of resettlers and any host communities are preserved and resettlers' preferences with respect to relocating in preexisting communities and groups are honored.

Eligibility for Benefits¹⁹

14. Upon identification of the need for involuntary resettlement in a project, the borrower carries out a census to identify the persons who will be affected by the project (see the [Annex A, para. 6\(a\)](#)), to determine who will be eligible for assistance, and to discourage inflow of people ineligible for assistance. The borrower also develops a procedure, satisfactory to the Bank, for establishing the criteria by which displaced persons will be deemed eligible for compensation and other resettlement assistance. The procedure includes provisions for meaningful consultations with affected persons and communities, local authorities, and, as appropriate, nongovernmental organizations (NGOs), and it specifies grievance mechanisms.

15. *Criteria for Eligibility.* Displaced persons may be classified in one of the following three groups:

(a) those who have formal legal rights to land (including customary and traditional rights recognized under the laws of the country);

(b) those who do not have formal legal rights to land at the time the census begins but have a claim to such land or assets--provided that such claims are recognized under the laws of the country or become recognized through a process identified in the resettlement plan (see [Annex A, para. 7\(f\)](#)); and²⁰

(c) those who have no recognizable legal right or claim to the land they are occupying.

16. Persons covered under para. 15(a) and (b) are provided compensation for the land they lose, and other assistance in accordance with para. 6. Persons covered under para. 15(c) are provided resettlement assistance²¹ in lieu of compensation for the land they occupy, and other assistance, as necessary, to achieve the objectives set out in this policy, if they occupy the project area prior to a cut-off date established by the borrower and acceptable to the Bank.²² Persons who encroach on the area after the cut-off date are not entitled to compensation or any other form of resettlement assistance. All persons included in para. 15(a), (b), or (c) are provided compensation for loss of assets other than land.

Resettlement Planning, Implementation, and Monitoring

17. To achieve the objectives of this policy, different planning instruments are used, depending on the type of project:

(a) a resettlement plan or abbreviated resettlement plan is required for all operations that entail involuntary resettlement unless otherwise specified (see para. 25 and [Annex A](#));

(b) a resettlement policy framework is required for operations referred to in paras. 26-30 that may entail involuntary resettlement, unless otherwise specified (see [Annex A](#); and

(c) a process framework is prepared for projects involving restriction of access in accordance with para. 3(b) (see para.

31).

18. The borrower is responsible for preparing, implementing, and monitoring a resettlement plan, a resettlement policy framework, or a process framework (the "resettlement instruments"), as appropriate, that conform to this policy. The resettlement instrument presents a strategy for achieving the objectives of the policy and covers all aspects of the proposed resettlement. Borrower commitment to, and capacity for, undertaking successful resettlement is a key determinant of Bank involvement in a project.

19. Resettlement planning includes early screening, scoping of key issues, the choice of resettlement instrument, and the information required to prepare the resettlement component or subcomponent. The scope and level of detail of the resettlement instruments vary with the magnitude and complexity of resettlement. In preparing the resettlement component, the borrower draws on appropriate social, technical, and legal expertise and on relevant community-based organizations and NGOs.²³ The borrower informs potentially displaced persons at an early stage about the resettlement aspects of the project and takes their views into account in project design.

20. The full costs of resettlement activities necessary to achieve the objectives of the project are included in the total costs of the project. The costs of resettlement, like the costs of other project activities, are treated as a charge against the economic benefits of the project; and any net benefits to resettlers (as compared to the "without-project" circumstances) are added to the benefits stream of the project. Resettlement components or free-standing resettlement projects need not be economically viable on their own, but they should be cost-effective.

21. The borrower ensures that the Project Implementation Plan is fully consistent with the resettlement instrument.

22. As a condition of appraisal of projects involving resettlement, the borrower provides the Bank with the relevant draft resettlement instrument which conforms to this policy, and makes it available at a place accessible to displaced persons and local NGOs, in a form, manner, and language that are understandable to them. Once the Bank accepts this instrument as providing an adequate basis for project appraisal, the Bank makes it available to the public through its InfoShop. After the Bank has approved the final resettlement instrument, the Bank and the borrower disclose it again in the same manner.²⁴

23. The borrower's obligations to carry out the resettlement instrument and to keep the Bank informed of implementation progress are provided for in the legal agreements for the project.

24. The borrower is responsible for adequate monitoring and evaluation of the activities set forth in the resettlement instrument. The Bank regularly supervises resettlement implementation to determine compliance with the resettlement instrument. Upon completion of the project, the borrower undertakes an assessment to determine whether the objectives of the resettlement instrument have been achieved. The assessment takes into account the baseline conditions and the results of resettlement monitoring. If the assessment reveals that these objectives may not be realized, the borrower should propose follow-up measures that may serve as the basis for continued Bank supervision, as the Bank deems appropriate (see also [BP 4.12, para. 16](#)).

Resettlement Instruments

Resettlement Plan

25. A draft resettlement plan that conforms to this policy is a condition of appraisal (see [Annex A, paras. 2-21](#)) for projects referred to in para. 17(a) above.²⁵ However, where impacts on the entire displaced population are minor,²⁶ or fewer than 200 people are displaced, an abbreviated resettlement plan may be agreed with the borrower (see [Annex A, para. 22](#)). The information disclosure procedures set forth in para. 22 apply.

Resettlement Policy Framework

26. For sector investment operations that may involve involuntary resettlement, the Bank requires that the project implementing agency screen subprojects to be financed by the Bank to ensure their consistency with this OP. For these operations, the borrower submits, prior to appraisal, a resettlement policy framework that conforms to this policy (see [Annex A, paras. 23-25](#)). The framework also estimates, to the extent feasible, the total population to be displaced and the overall resettlement costs.

27. For financial intermediary operations that may involve involuntary resettlement, the Bank requires that the financial intermediary (FI) screen subprojects to be financed by the Bank to ensure their consistency with this OP. For these operations, the Bank requires that before appraisal the borrower or the FI submit to the Bank a resettlement policy framework conforming to this policy (see [Annex A, paras. 23-25](#)). In addition, the framework includes an assessment of the institutional capacity and procedures of each of the FIs that will be responsible for subproject financing. When, in the assessment of the Bank, no resettlement is envisaged in the subprojects to be financed by the FI, a resettlement policy framework is not required. Instead, the legal agreements specify the obligation of the FIs to obtain from the potential subborrowers a resettlement plan consistent with this policy if a subproject gives rise to resettlement. For all subprojects involving resettlement, the resettlement plan is provided to the Bank for approval before the subproject is accepted for Bank financing.

28. For other Bank-assisted project with multiple subprojects²⁷ that may involve involuntary resettlement, the Bank requires that a draft resettlement plan conforming to this policy be submitted to the Bank before appraisal of the project unless, because of the nature and design of the project or of a specific subproject or subprojects (a) the zone of impact of subprojects cannot be determined, or (b) the zone of impact is known but precise sitting alignments cannot be determined. In such cases, the borrower submits a resettlement policy framework consistent with this policy prior to appraisal (see [Annex A, paras. 23-25](#)). For other subprojects that do not fall within the above criteria, a resettlement plan conforming to this policy is required prior to appraisal.

29. For each subproject included in a project described in para. 26, 27, or 28 that may involve resettlement, the Bank requires that a satisfactory resettlement plan or an abbreviated resettlement plan that is consistent with the provisions of the policy framework be submitted to the Bank for approval before the subproject is accepted for Bank financing.

30. For projects described in paras. 26-28 above, the Bank may agree, in writing, that subproject resettlement plans may be approved by the project implementing agency or a responsible government agency or financial intermediary without prior Bank review, if that agency has demonstrated adequate institutional capacity to review resettlement plans and ensure their consistency with this policy. Any such delegation, and appropriate remedies for the entity's approval of resettlement plans found not to be in compliance with Bank policy, are provided for in the legal agreements for the project. In all such cases, implementation of the resettlement plans is subject to ex post review by the Bank.

Process Framework

31. For projects involving restriction of access in accordance with para. 3(b) above, the borrower provides the Bank with a draft process framework that conforms to the relevant provisions of this policy as a condition of appraisal. In addition, during project implementation and before enforcing of the restriction, the borrower prepares a plan of action, acceptable to the Bank, describing the specific measures to be undertaken to assist the displaced persons and the arrangements for their implementation. The plan of action could take the form of a natural resources management plan prepared for the project.

Assistance to the Borrower

32. In furtherance of the objectives of this policy, the Bank may at a borrower's request support the borrower and other concerned entities by providing

(a) assistance to assess and strengthen resettlement policies, strategies, legal frameworks, and specific plans at a country, regional, or sectoral level;

(b) financing of technical assistance to strengthen the capacities of agencies responsible for resettlement, or of affected people to participate more effectively in resettlement operations;

(c) financing of technical assistance for developing resettlement policies, strategies, and specific plans, and for implementation, monitoring, and evaluation of resettlement activities; and

(d) financing of the investment costs of resettlement.

33. The Bank may finance either a component of the main investment causing displacement and requiring resettlement, or a free-standing resettlement project with appropriate cross-conditionalities, processed and implemented in parallel with the investment that causes the displacement. The Bank may finance resettlement even though it is not financing the main investment that makes resettlement necessary.

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1. "Bank" includes IBRD and IDA; "loans" includes IDA credits and IDA grants, guarantees, Project Preparation Facility (PPF) advances and grants; and "projects" includes projects under (a) adaptable program lending; (b) learning and innovation loans; (c) PPFs and Institutional Development Funds (IDFs), if they include investment activities; (d) grants under the Global Environment Facility and Montreal Protocol, for which the Bank is the implementing/executing agency; and (e) grants or loans provided by other donors that are administered by the Bank. The term "project" does not include programs under development policy lending operations. "Borrower" also includes, wherever the context requires, the guarantor or the project implementing agency.
 2. In devising approaches to resettlement in Bank-assisted projects, other Bank policies should be taken into account, as relevant. These policies include [OP 4.01, Environmental Assessment](#), [OP 4.04, Natural Habitats](#), [OP 4.10, Indigenous Peoples](#), and [OP 4.11, Physical Cultural Resources](#).
 3. The term "displaced persons" refers to persons who are affected in any of the ways described in para. 3 of this OP.
 4. Displaced persons under para. 3(b) should be assisted in their efforts to improve or restore their livelihoods in a manner that maintains the sustainability of the parks and protected areas.
 5. Where there are adverse indirect social or economic impacts, it is good practice for the borrower to undertake a social assessment and implement measures to minimize and mitigate adverse economic and social impacts, particularly upon poor and vulnerable groups. Other environmental, social, and economic impacts that do not result from land taking may be identified and addressed through environmental assessments and other project reports and instruments.
 6. This policy does not apply to restrictions of access to natural resources under community-based projects, i.e. where the community using the resources decides to restrict access to these resources, provided that an assessment satisfactory to the Bank establishes that the community decision-making process is adequate, and that it provides for identification of appropriate measures to mitigate adverse impacts, if any, on the vulnerable members of the community. This policy also does not cover refugees from natural disasters, war, or civil strife (see [OP/BP 8.00, Rapid Response to Crises and Emergencies](#)).
 7. For the purposes of this policy, "involuntary" means actions that may be taken without the displaced person's informed consent or power of choice.
 8. "Land" includes anything growing on or permanently affixed to land, such as buildings and crops. This policy does not apply to regulations of natural resources on a national or regional level to promote their sustainability, such as watershed management, groundwater management, fisheries management, etc. The policy also does not apply to disputes between private parties in land titling projects, although it is good practice for the borrower to undertake a social assessment and implement measures to minimize and mitigate adverse social impacts, especially those affecting poor and vulnerable groups.
 9. For the purposes of this policy, involuntary restriction of access covers restrictions on the use of resources imposed on people living outside the park or protected area, or on those who continue living inside the park or protected area during and after project implementation. In cases where new parks and protected areas are created as part of the project, persons who lose shelter, land, or other assets are covered under para. 3(a). Persons who lose shelter in existing parks and protected areas are also covered under para. 3(a).
 10. The *Involuntary Resettlement Sourcebook* provides good practice guidance to staff on the policy.
 11. "Replacement cost" is the method of valuation of assets that helps determine the amount sufficient to replace lost assets and cover transaction costs. In applying this method of valuation, depreciation of structures and assets should not be taken into account (for a detailed definition of replacement cost, see [Annex A](#), footnote 1). For losses that cannot easily be valued or compensated for in monetary terms (e.g., access to public services, customers, and suppliers; or to fishing, grazing, or forest areas), attempts are made to establish access to equivalent and culturally acceptable resources and earning opportunities. Where domestic law does not meet the standard of compensation at full replacement cost, compensation under domestic law is supplemented by additional measures necessary to meet the replacement cost standard. Such additional assistance is distinct from resettlement assistance to be provided under other clauses of para. 6.
 12. If the residual of the asset being taken is not economically viable, compensation and other resettlement assistance are provided as if the entire asset had been taken.
 13. The alternative assets are provided with adequate tenure arrangements. The cost of alternative residential housing, housing sites, business premises, and agricultural sites to be provided can be set off against all or part of the compensation payable for the corresponding asset lost.
 14. Such support could take the form of short-term jobs, subsistence support, salary maintenance or similar arrangements.
 15. See [OP 4.10, Indigenous Peoples](#).
 16. Where the borrower has offered to pay compensation to an affected person in accordance with an approved resettlement plan, but the offer has been rejected, the taking of land and related assets may only proceed if the borrower has deposited funds equal to the offered amount plus 10 percent in a secure form of escrow or other interest-bearing deposit acceptable to the Bank, and has provided a means satisfactory to the Bank for resolving the dispute concerning said offer of compensation in a timely and equitable

manner.

17. See [OP 4.04](#), *Natural Habitats*.
18. As a general principle, this applies if the land taken constitutes less than 20% of the total productive area.
19. Paras. 13-15 do not apply to impacts covered under para. 3(b) of this policy. The eligibility criteria for displaced persons under 3 (b) are covered under the process framework (see paras. 7 and 30).
20. Such claims could be derived from adverse possession, from continued possession of public lands without government action for eviction (that is, with the implicit leave of the government), or from customary and traditional law and usage, and so on.
21. Resettlement assistance may consist of land, other assets, cash, employment, and so on, as appropriate.
22. Normally, this cut-off date is the date the census begins. The cut-off date could also be the date the project area was delineated, prior to the census, provided that there has been an effective public dissemination of information on the area delineated, and systematic and continuous dissemination subsequent to the delineation to prevent further population influx.
23. For projects that are highly risky or contentious, or that involve significant and complex resettlement activities, the borrower should normally engage an advisory panel of independent, internationally recognized resettlement specialists to advise on all aspects of the project relevant to the resettlement activities. The size, role, and frequency of meeting depend on the complexity of the resettlement. If independent technical advisory panels are established under [OP 4.01](#), *Environmental Assessment*, the resettlement panel may form part of the environmental panel of experts.
24. See [The World Bank Policy on Disclosure of Information, para. 34](#) (Washington, D.C.: World Bank, 2002).
25. An exception to this requirement may be made in highly unusual circumstances (such as emergency operations) with the approval of Bank Management (see [BP 4.12, para. 8](#)). In such cases, the Management's approval stipulates a timetable and budget for developing the resettlement plan.
26. Impacts are considered "minor" if the affected people are not physically displaced and less than 10 percent of their productive assets are lost.
27. For the purpose of this paragraph, the term "subprojects" includes components and subcomponents.