

# **Social Development Department**

## **Involuntary Resettlement Portfolio Review**

Phase I. Inventory of Bank-financed Projects Triggering the  
Involuntary Resettlement Policy (1990–2010)

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**LIST OF ACRONYMS AND ABBREVIATIONS**

AFR	Africa Region
AM	Aide memoire
BP	Bank procedures
BTOR	Back-to-office report
BW	Business warehouse
EAP	East Asia and Pacific Region
ECA	Eastern Europe and Central Asia Region
EIA	Environmental impact analysis
ESSDN	Environmentally and Socially Sustainable Development Network
FY	Fiscal year (July to June)
GEF	Global Environment Facility
ICR	Implementation completion report
IEG	Independent Evaluation Group
ISDS	Integrated safeguards data sheet
ISR	Implementation status and results report
LCR	Latin America and Caribbean Region
MNA	Middle East and North Africa Region
M&E	Monitoring and evaluation
NGO	Nongovernmental organization
OED	Operations Evaluation Department
OD	Operational directive
OECD	Organization for Economic Co-operation and Development
OED	Operations Evaluation Department
OMS	Operational manual statement
OP	Operational policy
OPN	Operational policy note

PCR	Project completion report
PF	Policy framework
PID	Project information document
PPAR	Project performance audit report
PPF	Project preparation facility
RAP	Resettlement Action Plan (named Resettlement Plan in OP 4.12)
ARAP	Abbreviated Resettlement Action Plan (named Abbreviated Resettlement Plan in OP 4.12)
RPF	Resettlement policy framework
SA	Social analysis
SAP	Systems, Applications and Products
SAR	South Asia Region
SDV	Social Development Department
TTL	Task team leader

Note: All dollars are U.S. dollars unless otherwise indicated.



## EXECUTIVE SUMMARY

As part of the strategy to enhance the implementation of the Bank's social safeguards policies, the Social Development Department (SDV) conducted a Bank-wide involuntary resettlement portfolio review. Given the magnitude of projects triggering the Involuntary Resettlement Policy, the review was planned in three phases: (1) a desk review of all projects triggering the resettlement policy from 1990 to 2010 to assess global, regional, and sectoral trends, and propose preliminary recommendations; (2) an in-depth analysis of a sample of projects to evaluate resettlement practices and outcomes and prepare an action plan to improve resettlement practices of the Bank and the borrowing countries in Bank-financed projects, and (3) the implementation of the action plan.

### Objectives and Scope of the First Phase

The main objectives of the first phase were to: (a) identify the number of projects triggering the involuntary resettlement policy by regions and sectors; (b) identify the number of affected people and their main characteristics (affected and displaced, residential and business, urban and rural, lands and structures); (c) identify the number and type of resettlement planning instruments; and (d) analyze historical, regional, and sectoral trends.

The first phase included a general overview of the entire Bank portfolio covering the period from 1990 to 2010, including projects that were closed, active, or in the pipeline. It reviewed the active projects in terms of their preparation; that is, all active projects on December 31, 2009. The earliest Board approval date was 1998, and latest was December 31, 2009. Projects in the pipeline included those with a PCN review meeting on or before March 30, 2010, and Board presentation dates on or before June 30, 2012. This phase also included an in-depth review of a sample of closed projects (January 1, 1990, for Board approval date to December 31, 2009, for closing date).

### Main Findings

***From 1990 to 2010, a total of 1,423 projects triggering the resettlement policy were approved by the Bank***, with 431 closed projects, 747 active projects, and 245 projects in the pipeline. The increasing trend is not only in absolute numbers, but also in the percentage of projects with involuntary resettlement in relation to the overall Bank portfolio, from 12% of projects triggering the policy for closed projects, to 29% of projects for active projects, and 41% for pipeline projects.

***The regional distribution of projects triggering the resettlement policy has historically remained constant with only one change.*** The Bank's regions could be grouped into three categories according to the magnitude of projects involving resettlement:

- 1) **EAP & AFR**: The majority of projects triggering resettlement are concentrated in the EAP and AFR regions, with an average of 31 percent in each region for closed and active projects.
- 2) **LCR & SAR**: LCR and SAR each average about 12 percent of the total.
- 3) **ECA & MNA**: ECA and MNA each have close to 7 percent.

The only difference identified in comparing the trends in closed and active projects is that EAP, which was historically the largest region in terms of the overall number of projects triggering the policy, is currently second to AFR in active projects. In terms of historical trends, EAP, SAR, LCR, and MNA each

have countries that historically account for the majority of projects involving resettlement (such as China, India, Brazil and Egypt respectively); in AFR and ECA, no specific trend was found.

***The sectoral distribution of projects triggering the resettlement policy shows a similar historical pattern.*** In terms of projects involving resettlement, the sectors can be grouped into five categories. Transport is by far the largest sector among projects triggering the resettlement policy, accounting for 23 percent of projects with resettlement. Energy and agriculture each averaged about 16 percent, water and urban 12 percent, environment 7 percent, and education 4 percent. Other sectors—the financial and private sector, health, nutrition and population, information and technology, public sector governance, social development, and social protection—had a low probability of causing involuntary resettlement. The sectoral distribution by region shows a similar trend, with the exception of the LCR region, where the urban sector is the second largest involving resettlement after the transport sector.

***Most of the projects involving involuntary resettlement are classified as Category B projects.*** Fifty-eight percent of the projects triggering the resettlement policy are Category B and 12 percent are Category C. If this pattern continues, a large percentage of resettlement instruments will not be reviewed by regional safeguards advisory teams, since the compliance review of the safeguard instruments for Category B and C projects is delegated to the sector managers in most regions.

***RPFs are the predominant resettlement planning instruments.*** Fifty-nine percent of projects prepared only an RPF. This percentage is above 60 percent in all regions except EAP (39 percent). The review of closed projects shows that 58 percent of projects that prepared RPFs by the appraisal stage did not prepare a RAP and did not provide any explanation about this issue in the ICRs. The process framework was applied in only 8 percent of active projects, and it seems that this instrument has not been applied in proper accordance with the policy.

***Almost all RAPs reviewed for the closed projects have good information on key variables required by the policy.*** The topics that are less frequently developed are the use of resettlement as a development opportunity, information about host populations, measures for environmental protection and management, and the institutional capacity for implementing the resettlement plan.

***Despite the increasing trend in the number of projects triggering the resettlement policy, it is not clear if there is an increase in the size of the affected population.*** Since 59 percent of the active projects have only prepared an RPF by appraisal, and the scope of this review only analyzed the resettlement planning instrument by appraisal, it is not clear if all projects that have prepared an RPF will entail resettlement and prepare RAPs. Of the 218 active projects that prepared RAPs by appraisal, 204 included information about almost 3 million affected people. But it is not possible to differentiate the type of impact they face, since OP4.12 covers a wide range of impacts, from loss of assets to physical displacement. Based on the data provided in 70 percent of projects that prepared RAPs by appraisal, only 16 percent of the 3 million affected people will be physically displaced. This finding should be corroborated in the second phase of the portfolio review, once the resettlement impacts of projects with RPFs are identified. Businesses are also affected and displaced, but the reporting on this data remains insufficient. About 5 percent of the affected population is classified as business related (as opposed to residential), but this information is not well-registered.

***Most of the affected people are in rural areas, but there are significant differences among regions.*** Seventy-five percent of all affected people are in rural areas, mainly in EAP, SAR, ECA and AFR. However, 91 percent of the affected people in LCR are urban, as are 86 percent in the MNA Region.

***The average cost of the resettlement plan in the active projects is 4 percent of the total cost of the project at appraisal stage.*** The cost for urban, water, and transport projects is above this average, while energy and agriculture projects are below the average. However, it should be noted that the resettlement costs of 10 closed projects increased by almost 40 percent at the project completion stage, compared to the cost identified at the appraisal stage. This trend should be analyzed in detail during the second phase of the review.

***Documentation of resettlement activities during implementation is absent, and most ICRs do not include information on resettlement.*** Information about the implementation of resettlement was not found in Aide Memoires and BTORs of closed projects. Additionally, most ICRs did not provide good information about the resettlement results. Twenty of 43 ICRs reviewed in the sample mentioned resettlement, but without any substantive information, such as the number of affected people, type of resettlement impacts, resettlement alternatives, acquired land and displaced people, and resettlement cost.

***Lack of availability, consistency, and quality of information.*** Different project documents (such as the PADs, ISDSs, RAPs or ICRs) for the same project may have inconsistent information even on the total number of physically displaced people. The quality of information collected in social assessments and reported in the project documents varies greatly. Definitions of affected populations are often inconsistent and lack uniformity. Resettlement instruments used different units of analysis when referring to persons, households, or families and sometimes these terms were used interchangeably. Key information, such as number of people affected, the types of impacts or the amount of land acquires, is often missing or lacks the necessary disaggregation.

## **Recommendations**

### ***Resettlement Instruments and Documentation***

- There is an urgent need to review the use of RPFs.
- Improve the reporting on affected people.
- Improve the reporting on resettlement impacts.
- ICRs should include the results of resettlement implementation.

### ***Capacity Building and Use of Country Systems***

- Based on the results of this review, capacity assessment of implementing agencies can make implementation more effective.
- In most countries there is a huge gap between Bank policy requirements and national legislation. For this reason, the country systems approach may not be feasible for resettlement. Instead, the review recommends establishing a dialogue with countries that have a historical level of engagement with the Bank in projects involving resettlement. The preparation of DPLs and TALs can be used to achieve these objectives.

### ***Further Steps in Preparation for the Bank's Updating of Safeguard Policies***

- As part of the Bank's updating of the safeguard policies and based on the results of this review, the involuntary resettlement policy should cover only physical displacement or should use

different types of instruments according to the type of impact. In this area, the practices of the IFC could provide useful input.

- Conduct the second phase of the portfolio review. The first phase provided information about regional and sectoral trends and resettlement planning instruments, as well as some preliminary information about variables such as the types of impacts and the cost of resettlement plans. The second phase could: (a) accurately determine the number of affected people, their characteristics, and the impacts they face; (b) compile accurate information on resettlement costs; (c) better determine the level of compliance with OP4.12, and (d) identify good practices and risks.

## CHAPTER 1. BACKGROUND, OBJECTIVES, AND METHODOLOGY

Involuntary resettlement in World Bank projects has increased substantially over the last two decades. The number of projects triggering the involuntary resettlement policy in the Bank's portfolio has grown from 146 active projects in 1993—representing 8 percent of the Bank's portfolio<sup>1</sup>—747 active projects as of December 2009, representing 29 percent of the portfolio.<sup>2</sup>

Involuntary resettlement is one of the most severe impacts caused by development projects. It may lead to drastic socioeconomic and cultural impacts on displaced populations. Displaced people may lose their land, houses, sources of income, and livelihoods. However, if resettlement plans are prepared and implemented properly, resettlement can improve the living conditions of poor populations, turning resettlement into a development measure. In this sense, resettlement is at the core of the Bank's mission.

Given the risks imposed on displaced people by development projects, the Bank adopted the first involuntary resettlement policy in 1980. Since then, the policy has been updated three times to reflect lessons learned and to respond to new and changing lending instruments within the Bank's portfolio. The current version is Operational Policy 4.12, which was approved in December 2001. Despite the periodic updates, the main resettlement objectives have remained consistent over time: avoiding or minimizing involuntary displacement where feasible, designing and implementing resettlement activities as sustainable development programs when resettlement is unavoidable, and supporting the efforts of displaced persons to improve, or at least to restore, their livelihoods and standards of living at least to pre-displacement levels.

The Bank conducted one comprehensive Bank-wide review of the resettlement portfolio in 1996. In addition, two evaluation studies and sectoral reviews, and some regional resettlement portfolio reviews have been carried out. While these reviews and evaluations found that successive Bank policy instruments led to substantial improvements in resettlement practice, the reviews also identified persistent weaknesses and formulated specific recommendations to further improve the Bank's technical and policy provisions regarding involuntary resettlement.

Given the growing number of projects involving involuntary resettlement, the multiple challenges faced in preparing and implementing resettlement plans, and the significant number of Inspection Panel cases regarding compliance with this policy<sup>3</sup>, the Social Development Department considered it necessary to have a better understanding of the application of the Bank's current resettlement policy across the entire Bank-wide portfolio and compare these findings with the results from previous reviews. Additionally, no comprehensive review of Bank projects involving involuntary resettlement has been conducted since the new resettlement policy OP 4.12 came into effect in 2001.

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<sup>1</sup> World Bank, Environmentally Sustainable Department (ESD). 1996. "Resettlement and Development, The Bank-wide Review of Projects Involving Involuntary Resettlement 1986–93." Environment Department Papers No. 032. Washington, DC: World Bank.

<sup>2</sup> These numbers are based on the methodology used for this review; see chapter I, section E.

<sup>3</sup> Since its establishment, the Inspection Panel has received 58 formal complaints for inspection. 31 of these requests alleged a violation of the Involuntary Resettlement policy.

This second Bank-wide involuntary resettlement portfolio review was planned to be conducted in three phases due to the magnitude of projects involving resettlement and the proposed objectives. The first phase is a desk review of all projects triggering the resettlement policy from 1990 to 2010 to assess global, regional, and sectoral trends, and propose preliminary recommendations. The second phase will analyze a sample of projects in-depth during preparation and implementation to evaluate resettlement practices and outcomes, and will result in an action plan to improve resettlement practices in Bank-financed projects. The third phase will implement the action plan prepared under the second phase, and design and implement a knowledge and learning strategy on involuntary resettlement.

This report offers the results of the first phase of the review. It is organized in three chapters and six annexes. The first chapter outlines the background, objectives, and methodology of the portfolio review. The second chapter presents the results in three sections: general results on the overall portfolio, more detailed results on the active projects, and a more comprehensive review of a sample of closed projects. The third chapter summarizes the main findings and conclusions, and provides recommendations to improve the quality of the data in the resettlement planning instruments and topics to analyze in depth in the second phase.

The Social Development Department expects that the findings of this review will contribute to improving practices of the Bank and the borrowing countries on involuntary resettlement and provide valuable inputs for the current updating of the Bank's safeguard policies.

This chapter presents a brief summary of the evolution of the World Bank's resettlement policies, the new topics introduced to the current Operational Policy 4.12, the objectives of the three-phase Bank-wide involuntary resettlement portfolio review, and the methodology applied to carry out the first phase.

## **Involuntary Resettlement Policy Background**

Among the multilateral development agencies, the Bank led the establishment of guidelines to mitigate the impact of involuntary displacement in the 1980s. Bank experience in the 1970s made resettlement a significant issue, as the Bank financed large infrastructure projects resulting in large and recurrent resettlement impacts.<sup>4</sup> The earliest policy statement regarding involuntary resettlement projects was an internal document called "Social Issues Associated with Involuntary Resettlement" (Operational Manual Statement, OMS 2.33) issued in 1980.

This statement clearly indicated the host government's responsibility for resettlement activities, while the Bank would provide the technical support to assist the government in planning and implementing resettlement properly. The basic principles of OMS 2.33 were to ensure that (a) involuntary resettlement was minimized as much as possible; (b) affected families would be adequately compensated and benefit from the project; and (c) incomes would be the same as or better than before. These same principles continued to form the basis for subsequent policy statements, including the policy currently in effect (OP 4.12) issued in 2001.

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<sup>4</sup> World Bank, OED. 1998. "Recent Experience with Involuntary Resettlement: Overview." OED Report NO. 17538. Washington, DC: World Bank.

In 1986 the Bank issued an Operations Policy Note (OPN 10.08) entitled “Operations Issues in the Treatment of Involuntary Resettlement in Bank-Financed Projects” as a follow-up. This was followed in 1988 by another report—“Involuntary Resettlement in Development Projects: Policy Guidelines in World Bank-Financed Projects” (World Bank Technical Paper No. 80). In 1990 the Bank approved its “Operational Directive 4.30 on Involuntary Resettlement” (OD 4.30 and BP 4.30). This policy further strengthened the scope and objectives of the policy, and more clearly defined instruments and procedures to ensure its implementation.

The operational policy on involuntary resettlement currently in effect (OP 4.12) was approved in 2001. While the fundamental objective of the Bank’s resettlement policy has remained the same over the years, OP 4.12 aimed to clarify the types of impacts caused by involuntary resettlement and displacement. It further defined the policy requirements, instruments, and procedures to be adopted in order to address these impacts.

In terms of scope, OP 4.12 states that the policy covers direct economic and social impacts that result from Bank-assisted investment projects requiring the involuntary taking of land resulting in (a) relocation or loss of shelter; (b) loss of assets or access to assets; (c) loss of income sources or means of livelihood, whether or not the affected persons must move to another location; and (d) involuntary restriction of access to legally designated parks and protected areas, resulting in adverse impacts on the livelihoods of the displaced persons. In all of these cases, involuntary resettlement should be avoided or minimized where feasible, resettlement activities should be executed as sustainable development programs with meaningful consultation, and displaced persons should be assisted to improve their livelihoods, or at least restore them to pre-displacement levels.

OP 4.12 also introduces the concept of associated resettlement impacts caused by non-Bank-funded activities that are linked to Bank-assisted projects. These “linkage” provisions apply when in the judgment of the Bank, regardless of the source of funding, activities resulting in involuntary resettlement are: (a) directly and significantly related to the Bank-assisted project; (b) are necessary to achieve the objectives of the Bank project; and (c) are carried out, or planned to be carried out, contemporaneously with the Bank project.

In terms of policy instruments, OP 4.12 introduces further precision regarding the typology and the content of the instruments required to implement the resettlement policy. A distinction is made between three types of instruments:

(1) A *Resettlement Plan* is prepared during project preparation when the affected area and population is known; an *Abbreviated Resettlement Plan* is prepared if impacts are minor or fewer than 200 people are displaced.

(2) A *Resettlement Policy Framework* is prepared during project preparation when the requirements for land acquisition or displacement are not known, such as in sector investment or financial intermediation projects.

(3) A *Process Framework* is prepared for projects involving involuntary restriction of access to legally designated parks and protected areas.

To assist in implementing OP 4.12, in 2003 the Bank published the *Involuntary Resettlement Sourcebook: Planning and Implementation in Development Projects*, which has been widely used by Bank staff and governments alike as an instrument for planning and implementing resettlement projects.

Box 1 lists the Bank's involuntary resettlement directives and policies issued since 1980.

#### **Box 1. The World Bank's Policy Statements on Involuntary Resettlement**

**1980:** Social Issues Associated with Involuntary Resettlement (**OMS 2.33**)

**1986:** Operational Policy Issues in the Treatment of Involuntary Resettlement in Bank Financed Projects (**OPN 10.08**)

**1990:** Operational Directive on Involuntary Resettlement (**OD 4.30**)

**2001:** Operational Policy on Involuntary Resettlement (**OP 4.12**)

### **Previous Involuntary Resettlement Portfolio Reviews**

The Bank has conducted several involuntary resettlement portfolio reviews and evaluations (Box 2).

#### **Box 2. Major Reviews and Evaluations of Projects Involving Resettlement**

**1985:** "Involuntary Resettlement in Bank Assisted Projects, A Review of the Application of Bank Policies and Procedures in FY 79-85 Projects" (1979-1985)

**1993:** "Early Experience with Involuntary Resettlement: Overview" (OED, six cases)

**1993:** "Involuntary Resettlement in Hydropower Projects: A Review of appraisal and supervision procedures in projects financed by the World Bank, 1978-1992, and of projects in the pipeline over the next five years" (IED)

The report entitled "Involuntary Resettlement in Bank Assisted Projects, A Review of the Application of Bank Policies and Procedures in FY 79–85 Projects" covered the period from 1979 to 1985.<sup>5</sup> This sectoral portfolio review included 39 projects (23 energy projects and 16 agricultural projects), primarily in SAR (13), EAP (9), and LAC (8). None of these projects involved urban resettlement. The major findings of this review are summarized as follows:

- Approximately 750,000 people were affected by projects presented to the Board during the 1979–85 period.
- Bank policy (OMS 2.33) was sound. When applied, it substantially improved resettlement practice, but its application was inconsistent. An OMS requirement to have a resettlement plan prior to appraisal missions was not followed consistently.
- Bank policy had positive spillover effects on governments, other donors, and consulting firms.
- Resettlement in the Bank portfolio was growing fast and must be given enough attention. The Bank had not taken prompt and firm action when borrowers were disinterested.

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<sup>5</sup> Cernea, Michael. 1986. "Involuntary Resettlement in Bank Assisted Projects: A Review of the Application of Bank Policies and Procedures in FY 79–85 Projects." Agriculture and Rural Development Department. Washington, DC: World Bank.



- Cash compensation alone was not adequate if there was no provision for restoration of productive options; availability of land was a major constraint.
- There was insufficient emphasis on economically viable options for restoring productive capacity and avoiding impoverishment. Good resettlement can be an opportunity for development; the first cases of resettlement as a development opportunity in dam projects were positive.
- The quality of preparation by borrowers was frequently low. Sociological surveys on displaced and host communities were a condition for good plans and must be done prior to appraisal.
- Resettlement plans should be prepared by the project's appraisal. Loan conditionalities were poor substitutes for timely resettlement plans. Legal provisions in loan covenants were insufficiently monitored.
- The policy framework and borrower commitment were more important than loan covenants.
- Organizational frameworks for handling resettlement were largely inadequate. Technical assistance to borrowers was helpful.
- Economic analysis and costing of resettlement was crucial. Bad timing and lack of synchronization with the main project caused major cost overruns and foregone benefits.
- Mishandling of forced resettlement had serious consequences unless remedial action was taken.
- Tribal populations did not receive enough attention.
- Environmental considerations needed to improve.
- Skill/staff composition in appraisal missions was a problem, especially in energy projects. Social/resettlement experts participated in only 25 percent of appraisal missions.

### ***The 1993 reports***

The 1993 report entitled “Early Experience with Involuntary Resettlement: Overview” presented detailed impact evaluations of six hydroelectric and irrigation projects after the completion of the projects, and found that few completed projects had data on the central criteria for evaluation. The evaluation also determined that the projects had mixed results on improving the living standards of resettled populations. In the same year, another report—“Involuntary Resettlement in Hydropower Projects: A Review of appraisal and supervision procedures in projects financed by the World Bank, 1978–1992, and of projects in the pipeline over the next five years”—assessed the application of the Bank’s resettlement policy in hydropower projects. In these projects with often large resettlement impacts, the review found that resettlement costs were often underestimated in appraisal and that successful resettlement programs depended on early social assessment, follow-up monitoring and evaluation, and borrower ownership.

### ***The comprehensive portfolio review***

In March 1996, the Bank published a Bank-wide review of projects triggering involuntary resettlement during the 1986–93 period.<sup>6</sup> This review analyzed 192 projects—8 percent of the Bank’s portfolio, including 46 closed and 146 active projects—and reflected the rapid rise in the transport and urban sectors. The review confirmed some of the same findings as the first review, particularly with regard to the importance of income rehabilitation, borrower commitment, local policy and institutional

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<sup>6</sup> World Bank, Environmentally Sustainable Department (ESD). 1996. “Resettlement and Development, The Bank-wide Review of Projects Involving Involuntary Resettlement 1986-1993”. Environment Department Papers No. 032. Washington, DC: World Bank.

frameworks, and resources to successfully manage resettlement impacts. However, this review also addressed new issues, particularly those related to urban development, participation and the role of NGOs, the need to stress avoidance of resettlement, the importance of methodologies for calculating compensation, and the positive impact of benefit sharing. The findings of the review can be summarized as follows:

- Of the total of 2.5 million people displaced by Bank-financed projects, 80 percent were in the SAR and EAP regions.
- Bank policy, while ambitious, was sound and its goals were reasonable. Projects that followed Bank policy had better resettlement outcomes than those that did not apply Bank standards.
- There were significant policy successes in borrowing countries (Brazil, Colombia, China, India) and improved practices by other agencies (Inter-American Development Bank, Asian Development Bank, Organization for Economic Cooperation and Development), as well as the Bank itself.
- Bank performance was much better compared to the previous review. There were some inconsistencies in application; the systematic implementation of Bank-established guidelines and procedures was required.
- Resettlement performance depended on the borrower's political commitment, the national legal policy, and institutional organization. A supportive policy framework and resource allocation was critical.
- Good resettlement can prevent impoverishment; socially responsible resettlement was economically beneficial. There was significant improvement in resettlers' ability to restore incomes, yet unsatisfactory income restoration appeared more frequently than satisfactory outcomes. In some projects, declines in post-relocation incomes were as high as 50 percent.
- Adequate land with clear titles was the single most important factor in rural resettlement; a "land for land" strategy was superior to cash compensation.
- Participatory approaches and the involvement of urban NGOs were effective in finding resettlement locations and reconstructing habitats in urban areas.
- Urban area workshops and small businesses and gainful employment were critical.
- Few projects actually included methods or measures for measuring income restoration.
- Some vulnerable groups (indigenous and tribal groups or women-headed households) had more exposure to risks.
- Successful restoration of income occurred more often when resettlers directly participated in project-generated benefits (irrigation, fisheries, commercial opportunities).

### **Objectives of the Involuntary Resettlement Portfolio Review**

Given the magnitude of projects involving resettlement in the Bank's portfolio—and the lack of systematic information about the number of projects itself, their regional distribution and the type of resettlement planning instruments applied—the current involuntary resettlement portfolio review was structured in three phases. The first phase is a desk review of all projects triggering the resettlement policy from 1990 to 2010. The second phase will analyze a sample of projects in depth to evaluate resettlement practices, and the third phase will develop and implement an action plan to improve resettlement practices in Bank-financed projects and create a learning strategy on resettlement.

The overall objectives of the three phases of the review are to (a) identify the characteristics and trends of projects involving involuntary resettlement across regions; (b) analyze compliance with involuntary resettlement Policy OP 4.12 in Bank-financed projects; (c) identify resettlement practices and their effectiveness on livelihood restoration; (d) identify lessons learned; (e) identify challenges and opportunities in the application of the involuntary resettlement policy to mitigate adverse social impacts and to enhance social opportunities and sustainability; (f) make recommendations to improve resettlement practices; and (g) prepare a knowledge and learning strategy based on the findings of the review.

The specific objectives of this first phase are the following:

- Identify the number of projects triggering the involuntary resettlement policy by regions and sectors.
- Identify the magnitude of affected people and their assets and describe their characteristics (affected and displaced, residential and business, urban and rural, lands and structures).
- Identify the number and type of resettlement planning instruments.
- Identify application of new issues incorporated in OP 4.12 (i.e. new instruments and linkage issues).
- Identify and compare regional and sectoral trends.
- Understand historical trends.
- Develop a system for tracking projects involving resettlement.

### **Methodology for the Portfolio Review**

This first phase of the portfolio review is a desk review consisting of three components: (1) a general overview of the entire Bank portfolio covering the period from 1990 to 2010, including closed and active projects and projects in the pipeline; (2) a review of the portfolio of active projects in terms of their preparation; and (3) an in-depth review of a sample of closed projects.

#### ***General Overview of the Bank's Portfolio***

*Scope.* The projects included in this review are those that triggered the involuntary resettlement policies OD 4.30 or OP 4.12 with approval dates from January 1990 onward. The entire portfolio was divided into closed, active, and pipeline projects. Most of the projects in the active portfolio were approved under OP 4.12. All projects in the pipeline were included if they had their PCN review meeting on or before March 30, 2010, and Board presentation dates on or before June 30, 2012. The distinction between the three basic categories of projects is as follows:

- *Closed projects.* Cutoff dates are January 1, 1990, for the Board approval date to December 31, 2009, for the closing date.
- *Active projects.* All projects that were active on December 31, 2009 (the earliest Board approval date was 1998, and latest Board approval date was December 31, 2009).
- *Projects in the pipeline.* Concept note review on or before March 31, 2010, and Board approval date on or before June 30, 2012.

**Data Sources.** In order to compile a list of projects, the following sources were used: Systems, Applications and Products (SAP), the Business Warehouse (BW), and the Safeguards Triggered Database.<sup>7</sup> These sources include different lists of projects, even for the same search criteria.

SAP provides the basic list of projects that have triggered the policy at the appraisal stage. SAP data rely on the information the TTL enters into the system for their projects. SAP does not show the status of the project or information to separate active projects from projects in the pipeline.

BW currently only reports on safeguards triggered in the implementation status report (ISR) or at the supervision stage and does not show IBRD/IDA additional financing projects, since they do not have their own ISR. BW does not show projects in the pipeline. In addition, since the PCN date is not included, it is not possible to separate the projects that triggered OD 4.30 from those that triggered OP 4.12.

The Safeguards Triggered Database uses information found in SAP and BW to generate the list of projects that have triggered the policy. It does not show PCN date, sector board, or closing date.

The list of projects (active, closed, and pipeline) compiled from these sources was then shared with the regional safeguard coordinators. All the regions replied confirming that the lists were accurate. The LCR region sent nine additional projects.

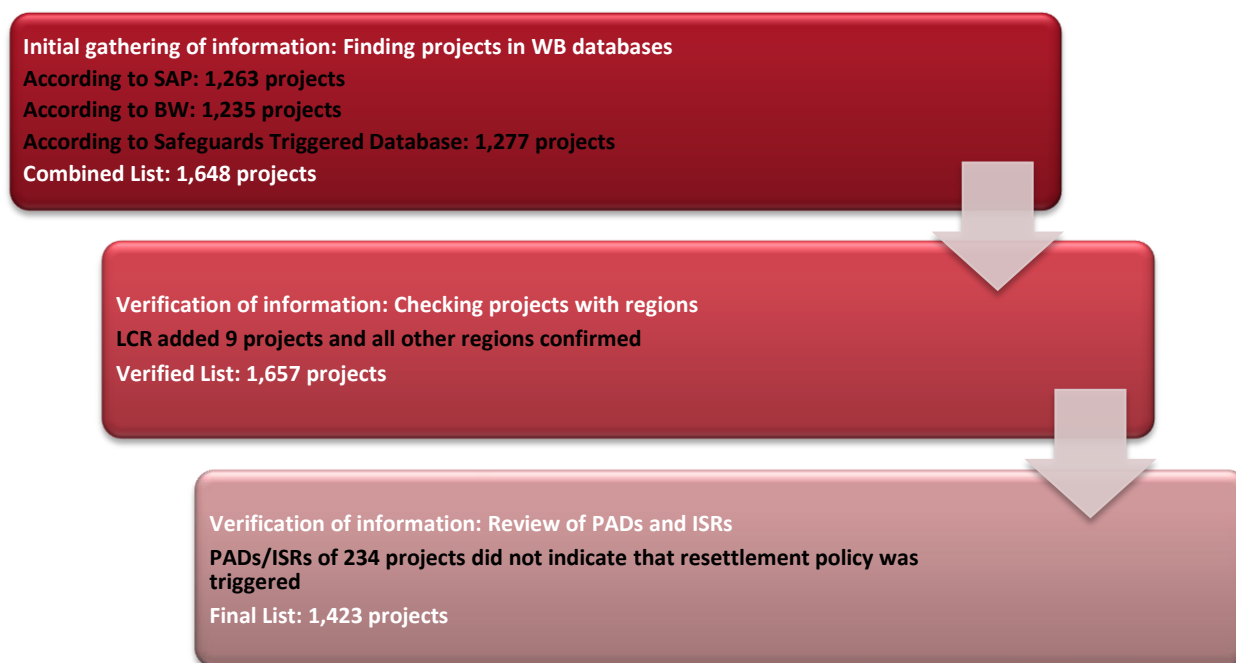
**Consolidation of data.** For this review it was necessary to have basic information such as the project concept note date, environmental category, sector, and project status. Since the three different databases present project information in different ways, a master list was compiled with the necessary information from the three databases. In some cases, additional manual verification of data and consultation with the TTLs of projects was needed.

Figure 1 shows the process carried out to produce the master list of projects triggering the involuntary resettlement policy.

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<sup>7</sup> SAP is managed by the Corporate Finance & Risk Management (CFR) unit at the Bank and is defined as the “system adopted by the Bank to support and integrate the management of financials, operational activities, and core administrative processes” in order to “support compliance of rigorous organizational governance and ensures complete visibility throughout the Bank's work”. BW is managed by the Information Management and Technology (IMT) unit at the Bank and “serves to gather, store, analyze and provide access to Bank’s data and provides staff with information on Bank lending, supervision, evaluation, resource management and human resources”. The Safeguards Triggered Database is managed by the Operations Policy and Country Services (OPCS) unit at the Bank and uses information found in SAP and BW to generate the list of projects that have triggered safeguards policies. It can be accessed on the World Bank intranet at: <http://sdweb.worldbank.org/safeguards/index.cfm> (last accessed on May 17, 2012).

**Figure 1. Construction of the Master List of Projects Triggering the Resettlement Policy**



### Portfolio Review of Active Projects

**Scope.** The portfolio review of active projects encompasses the total number of active projects; that is, all 747 projects with an “active” status (not fully disbursed) as identified in the master list of projects having triggered the involuntary resettlement policy. A general overview spreadsheet was prepared. For each project, this spreadsheet was used to collect information on the variables defined and explained below in table 1.

**Sources of Information.** For the active projects, the following documents were reviewed: project appraisal documents (PADs), integrated safeguard data sheets (ISDSs), resettlement action plans (RAPs), abbreviated resettlement action plans (ARAPs), resettlement policy frameworks (RPFs) and process frameworks (PFs). The 747 active projects in the portfolio were at different stages of implementation and a fixed point in the project cycle needed to be chosen for comparative purposes. Therefore, only documents prepared by appraisal were reviewed.

**Variables.** For each project, information was collected on the variables defined below. Certain variables presented challenges during the review, and these challenges are also summarized. A complete list of variables can be found in annex 1.

**Table 1. Variables and Definitions Used in the Review**

Variables	Definition	Challenges faced during Review
<b>Resettlement Instrument</b>	Whether the project prepared a RAP, ARAP, RPF, or PF.	In some cases plans are called frameworks or frameworks are called "land acquisition guidelines" or use different names.
<b>Location (urban v. rural)</b>	The location of the project and the location of people affected.	While information on location of projects is more readily available, information on the location of affected people is not disaggregated in most projects. In addition, locations such as peri-urban, semi-urban, or suburban complicate the categorization.
<b>Affected/displaced residential households/people</b>	The number of affected/displaced residential households and the people they contain. "Affected" refers to anyone whose land, or a proportion of it, was taken (whether or not their relocation is required) and/or anyone whose access resources to legally designated parks is restricted/affected. "Displaced" refers to anyone who was required to physically relocate as a result of the Bank-financed project.	Resettlement instruments used different units of analysis when referring to persons, households, or families. Sometimes these terms were used interchangeably (when person refers to head of household, when in fact the whole household is affected). When the project documents did not have the specific data on households and persons or on the relationship between both, the reviewers had to estimate the numbers by proxy (using the average household size in the area).
<b>Affected/displaced productive activities/people</b>	The number of affected/displaced economic units (industries, business, services, etc.) and people involved. Definition of "affected" and "displaced" is the same as for residential households.	Resettlement documents will often not define affected economic units. The review sought to gather information on commercial, public, and industrial productive units, but the information was often not disaggregated. Resettlement documents will often not define affected economic units. They neither specify whether the businesses are formal or informal enterprises. In some cases business and street vendors are included in the same category. In addition, when resettlement instruments list the people that will be affected as a result of the affected economic activity, the data is often not disaggregated into business owners, workers, employees, etc.
<b>Land acquisition</b>	The size of the affected land.	Resettlement documents use different units of measurement for land. While some are convertible (acres to hectares), some are not. In many cases, only the number of affected plots is reported, but not their size.
<b>Affected Structures</b>	The number of affected structures (residential, commercial, industrial, and public).	The reviewers agreed on certain criteria, such as not counting fences and gravestones as structures, while counting hutches or storage warehouses as structures. The information on residential structures was the most frequent and reliable, followed by information on business, public and industrial structures in that order.
<b>Resettlement Cost</b>	The total cost of addressing the resettlement impacts under the project.	Cost in local currencies was converted to US dollars based on the exchange rate on the PAD. When there was a discrepancy between the cost on the PAD and the resettlement instrument, the information in the later-in-time document was used.

The lack of uniformity in the definitions used, the discrepancies and inconsistencies among the data, and the wide range in quantity and quality of the data in the project documents is an important finding in itself. The quality of information collected in social assessments and reported in RAPs, ISDSs, PADs, and ICRs varies greatly. In addition, the different project documents may have inconsistent information even on the total number of physically displaced people. This is especially a problem in projects with multiple

RAPs. Some projects have used executive summary matrices that itemize and summarize the data, which was considered a best practice by the reviewers.

## Closed Projects

**Scope.** For the portfolio review, a list of closed projects was compiled from SAP, BW, and the safeguards search tool with cutoff dates from January 1, 1990, for Board approval to December 31, 2009, for closing date. Combining the different sets of closed projects from these sources yielded an initial list of 572 closed projects. These projects were then manually checked by reviewing their staff appraisal reports/PADs<sup>8</sup> and ICRs in the operations portal to determine whether they *in fact* triggered the resettlement policy. Through this process, it was found that 141 projects had not triggered the resettlement policy, and a final list of 431 closed projects was obtained. From the universe of 431 closed projects, 44 projects were selected through stratified random sampling at a sample fraction of approximately 10 percent by regions and sectors. The same sample fraction was used in each region. The sample fraction is slightly different for different sectors because a few projects were chosen for special considerations to ensure at least one project for each sector. In addition, the closed projects are distributed over 11 years from 1999 to 2009, and sample distribution in different years is also considered in selection of the sample.

**Sources of Information.** The sources of information to review the closed project sample were the following documents, subject to their availability in the Bank's operations portal: PAD/SARs; RAPs; RPFs; social assessments; environmental impact assessments; ISDSs; project papers;<sup>9</sup> BTORs, aide memoires; documents and messages from the TTLs filed as project documents in the operations portal; resettlement evaluation reports; ex-post evaluation reports; resettlement monitoring reports; and ICRs. All data below comes from a combination of these documents for each project. However, it was difficult to find all the documents—particularly the resettlement planning instruments—in the system. For those projects that did not have sufficient documentation in the system, the team contacted the TTLs and the social development specialist who worked on the projects. In some cases, the TTLs replied and sent the documentation needed for the analysis, and in other cases they replied to inform that they did not have the necessary documentation, since the projects closed many years ago.

**Variables.** For the closed project sample, information on the same variables as the active projects was collected at both appraisal and completion of the projects. Further, additional qualitative information was collected by reviewing the resettlement instruments through the use of open-ended and standardized questions. The questions assessed the inclusion of and quality of information on issues addressed in the policy (such as using resettlement as an opportunity with development, participation and consultation of people, monitoring arrangements, the legal framework, and institutional arrangements). The complete set of questions used during the review can be found in annex 2.

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<sup>8</sup> The Staff Appraisal Report was replaced by the PAD (Project Appraisal Document) in 1998.

<sup>9</sup> For additional financing projects, a Project Paper is prepared instead of a PAD.

## CHAPTER 2. RESULTS

This chapter contains three sections. The first section presents the results of the general portfolio, including the closed and active projects, as well as those in the pipeline. The second section focuses on active projects, and the third section analyzes the results of the sample of closed projects.

### General Portfolio Overview

#### *Magnitude of Projects*

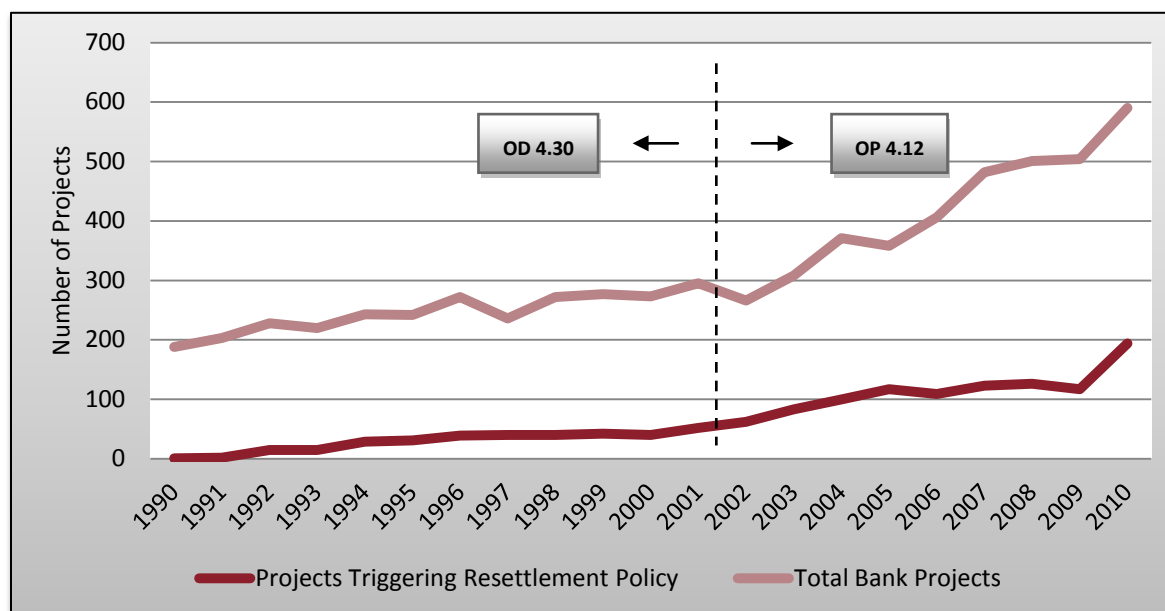
The review covers the period from January 1, 1990, to June 30, 2012. During this time period, a total of 1,423 projects triggered the involuntary resettlement policy, which is 21 percent of all investment lending projects in the Bank's portfolio during this period. Table 2 illustrates that the percentage of projects triggering the involuntary resettlement policy in the Bank's overall portfolio increased from 12 percent in closed projects (1990–2009) to 29 percent in active projects (1998–2009) and to 41 percent in pipeline projects (2010–12).

**Table 2. Projects Triggering the Involuntary Resettlement Policy by Status, 1990–2012**

Project Status	Projects Triggering Resettlement Policy	Total Bank Projects (investment lending only)	Projects Triggering Resettlement Policy (%)
Closed	431	3,725	12%
Active	747	2,560	29%
Pipeline	245	599	41%
<b>Total</b>	<b>1,423</b>	<b>6,884</b>	<b>21%</b>

Figure 2 compares the number of projects triggering the resettlement policy to the Bank's investment lending portfolio over the years. A steady rise can be observed from 1990 to 2010. In addition, a steeper increase in the percentage is visible after the introduction of OP 4.12. The wide range of impacts covered by OP4.12 resulting from the involuntary taking of land—such as loss of assets, access to assets, loss of income and restricted access to parks and protected areas, as well as the introduction of RPFs and PFs as new resettlement instruments—may have contributed to this increase.



**Figure 2. Projects Triggering Resettlement Policy Compared to All Bank Projects****Distribution by Region**

The largest region in terms of overall number of projects triggering the resettlement policy is AFR, which has 33 percent of all projects. EAP has the second most projects triggering the policy with 29 percent. LCR and SAR have similar numbers with 12–13 percent, as do ECA and MNA with 6–8 percent.

The regional distribution of the total Bank portfolio shows that AFR, SAR, and MNA's percentages within the resettlement portfolio are fairly consistent with their size in the overall portfolio. LCR and ECA projects triggering the involuntary resettlement portfolio constitute smaller shares than their size in the overall Bank portfolio, while the opposite is true for EAP. While EAP projects represent 29 percent of projects triggering the involuntary resettlement policy, EAP projects constitute only 18 percent of the overall Bank portfolio.

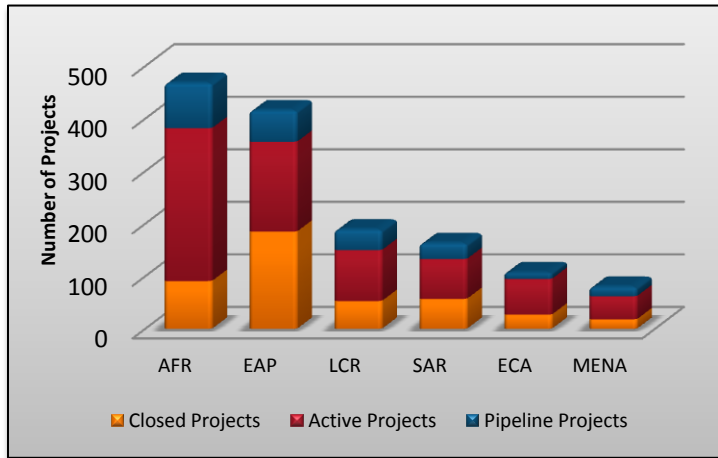
**Table 3. Regional Distribution of Projects Triggering Resettlement Policy and Total Bank Projects, 1990–2012**

	AFR	EAP	LCR	SAR	ECA	MNA	Total
<b>Projects Triggering Resettlement Policy</b>	<b>468</b>	<b>416</b>	<b>189</b>	<b>163</b>	<b>107</b>	<b>80</b>	<b>1,423</b>
<b>Percentage</b>	33	29	13	12	8	6	100
<b>Total Bank Projects</b>	<b>1,918</b>	<b>1,229</b>	<b>1,283</b>	<b>727</b>	<b>1,131</b>	<b>527</b>	<b>6,815*</b>
<b>Percentage</b>	28	18	19	11	17	8	100

\*Investment Lending Projects only. This number (6,815) is lower than the total number referenced above (6,884) because 69 projects are “worldwide” projects and were not included in the calculation by region.

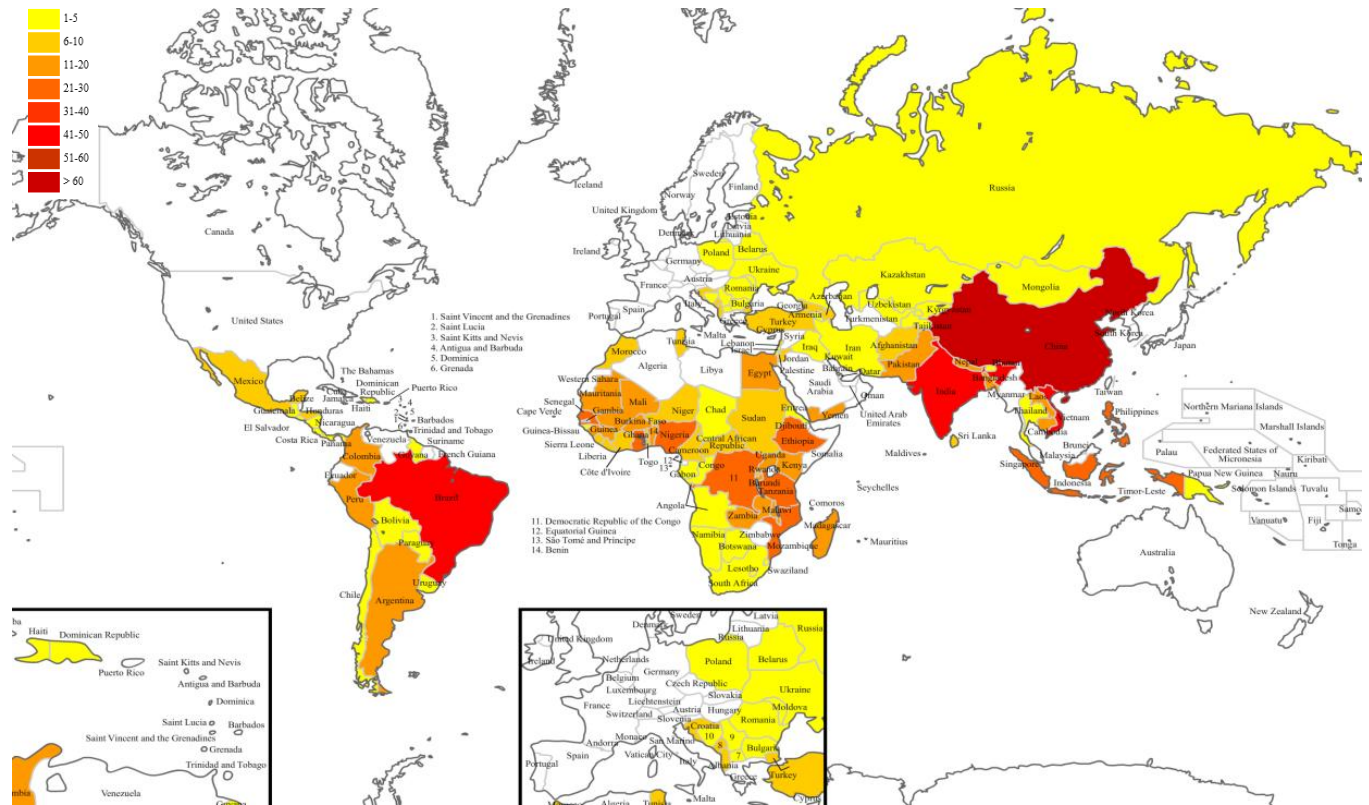
The closed, active, and pipeline status of projects in the resettlement portfolio illustrate that the historical concentration of resettlement projects in EAP is currently switching to AFR. EAP has almost twice as many closed projects compared to AFR, but the relationship is inverted in active projects and in the pipeline.

**Figure 3. Regional Distribution of Projects Triggering Resettlement Policy by Project Status**



The map (figure 4) shows the extent of involuntary resettlement in every region in most countries. The darker colors illustrate the heavy concentrations of projects—over 30—involving resettlement in three large individual countries in EAP, SAR, and LCR, while the other countries have fewer projects involving resettlement.

**Figure 4. Map of Active and Pipeline Projects Triggering Involuntary Resettlement Policy**



**Distribution by Sectors**

Transport is by far the largest sector among projects triggering the resettlement policy, accounting for 23 percent of projects with resettlement. The energy and agriculture sectors follow, both with 16 percent, and the water and urban sectors each account for 12 percent. The environment and education sectors comprise small percentages of the resettlement portfolio. Comparing closed, active, and pipeline projects shows these trends have remained throughout time (table 5).

The sectoral distribution of projects in the overall Bank portfolio highlights that transport, urban, and water projects are much more likely to trigger the involuntary resettlement policy compared to other sectors. The size of transport in the resettlement portfolio is almost three times their size in the overall Bank portfolio, and the urban and water sectors are at least double.

The education sector and the “other”<sup>10</sup> sectors occupy a much higher percentage within the total Bank projects compared to their percentages in the involuntary resettlement portfolio, illustrating that these sectors are less likely to trigger the involuntary resettlement policy compared to the six major sectors in table 4.

<sup>10</sup> “Other” sectors are Financial & Private Sector, Health, Nutrition & Population, Information Technology, Public Sector Governance, Social Development and Social Protection.

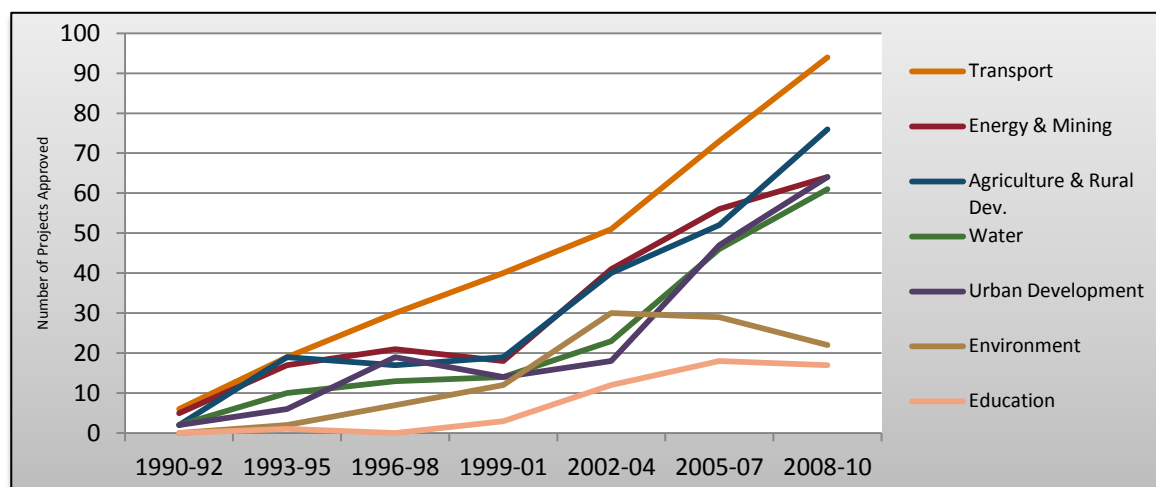
**Table 4. Distribution by Sectors of Projects Triggering Resettlement Policy, 1990–2012**

	Projects Triggering Resettlement Policy		Total Bank Projects		Percentage of Projects Triggering Resettlement Policy in Each Sector
	No. Projects	Percentage	No. Projects	Percentage	
Transport	333	23%	650	9%	51%
Energy	230	16%	772	11%	30%
Agriculture	228	16%	1090	16%	21%
Water	175	12%	423	6%	41%
Urban	172	12%	433	6%	40%
Environment	99	7%	660	10%	15%
Education	49	4%	567	8%	9%
Other	137	10%	2289	33%	1%
<b>TOTAL</b>	<b>1423</b>	<b>100%</b>	<b>6884</b>	<b>100%</b>	<b>21%</b>

**Table 5. Closed, Active, and Pipeline Projects, Distribution by Sector (%)**

Sector	Status of the Project		
	Closed	Active	Pipeline
Transport	26	23	20
Energy	15	17	15
Agriculture	17	15	18
Water	10	13	13
Urban	10	12	14
Environment	8	8	5
Education	2	4	3
Other	12	8	12

The growth of different sectors over time can be seen in figure 5 below. Projects triggering the resettlement policy have increased in all sectors, with the exception of environment and education. Transport and agriculture have risen most steeply within the last 5 years.

**Figure 5. Projects Triggering Resettlement Policy, Major Sectors**

### ***Environmental Classification***

Even though the environmental classification of projects into categories does not fully take into account social impacts, table 6 shows that 30 percent of all projects triggering the resettlement policy are category A, while only 9 percent of overall Bank projects are category A.

The majority of projects triggering the involuntary resettlement policy are category B projects (64 percent), which is also higher than the percentage of category B projects (46 percent) in the overall Bank portfolio.

Lastly, while category C projects constitute almost half of all Bank projects, only 6 percent of the projects triggering the resettlement policy are category C projects (table 6).

Comparing the trends of the environmental category of projects triggering the involuntary resettlement policy, the percentage of category A projects decreased from 34 percent in the closed projects to 27 percent in the active projects, while category B increased from 57 percent to 68 percent.

**Table 6. Environmental Classification of Projects Triggering Resettlement Policy and All Bank Projects**

Environmental Category	A		B		C & other		Total	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
<b>Closed</b>	146	34	244	56	41	9	431	100
<b>Active</b>	202	27	455	61	90	12	747	100
<b>Pipeline</b>	77	31	134	55	34	14	245	100
<b>Total Resettlement Projects</b>	425	30	833	58	165	12	1423	100
<b>Total Bank Projects</b>	633	9	3,169	46	3,082	45	6,884	100

### ***Inspection Panel***

The Bank's Inspection Panel was created in 1993 as a forum for people who believe they may be adversely affected by Bank-financed operations to the highest decision-making levels of the Bank. During its existence, the Inspection Panel has received 58 formal requests for inspection, 48 of which were found eligible. The most frequent policy violations brought up in the requests were project supervision (42 cases), environmental assessment (38 cases), and involuntary resettlement (31 cases), followed by policies on indigenous peoples, disclosure of information, and others. Non-compliance with the Bank's involuntary resettlement policy (by the Bank and/or the client) was cited in more than half—54 percent—of all requests submitted to the panel.

The regional distribution of projects (table 7) shows that most of the requests for inspection in general came from the LCR and AFR regions (33 percent and 32 percent each), with SAR coming in third (20 percent). However, the distribution of the inspection requests involving the resettlement policy shows that the regions with the most cases were AFR and SAR, each with 32 percent of cases, whereas LCR dropped to third place with (20 percent).

**Table 7. Inspection Panel Cases by Region**

	<b>Total Requests received</b>	<b>Percentage</b>	<b>Requests involving Resettlement Policy</b>	<b>Percentage</b>
<b>LCR</b>	19	33%	8	26%
<b>AFR</b>	18	31%	10	32%
<b>SAR</b>	12	20%	10	32%
<b>EAP</b>	4	7%	1	3%
<b>ECA</b>	4	7%	2	6%
<b>MNA</b>	1	2%	0	0%
<b>Total</b>	58	100%	31	100%

In its own assessment (box 3) after 15 years of experience, the Inspection Panel discussed the application of the Bank's policy on involuntary resettlement.

#### **Box 3. Inspection Panel Assessment of Resettlement**

“In several recent investigations, the Panel found that the Bank did not comply with core provisions of its policy on involuntary resettlement. These include investigations into the India Mumbai Urban Transport Project (MUTP), the West African Gas Pipeline Project (WAGP), and the Albania Coastal Zone Project. These cases presented a number of recurring problems, including inadequate attention to options for avoiding or minimizing displacement and to exploring resettlement options with affected people (MUTP), inadequate consultation with affected people during the preparation of a resettlement instrument as required by Bank Policy (MUTP, WAGP), failure to ensure that adequate socioeconomic baseline information was gathered on which to base resettlement planning for displaced people (MUTP, WAGP), inadequate actions to ensure income and livelihood restoration (MUTP, WAGP), and in some cases, failure to trigger the application of the policy as a safeguard for the affected people (Albania Coastal Zone Project). Bank Management at a senior level has acknowledged these issues and resolved to strengthen efforts to ensure policy compliance.”

The Inspection Panel case described in box 4 below is one of the projects in the sample of closed projects included in this review.

#### Box 4. Ghana Second Urban Environmental Sanitation Project

On August 16, 2007, a request for inspection was filed by two local organizations affected by a proposed sanitary landfill in the outskirts of Accra, alleging noncompliance with the Bank's environmental and involuntary resettlement policies. In particular, they claimed that the landfill was too close to their communities, therefore posing serious health risks, and that they were not consulted.

The Inspection Panel concluded that the Bank was in violation of its safeguard policies. The panel based its opinion on a number of factors, including the following: (a) as a category A project, considered in the PAD as a high risk project, a RAP (instead of an RPF) should have been available as a condition for appraisal; (b) there was no analysis of alternatives to avoid displacement; (c) no meaningful consultation was carried out; (d) the short distance of the landfill to the communities was in violation of Bank standards; (e) there was no social specialist engaged during preparation; and (f) the government's capacity and commitment to appropriate resettlement was lacking.

## Active Projects

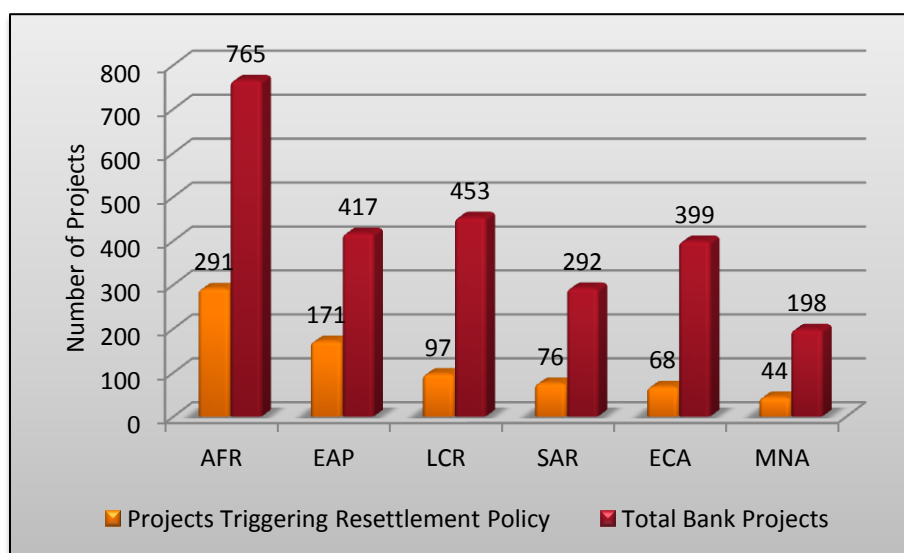
### Number of Projects

Of the total number of 747 active projects triggering the resettlement policy, 56 projects (7 percent) triggered OD 4.30, whereas 691 projects (93 percent) triggered OP 4.12. This is consistent with the time frame of the review of active projects (January 1998–December 2009), since OP 4.12 became effective on January 1, 2001.

### Distribution by Region and Country

AFR accounts for 39 percent of projects triggering the resettlement policy, followed by EAP with 23 percent, LCR with 13 percent, SAR with 10 percent, ECA with 9 percent, and MNA with 6 percent of the active resettlement portfolio. The number of active projects in each region can be seen in figure 6. This figure excludes projects categorized as "world-wide projects".

Figure 6. Projects Triggering the Resettlement Policy Compared to Total Bank Projects, January 1998–December 2009



Regions could be grouped into three categories: AFR and EAP with the highest number of projects triggering the involuntary resettlement policy (62 percent), LCR and SAR with a medium number of projects (23 percent), and MNA and ECA with the lowest number of projects (15 percent).

Within the regions, there are also differences regarding the distribution of projects triggering the policy in the countries.

In EAP, China accounts for 41 percent of all projects involving resettlement in the region, and Vietnam, Indonesia and the Philippines constitute one third of the region's resettlement portfolio. In SAR, India has almost half of the region's projects involving resettlement, with Bangladesh, Nepal, Sri Lanka, and Pakistan in tow. In LCR, Brazil has a third of projects with resettlement. Argentina, Colombia, Peru and Honduras are the other major countries in the region's resettlement portfolio.

In AFR, the majority of projects with resettlement are scattered over 40 countries, with no single country exceeding 10 percent of projects in the region. Tanzania, Ethiopia, Mozambique, and Ghana are the countries with the most number of resettlement projects. In the ECA region, 19 countries account for almost 50 percent of the portfolio, with the remaining projects divided among Albania, Azerbaijan, Turkey, Croatia, and Georgia. In MNA, Yemen, Jordan, Egypt, Morocco, Lebanon, and Tunisia together make up 84 percent of the active resettlement portfolio.

The countries with the highest number of resettlement projects in the overall Bank portfolio are China (70 projects), India (35 projects), Vietnam (34 projects) and Brazil (32 projects). These countries also comprise large portions of their respective region's resettlement portfolio. A detailed distribution of projects by countries can be found in annex 5.

### ***Distribution by Sector***

For all active projects triggering the resettlement portfolio, transport is the largest sector with 23 percent of all projects, followed by energy (17 percent), agriculture (15 percent), water (13 percent), urban (12 percent), environment (7 percent), education (4 percent), and others (8 percent).

The sectoral distribution of projects within regions shows differences. The largest sectors in AFR are energy (18 percent), transport (16 percent), and agriculture (16 percent). "Other" sectors are a noticeable portion of the AFR portfolio (14 percent), and are much larger compared to the other regions.

The sectoral distribution in EAP is roughly similar to the overall distribution by sectors, with noticeably smaller percentages for education and "other" sectors.

In LCR, the largest sectors are transport (33 percent) and urban development (24 percent). LCR has by far the largest percentage of urban development projects compared to the other regions, which reflects the higher urbanization rate of LAC in comparison with other regions. Energy (3 percent) and agriculture (8 percent) are correspondingly much smaller compared to the other regions.

More than half of all projects in SAR are concentrated in the transport (34 percent) and agriculture (26 percent) sectors.

The largest sectors in ECA are energy (28 percent) and transport (26 percent), while the agriculture sector accounts for a markedly small portion of the portfolio with 6 percent.

The largest sectors in MNA are water (23 percent), followed by transport (20 percent).



**Table 8. Active Projects Triggering Resettlement Policy by Region and Sector**

	AFR	%	EAP	%	LCR	%	SAR	%	ECA	%	MNA	%	Total	%
<b>Transport</b>	46	16%	39	23%	32	33%	26	34%	18	26%	9	20%	170	23%
<b>Energy</b>	51	18%	34	20%	3	3%	12	16%	19	28%	8	18%	127	17%
<b>Agriculture</b>	47	16%	29	17%	8	8%	20	26%	4	6%	6	14%	114	15%
<b>Water</b>	31	11%	28	16%	13	13%	7	9%	10	15%	10	23%	99	13%
<b>Urban</b>	23	8%	26	15%	23	24%	7	9%	7	10%	6	14%	92	12%
<b>Environment</b>	27	9%	8	5%	11	11%	0	0%	7	10%	2	5%	55	7%
<b>Education</b>	26	9%	1	1%	1	1%	1	1%	1	1%	2	5%	32	4%
<b>Other</b>	40	14%	6	4%	6	6%	3	4%	2	3%	1	2%	58	8%
<b>TOTAL</b>	<b>291</b>	<b>100%</b>	<b>171</b>	<b>100%</b>	<b>97</b>	<b>100%</b>	<b>76</b>	<b>100%</b>	<b>68</b>	<b>100%</b>	<b>44</b>	<b>100%</b>	<b>747</b>	<b>100%</b>

### ***Resettlement Planning Instruments***

Fifty-five percent of the 747 active projects (412) that triggered the involuntary resettlement policy prepared only an RPF by appraisal, and only 218 projects (29 percent) prepared RAPs. Roughly half of these projects (104) also prepared RPFs alongside these RAPs. Process frameworks have been prepared in 31 projects (4 percent), and 30 projects (5 percent) prepared both RPFs and PFs by appraisal.

Figure 7 shows the use of the different resettlement instruments by region. EAP prepared only RPFs for about 40 percent of projects by appraisal, whereas in other regions this percentage is above 60 percent.

Regarding RAPs, EAP prepared this type of instrument by appraisal for 52 percent of its projects triggering the resettlement policy, compared to 34 percent for SAR, 25 percent for MNA, 21 percent for AFR and LCR, and 16 percent for ECA.

The least applied planning instrument is the process framework (PF), since it has been prepared only for 61 of the total active projects (8 percent), almost half of them as a stand-alone resettlement instrument. In addition, 30 projects prepared process frameworks alongside RPFs. About 50 percent of these projects are in the AFR region, 17 percent in EAP, and the rest ECA and LCR. MNA has only one project with this instrument and SAR none.

Fifty-six projects (7 percent) that triggered the policy did not prepare any resettlement instrument by appraisal. These were largely emergency recovery loans (15), GEF projects (14), or additional financing operations (12). The GEF projects and the additional financing operations were included in the review because they have a separate identification number. In the case of the GEF projects, they are associated with a main project that includes a resettlement instrument that applies to the GEF operation as well. The review found 80 additional financing projects; 68 of them prepared a new resettlement instrument and 12 used the original project's resettlement instrument. Another 10 projects did not prepare any instrument for exceptional reasons (i.e. Board granted a waiver, one completed resettlement before project appraisal). Only five projects were found that triggered the involuntary resettlement policy after appraisal, and therefore they did not prepare any instrument by this time.

**Figure 7. Projects by Type of Resettlement Instruments Prepared by Appraisal, by Region**

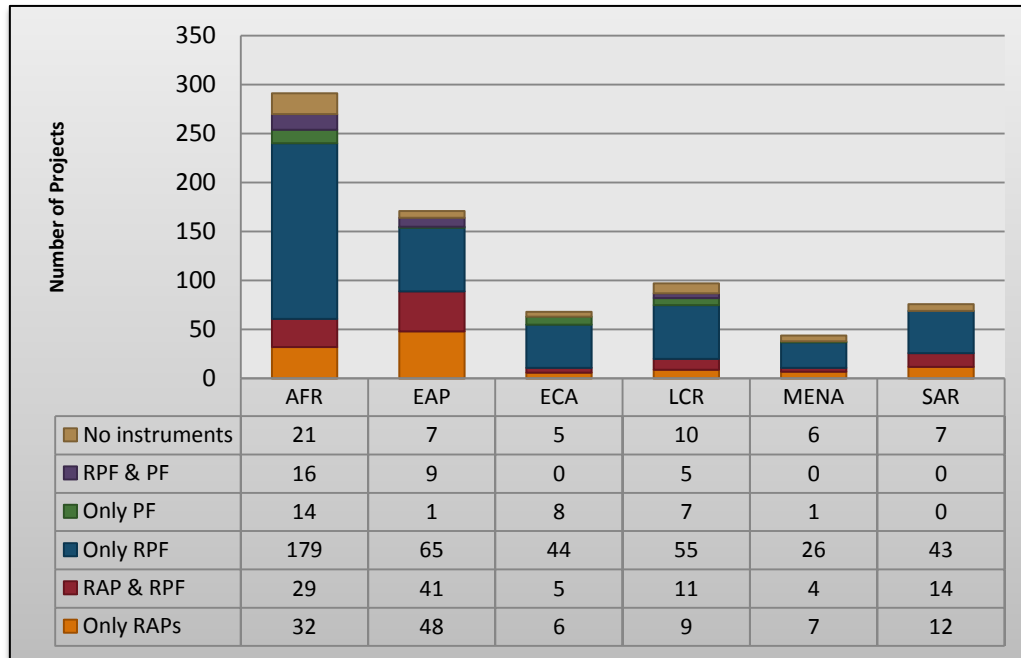
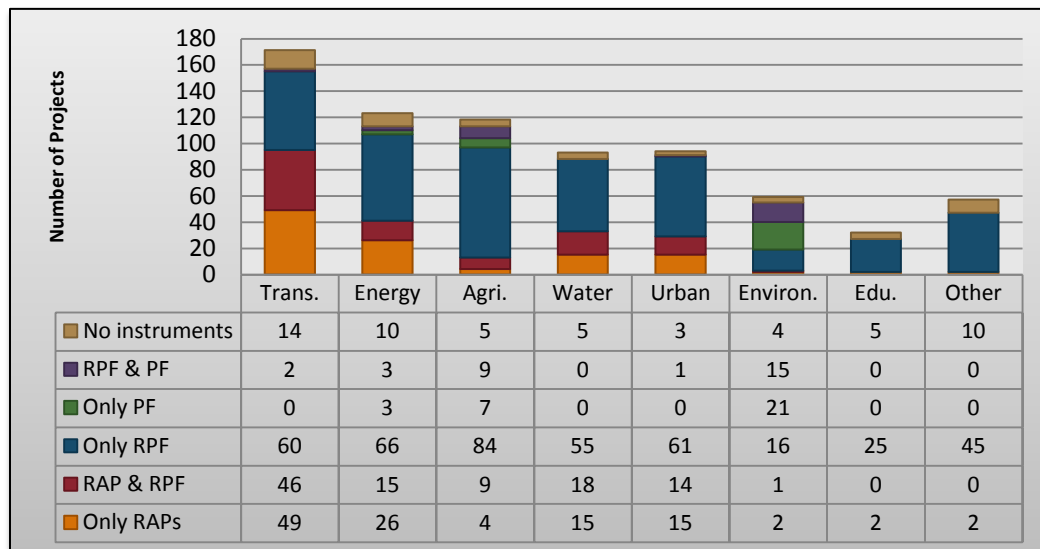


Figure 8 below shows the sectoral distribution of resettlement instruments. More than 50 percent of transport projects prepared RAPs by appraisal, while this percentage is lower for other sectors. Water, urban, and energy projects prepared RAPs by appraisal for 30 percent of projects.

Agriculture, education, and “other” sectors prepared only RPFs by appraisal for roughly 80 percent of projects, while RAPs were prepared for about 10 percent or less of projects by appraisal.

OP 4.12 contains specific provisions regarding the preparation of PFs in case the project limits access to legally established parks and natural protected areas, so it is not surprising that the environment sector accounts for two-thirds of all PFs encountered in the portfolio review. The remaining PFs are mostly in the agriculture sector. A recent thematic review on the use of process frameworks in LCR can be seen in box 5 below.

**Figure 8. Projects by Type of Resettlement Instrument Prepared by Appraisal by Sector**



### Box 5. LCR Thematic Review on Process Frameworks

The Latin American and Caribbean region conducted a thematic review on process frameworks. This review covered 11 projects that prepared this type of instrument. The review was conducted in two stages, the first one between 2005 and 2007 and the second one in 2009, when 4 of the 11 projects had been completed. The main conclusions of this thematic review were the following:

Despite the importance of the PF to address the impacts associated with the restriction of access to natural resources, the process framework is widely misunderstood, both by borrowers and by Bank teams. This has limited its effectiveness.

Even though several projects stated that there were no expected impacts associated with the potential restriction of access to natural resources, a PF was prepared. On the contrary, projects that recognized the inherent potential impacts of restricted access to natural resources on the livelihoods of people and prepared a PF did not apply this instrument during the implementation of the project and did not document the absence of this impact.

None of the PFs under the projects reviewed have been translated into a specific plan of action. Measures for integrating participatory processes into adaptive management frameworks are inadequate and do not effectively respond to the changing socioeconomic circumstances that result from restriction of access to natural resources.

There is limited supervision of PFs during implementation, and monitoring systems for evaluating the impacts on the livelihoods of potentially affected people have not been adequately developed.

There is little borrower ownership on the development and application of the process framework.

### ***Affected Population***

For purposes of identifying the magnitude and characteristics of the affected population in terms of displacement, the type of social units affected (residential or economic units), and location (urban and rural), only the subset of active projects that prepared a RAP were considered, since this data is not available in frameworks.

Of 218 projects that prepared RAPs by appraisal,<sup>11</sup> 204 included information about the number of affected people, which totaled 2,963,618 affected persons.

*Physically displaced population.* Since OP4.12 covers a wide range of people affected by the direct impact of involuntary taking of land—either through loss of assets, lost access to assets, or physical displacement—RAPs frequently use the term “project-affected people” (PAPs), but without disaggregating the types of impacts those people faced.<sup>12</sup> The reviewers refrained from making any assumptions in the collection of data for this review.

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<sup>11</sup> Some projects prepare more than one RAP for different parts of civil works; some projects consolidate these RAPs into one document. For the purposes of the portfolio review, projects that prepared multiple RAPs were counted as a single project with a single RAP.

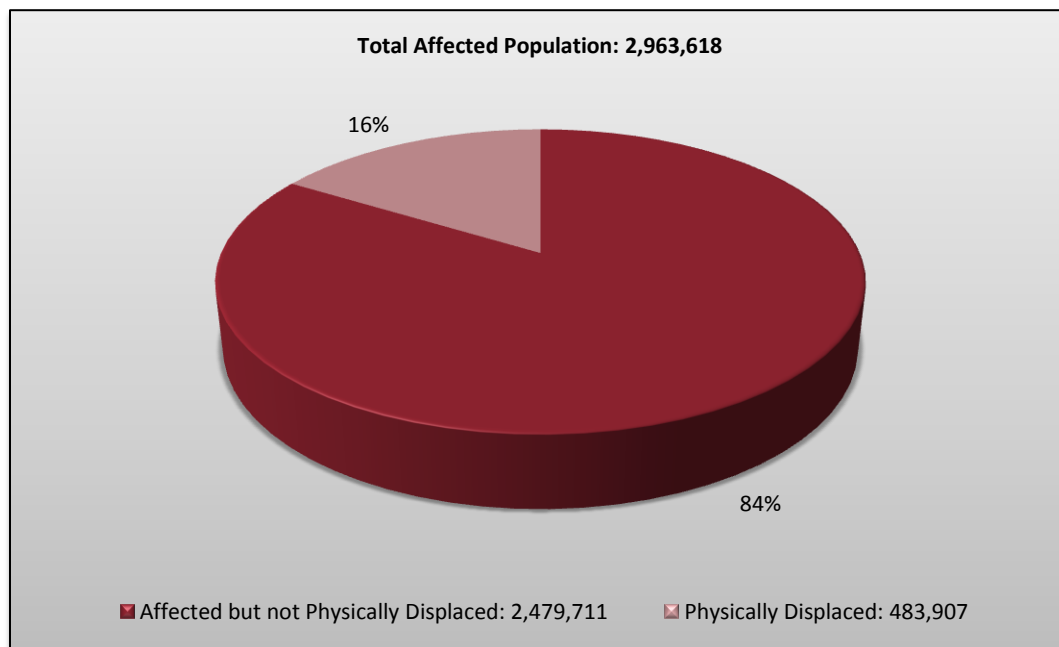
<sup>12</sup> Footnote 3 to OP 4.12, paragraph 2(b), states that “The term ‘displaced persons’ refers to persons who are affected in any of the ways described in para. 3 of this OP.” In return, paragraph 3 includes all persons affected by “involuntary land taking resulting in relocation or loss of shelter, loss of assets and access to assets, or loss of income sources and means of livelihood, whether or not the affected persons must move to another location, or the involuntary restriction of access to legally designated parks and protected areas resulting in adverse impacts on the

Out of the 204 projects with RAPs providing information about affected people, only 151 provided disaggregated data about people that were physically displaced. Of the total number of affected people, 483,907 (16 percent) were physically displaced (table 9).

**Table 9. Total Affected and Displaced People**

	AFR	EAP	LCR	SAR	ECA	MNA	All Projects
Projects where "number affected" data are available	53	87	18	26	11	9	204
Total affected population (persons)	229,809	1,981,291	34,509	700,237	8,213	9,589	2,963,618
Projects where "number displaced" data are available	38	68	13	20	5	7	151
Total displaced population (persons)	63,674	275,755	22,981	117,737	1,080	2,680	483,907

**Figure 9. Total Affected and Displaced Population in 204 Active Projects**



livelihoods of the displaced persons.” Strictly according to OP 4.12, all of the “project-affected people” should have been called “displaced persons,” which would still not indicate the exact nature of how they were affected by the project.

**Residential population.** Of the 204 RAPs with information on affected people, 151 disaggregated the data regarding whether people affected were residential or business-related.

**Table 10. Availability of Information on Affected Residential Population**

	AFR		EAP		LCR		SAR		ECA		MNA		Total	
Projects with RAPs	61	100%	89	100%	20	100%	26	100%	11	100%	11	100%	218	100%
Projects where "affected residential persons" data are available	53	87%	87	98%	18	90%	26	100%	11	100%	9	82%	204	94%
Projects where "displaced residential persons" data are available	38	62%	68	76%	13	65%	20	77%	5	46%	7	64%	151	69%

In the 204 projects with information (27 percent of active projects), a total of 2,812,339 residential people were affected, most of them concentrated in EAP and SAR (91 percent).

EAP accounts for 68 percent of the total number of affected persons, with an average of 21,854 persons per project. SAR is the second largest region with 23 percent of the affected population and an average of 24,679 persons per project. AFR accounted for 8 percent of all persons and an average of 4,170 persons per project, LCR for 2 percent (1,724 persons per project), followed by ECA (726 persons per project) and MNA (1,045 persons per project).

**Table 11. Affected Residential Population by Region**

	AFR	EAP	LCR	SAR	ECA	MNA	All Projects
Projects where "number affected" data are available	53	87	18	26	11	9	204
Total affected residential population (persons)	221,015	1,901,260	31,036	641,660	7,989	9,409	2,812,339
Average affected residential population per project	4,170	21,854	1,724	24,679	726	1,045	13,786

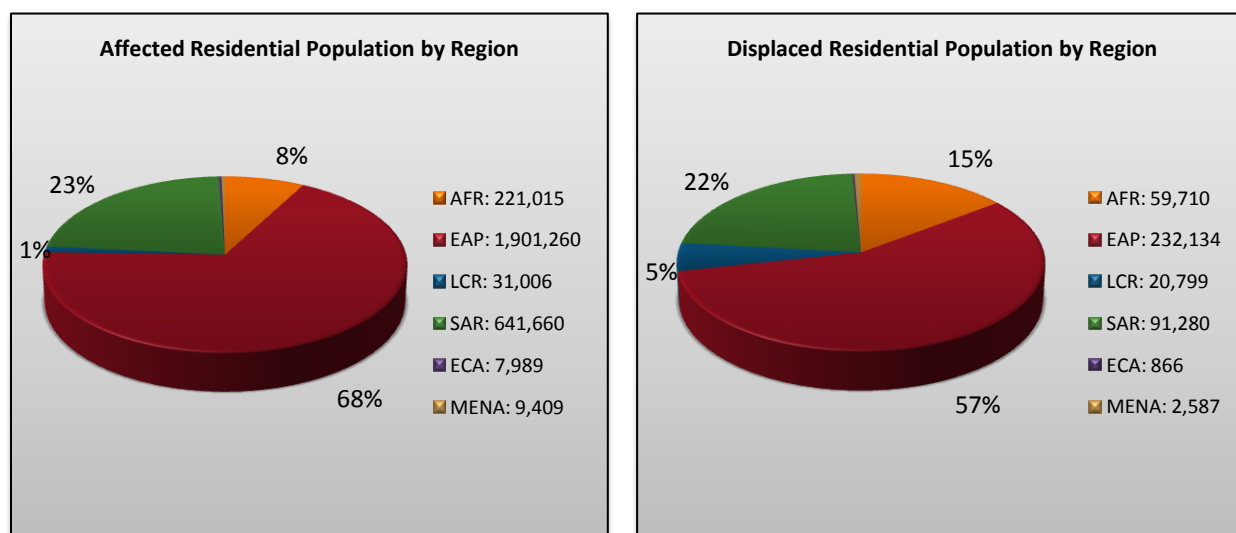
**Physically displaced residential population.** Only 170 projects physically displaced people, and 151 have information on the number of displaced. The total number of residentially displaced people in 151 projects was 407,376 people, which was 15 percent of the total affected people.

The regional distribution can be seen in table 12 and shows the same trends as the affected people. EAP displaced more than half of all people displaced by Bank projects, which is related to the high number of projects in its portfolio and the high level of density of population. SAR, AFR, and LCR follow in magnitude of overall displacement, while the ECA and MNA regions displaced relatively few people. However, SAR has the largest average number of displaced people per project, namely 4,564 persons. Following in magnitude is EAP with 3,414 persons, LCR with 1,600 persons, and AFR with 1,571 persons per project. ECA and MNA projects, on average, had fewer than 400 persons to be resettled.

**Table 12. Displaced Residential Population by Region**

	AFR	EAP	LCR	SAR	ECA	MNA	All Projects
Projects with information about physical displacement	47	71	19	20	5	8	170
Projects where "number of displaced residential people" is available	38	68	13	20	5	7	151
Total displaced residential population (persons)	59,710	232,134	20,799	91,280	866	2,587	407,376
Average displaced residential population (persons)	1,571	3,414	1,600	4,564	173	370	2,698

These data show that whereas AFR accounts for 39 percent of projects triggering the resettlement policy, it is only the third region in terms of affected people and the fourth region in terms of displaced people. AFR accounts for only 8 percent of the affected and 15 percent of the displaced population. On the contrary, EAP, as the second largest region in terms of project numbers, has eight times more affected people and four times more displaced people compared to the AFR region (figure 10).

**Figure 10. Total Number of Affected and Displaced Residential Population by Region**

The availability of information on residential affected and displaced populations in different sectors is relatively uniform among sectors (table 13). The transport, urban, and water sectors have a better record of reporting on displaced persons, compared to the energy and agriculture sectors. The number of RAPs in environment and education are too low for a meaningful conclusion.

**Table 13. Availability of Information on Affected and Displaced Residential Population by Sector**

	Transport		Energy		Agriculture		Water		Urban		Environment		Education		Other		Total	
<b>Projects with RAPs</b>	92	100%	44	100%	12	100%	32	100%	28	100%	3	100%	2	100%	5	100%	218	100%
<b>Projects where "affected residential persons" data are available</b>	89	97%	40	91%	11	92%	30	94%	27	96%	3	100%	0	0%	4	80%	204	94%
<b>Projects where displaced residential persons" data are available</b>	71	80%	23	52%	5	42%	23	72%	23	82%	3	100%	0	0%	3	60%	151	69%

Table 14 and figure 11 present the affected and displaced residential population by sector. This table and figure show that 84 percent of the total affected residential people (2,812,339) are in the transport and energy sectors.

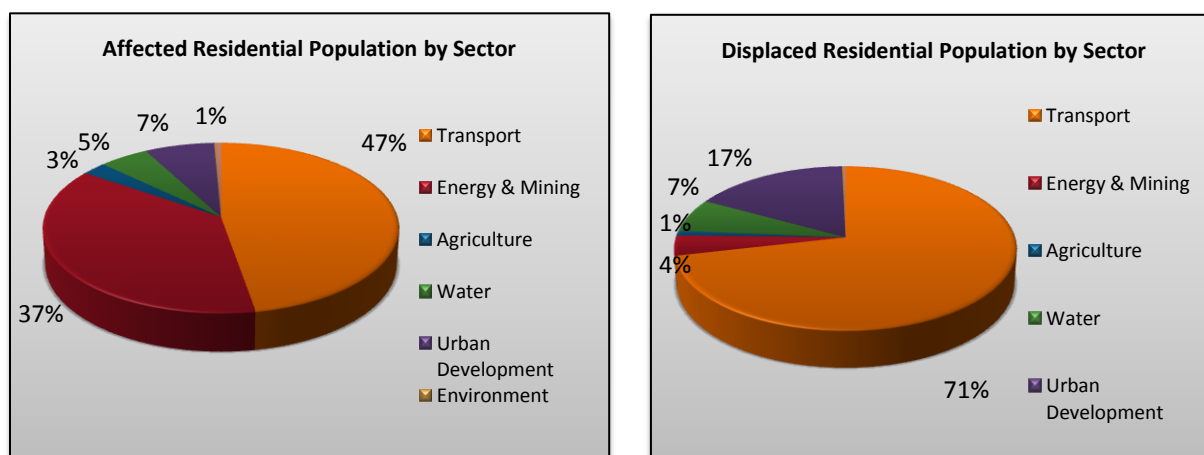
Regarding physical displacement, transport projects displace a higher portion (22 percent) of the residential people affected by its projects and account for 71 percent of the total residential population displaced by the active projects, while the energy sector only displaces 1.5 percent of the affected people. A significant portion of energy projects are electricity distribution and transmission line projects, where many people are affected by the right-of-way but are not physically displaced.

The transport sector has the highest average number of displaced people (4,099 per project), followed by urban (2,958 people) and water (1,173 people). However, while the affected people in the urban sector only represent 7 percent of the total affected residential population, it displaces 17 percent of them. On average, projects physically displace 2,698 people.

**Table 14. Affected and Displaced Residential Population by Sector**

	Projects where "affected residential persons" data are available	Total affected residential population (persons)	Average affected residential population (persons)	Projects where "displaced residential persons" data are available	Total displaced residential population (persons)	Average displaced residential population per project (persons)
Transport	89	1,328,762	14,930	71	291,021	4,099
Energy	40	1,048,410	26,210	23	16,197	704
Agriculture	11	70,489	6,408	5	3,638	728
Water	30	143,106	4,770	23	26,983	1,173
Urban	27	201,874	7,477	23	68,040	2,958
Environment	3	7,928	2,643	3	779	260
Education	0	-	-	0	-	0
Other	4	11,770	2,943	3	718	239
<b>Total</b>	<b>204</b>	<b>2,812,339</b>	<b>13,786</b>	<b>151</b>	<b>407,376</b>	<b>2,698</b>

**Figure 11. Total Number of Affected and Displaced Residential Population by Sector**



Urban-rural residential affected population. Livelihood restoration measures are strongly related to the urban or rural location of affected people. Of the 204 projects with information on affected people, 170 (78 percent) reported whether the population lived in urban or rural areas. This variable is relatively consistent across regions, except for ECA, where all projects had such information (table 15).



**Table 15. Availability of Information on Location of Affected Population**

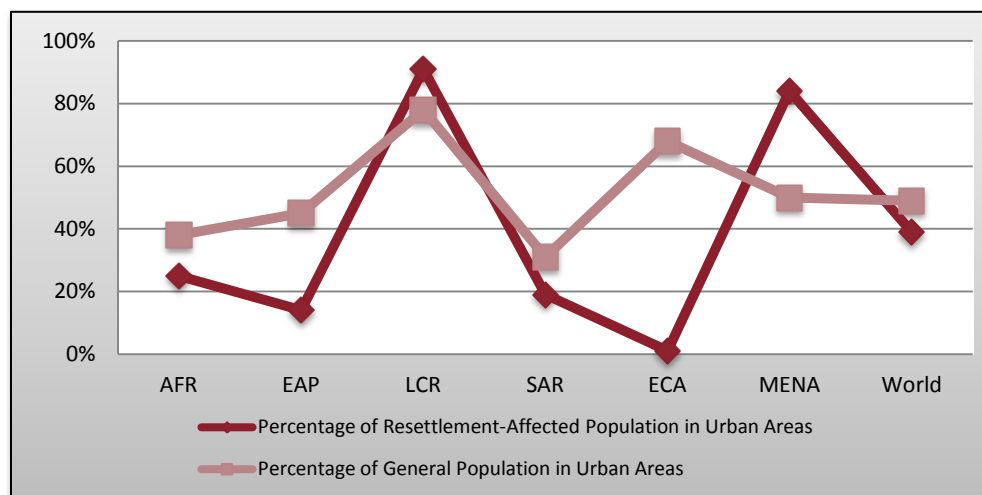
	AFR		EAP		LCR		SAR		ECA		MNA		Total	
<b>Projects with RAPs</b>	61	100%	89	100%	20	100%	26	100%	11	100%	11	100%	218	100%
<b>Projects where "affected residential persons" data are available</b>	53	87	87	98	18	90	26	100	11	100	9	82	204	94
<b>Projects with relevant data on location of affected population (urban-rural)</b>	45	74	70	79	17	85	19	73	11	100	8	73	170	78

Across the 170 projects that had information on the urban or rural location of people affected, the review found that of the total of 2,252,100 affected people, 39 percent were urban and 61 percent rural, with a per project average of 6,096 urban people and 9,605 rural people. Among the regions, there were large differences. While only 9 percent of people affected by projects in LCR and 16 percent of people affected by projects in MNA were rural, the percentage of rural affected population is 75 percent for AFR, 81 percent for SAR, 86 percent for EAP, and 99 percent for ECA.

**Table 16. Urban/Rural Location of Affected Residential Populations by Region**

	AFR	EAP	LCR	SAR	ECA	MNA	All Projects
<b>Projects where "affected residential persons" &amp; location data are available</b>	45	70	17	19	11	8	170
<b>Total affected residential urban population (persons)</b>	29,424	225,209	42,273	109,491	90	5,144	411,631
<b>Average affected residential urban population (persons)</b>	2,452	3,575	2,487	27,373	45	643	6,096
<b>Total affected residential rural population (persons)</b>	89,823	1,268,895	3,866	470,954	7,899	1,032	1,842,469
<b>Average affected residential rural population (persons)</b>	2,898	19,826	258	33,640	878	129	9,605

This rural-urban division of affected people in projects triggering resettlement is consistent with the overall urbanization levels in these regions, except for ECA, where almost all the affected population in the 11 projects with data resided in rural areas. Figure 12 compares the percentage of urban people affected by resettlement projects and the general level of urbanization in the regions. These percentages correlate in different levels in all regions with the exception of ECA.

**Figure 12. Percentage of Urban Population Affected and General Level of Urbanization**

Source: United Nations Department of Economic and Social Affairs Population Division

Note: Percentage for general population comes from United Nations Department of Economic and Social Affairs Population Division homepage. The data is for the year 2005, since 2005 falls roughly in the middle of the time span of active projects (1998–2009). Allocation of countries to regions by the Bank and the UN are not exactly the same; therefore these are not exact.

*Affected economic units.* Under productive activities (economic units), the review sought to gather information on the categories of business, industries, and services. Such detailed data was not available in project documents, however, and the only category that was identified was “businesses.” It is also important to highlight that it was not possible to differentiate between formal and informal businesses (i.e. street vendors or kiosks) in the information reported in the RAPs. Therefore, the data presented below refers to all type of businesses registered in the RAPs.

Of the 218 projects with RAPs, 155 (71 percent) indicated that there would be businesses affected, but only 70 (32 percent) reported on displaced businesses, and displaced owners and workers (table 17).

**Table 17. Availability of Information on Affected and Displaced Businesses by Region**

	AFR		EAP		LCR		SAR		ECA		MNA		Total	
<b>Projects with RAPs</b>	61	100%	89	100%	20	100%	26	100%	11	100%	11	100%	218	100%
<b>Projects where "business affected" data are available</b>	50	82%	58	65%	10	50%	21	81%	11	100%	5	45%	155	71%
<b>Projects where "business displaced" data are available</b>	11	18%	37	42%	4	20%	10	38%	6	55%	2	18%	70	32%

The total number of affected businesses in the 155 RAPs is 26,828, with 151,279 people associated with these businesses. Despite not being the region with the most projects in the resettlement portfolio, SAR had the highest number of affected businesses by a large margin (59 percent), and had 39 percent of

people associated with these businesses. However, while 11 percent of the affected businesses are in EAP, 53 percent of the people affected are in this region. AFR accounts for 25 percent of the overall businesses affected, while LCR only accounts for 3 percent.

**Table 18. Affected Businesses by Region**

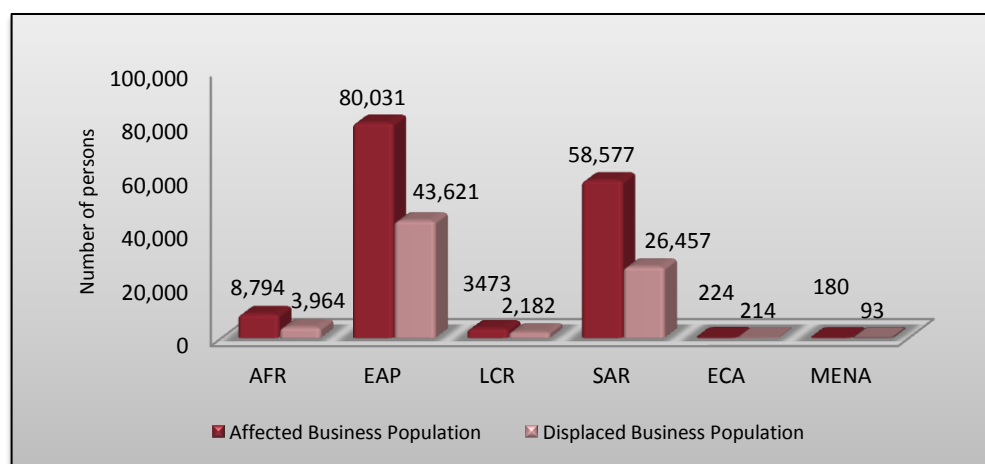
	AFR	EAP	LCR	SAR	ECA	MNA	All Projects
Projects where "business affected" data are available	50	58	10	21	11	5	155
Total affected businesses	7,015	2,849	791	15,839	154	180	26,828
Total affected business population (persons)	8,794	80,031	3,473	58,577	224	180	151,279

Less than 50 percent of the RAPs with information about affected businesses register the number of businesses to be physically displaced. These 70 RAPs show 15,238 (57 percent) were to be displaced, as well as 76,531 of the people related to these businesses (51 percent) (see table 19 and figure 13).

**Table 19. Displaced Businesses by Region**

	AFR	EAP	LCR	SAR	ECA	MNA	All Projects
Projects where "number displaced" data are available	11	37	4	10	6	2	70
Total displaced businesses	3,392	2,849	577	8,251	144	25	15,238
Total displaced business population (persons)	3,964	43,621	2,182	26,457	214	93	76,531

**Figure 13. Affected and Displaced Business Population by Region**



The availability of information on affected and displaced businesses in different sectors is summarized below in table 20. The availability of information is relatively consistent across sectors. Environment, education, and "other" sectors have lower percentages, but the sample of projects in these sectors is too small to draw a conclusion.

**Table 20. Availability of Information on Affected and Displaced Businesses by Sector**

	Transport		Energy		Agri.		Water		Urban		Environ.		Edu.		Other		Total	
<b>Projects with RAPs</b>	92	100%	44	100%	12	100%	32	100%	28	100%	3	100%	2	100%	5	100%	218	100%
<b>Projects where "business affected" data are available</b>	74	80%	37	84%	8	67%	18	56%	16	57%	2	67%	0	0%	0	0%	155	71%
<b>Projects where "business displaced" data are available</b>	41	45%	6	14%	1	8%	10	31%	11	39%	1	33%	0	0%	0	0%	70	32%

As can be seen in table 21, the transport sector affects the largest number of businesses, both in total numbers (25,319 businesses) and per project (342 businesses). The urban and water sectors affect considerable numbers of businesses as well, again both in total and per project numbers. In terms of affected population, transport projects affected 111,843 persons in total, and 1,511 on average. This is followed by the water and urban sectors, with 22,277 and 14,794 persons in total, and 1,238 and 924 persons on average respectively.

**Table 21. Affected Businesses by Sector**

	Projects where "number affected" data are available	Total affected businesses	Average affected businesses	Total affected population (persons)	Average affected population (persons)
<b>Transport</b>	74	25,319	342	111,843	1,511
<b>Energy</b>	37	164	4	1,087	29
<b>Agriculture</b>	8	50	6	79	10
<b>Water</b>	18	365	20	22,277	1,238
<b>Urban</b>	16	785	49	14,794	925
<b>Environment</b>	2	145	73	1,199	600
<b>Education</b>	-	-	-	-	-
<b>Other</b>	-	-	-	-	-
<b>Total</b>	155	26,828	173	151,279	976

The sectoral distribution of businesses displaced by projects triggering the involuntary resettlement policy, summarized in table 22, shows that the transport sector far outnumbers any of the other sectors. The sector accounts for 94 percent of all displaced businesses and 76 percent of all displaced persons associated with businesses. It is important to highlight that while the urban sector affects only 2.5 percent of businesses, the affected population is 15 percent of the total.

**Table 22. Displaced Businesses by Sector**

	Projects where "number displaced" data is available	Total Displaced Businesses	Average Displaced Businesses	Total Displaced Population (persons)	Average Displaced Population (persons)
Transport	41	14,250	348	58,135	1,418
Energy	6	161	27	314	52
Agriculture	1	6	6	35	35
Water	10	365	37	5,648	565
Urban	11	311	28	11,592	1,054
Environment	1	145	145	807	807
Education	-	-	-	-	-
Other	-	-	-	-	-
<b>Total</b>	<b>70</b>	<b>15,238</b>	<b>218</b>	<b>76,531</b>	<b>1,093</b>

**Affected land.** Data on affected land was available for 74 percent of all projects with RAPs. There is a large variation in reporting on land acquisition among regions. While 100 percent of EAP RAPs had information on affected land, only 40 percent of LCR RAPs had similar information (table 23).

**Table 23. Availability of Information on Land Acquisition by Region**

	AFR		EAP		LCR		SAR		ECA		MNA		Total	
Projects with RAPs	61	100%	89	100%	20	100%	26	100%	11	100%	11	100%	218	100%
Projects where land acquisition data are available	30	49%	87	98%	8	40%	22	85%	11	100%	4	36%	162	74%

Average private land acquisition causing resettlement impacts in Bank projects is 176 hectares. Average land acquisition in ECA (260 hectares) and AFR (195 hectares) is above the overall average. The rest of the regions' land acquisition is lower than the average, with 160 hectares for EAP, 140 hectares for SAR, 93 hectares for LCR, and 17 hectares for MNA. There are too few projects in LCR and MNA to make a definitive statement, however.

**Table 24. Private Land Acquisition by Region**

	AFR	EAP	LCR	SAR	ECA	MNA	All Projects
Projects where land acquisition data is available	30	87	8	22	11	4	162
Total land acquisition (ha)	5,864.33	13,972.73	747.00	3,071.35	2,856.92	69.17	28,581.11
Average land acquisition (ha)	195.48	160.61	93.38	139.61	259.72	17.29	176.43

While the review also intended to collect information on affected public lands, this information was not available in half of the projects. In addition, the categorization of land as public or private differed across

countries and therefore a meaningful analysis could not be made. The scale of public lands affected in projects with resettlement can be analyzed in further detail during the second phase of the review.

Information on private land acquisition is most readily available in the energy and water sectors, followed by transport, urban, and agriculture. The environment and “other” sectors have too few projects available to draw a conclusion.

**Table 25. Availability of Information on Private Land Acquisition by Sector**

	Transport		Energy		Agri.		Water		Urban		Environ.		Educ.		Other		Total	
Projects with RAPs	92	100%	44	100%	12	100%	32	100%	28	100%	3	100%	2	100%	5	100%	218	100%
Projects where private land acquisition data are available	64	70%	39	89%	7	58%	27	84%	18	64%	3	100%	0	0%	4	80%	162	74%

In terms of total land acquisition, the transport and energy sectors each make up about a third of total private land acquisition. The water and environment sectors follow in total land acquisition, with about 10 percent each. Average private land acquisition is highest for the three environment projects in the review, followed by the energy sector, which has a more statistically significant 39 projects in the review. The transport, water, agriculture, and urban sectors follow in average private land acquisition. The smaller average of the urban sector is not surprising, as land is scarcer in urban regions.

**Table 26. Private Land Acquisition by Sector**

	Projects where private land acquisition data are available	Total private land acquisition (ha)	Average private land acquisition (ha)
Transport	64	9,996.34	156.19
Energy	39	8,313.68	213.17
Agriculture	7	633.61	90.52
Water	27	3,493.66	129.39
Urban	18	868.21	48.23
Environment	3	2,404.37	801.46
Education	0	-	-
Other	4	871.24	217.81
Total	162	26,581.11	164.08

It is again worth noting the relationships between the size of land acquisition and the resulting magnitude of resettlement impacts in different sectors.

**Resettlement costs.** Despite the importance of estimating the cost of the RAPs to ensure their implementation—one of the requirements of the Bank resettlement policy—12 percent of the RAPs do not include the costs of resettlement (table 27).

**Table 27. Availability of Information on Resettlement Cost by Region**

	AFR		EAP		LCR		SAR		ECA		MNA		Total	
Projects with RAPs	61	100%	89	100%	20	100%	26	100%	11	100%	11	100%	218	100%
Projects where resettlement cost data is available	53	87%	85	96%	15	75%	23	89%	10	91%	6	55%	192	88%

In terms of resettlement costs as a percentage of total project cost, the overall average is 4.2 percent. LCR (6.3 percent) and SAR (5.9 percent) are significantly above this average. EAP, ECA, and MNA are roughly average, and AFR (2.3 percent) is markedly below average. Regarding the SAR data, there is an urban transport and slum upgrading project in the list of SAR projects, for which the resettlement cost is 59 percent of the total project cost. If this project is taken out of the list, the SAR average drops to 3.6 percent. The resettlement budget of a similar project in LCR is 38 percent of total project cost, and if this project is discarded for calculating averages, the LCR average comes down to 5.3 percent. Without these two projects, the overall average across regions drops to 4.0 percent. Five projects in EAP have resettlement budgets exceeding 20 percent of the total project cost. EAP has 85 projects with cost information, however, and therefore these five projects do not alter the average significantly.

Even though the comparison of the cost of resettlement per person is not accurate given the differences in the value of the affected assets—due to their location, the type of assets affected (just land or structures), and whether or not physical displacement is involved—the analysis below is only for illustrative purposes. This analysis should be improved in the second phase of the review.

The average cost of resettlement per affected person in the 192 projects with data is \$1,101 per affected person. The cost per affected person is more than the average in LCR (\$5,952), ECA (\$9,099) and MNA (\$2,870), while they are lower than average in AFR (\$987) and SAR (\$738). The EAP cost per affected person—at \$1,115—is almost the same as the average.

**Table 28. Resettlement Cost by Region**

	AFR	EAP	LCR	SAR	ECA	MNA	All Projects
Projects where resettlement cost data are available	53	85	15	23	10	6	192
Average resettlement cost (US million dollars)	\$4.12	\$24.94	\$12.30	\$20.60	\$7.27	\$4.50	\$16.13
Average percentage of total project cost	2.3%	4.2%	6.3%	5.9%	4.6%	4.1%	4.2%
Average cost per affected residential person (US dollars)	\$987.35	\$1,115.05	\$5,952.40	\$738.35	\$9,098.76	\$2,869.59	\$1,100.95

In addition to varying by region, resettlement cost varies by location (urban or rural) and by the resettlement impacts. Since OP 4.12 covers land acquisition as well, there are projects that affect people through partial acquisition of their land but do not displace them, such as a transport project with only a slight widening of an existing road. In contrast, there are projects that require the physical relocation of almost all of the affected people. Projects with significant physical displacement have much higher resettlement costs than those with land acquisition only.

The availability of cost information by sectors is relatively constant except for agriculture and education, which have poorer reporting.

**Table 29. Availability of Information on Resettlement Cost by Sector**

	Transport		Energy		Agri.		Water		Urban		Environ.		Edu.		Other		Total	
Projects with RAPs	92	100%	44	100%	12	100%	32	100%	28	100%	3	100%	2	100%	5	100%	218	100%
Projects where land acquisition data is available	82	89%	41	93%	8	67%	29	91%	25	89%	3	100%	0	0%	4	80%	192	88%

The average resettlement budget in projects is highest in the urban (\$22 million), transport (\$21 million), and water (\$18 million) sectors. The sample of three projects in the environment sector has an average resettlement budget of \$11 million. Energy (\$6 million) and agriculture (\$1 million) have smaller resettlement budgets.

The averages for the percentage of resettlement cost to the total project cost shed more light on sectoral trends. While the resettlement budget is over 10 percent of project cost in the urban and water sectors, it is a much smaller percentage in transport, energy, and agriculture projects.

The cost per affected person follows a similar trend. Compensating for the losses of affected persons costs \$3,747 per person in urban projects and \$2,684 per person in water projects. The per person cost in transport projects is lower at \$1,301. Energy (\$227) and agriculture (\$153) per person costs are of an entirely different magnitude.

**Table 30. Resettlement Cost by Sector**

	Projects where resettlement cost data are available	Average resettlement cost (in US millions)	Average percentage of total project cost	Average cost per affected residential person (US dollars)
Transport	82	\$21.08	3.5%	\$1,300.94
Energy	41	\$5.81	2.1%	\$227.16
Agriculture	8	\$1.35	1.0%	\$152.93
Water	29	\$18.49	10.1%	\$3,747.22
Urban	25	\$21.67	11.5%	\$2,683.65
Environment	3	\$10.94	7.8%	\$4,141.02
Education	0	-	-	-
Other	4	\$1.96	2.7%	\$664.40
Total	192	\$16.13	4.2%	\$1,100.95

**Linkage clause.** A new provision introduced by OP 4.12 is its Article 4, unofficially named the “linkage clause” in the Bank because it requires that the Bank’s resettlement policy be applied to projects that are linked to Bank-financed operations even if such linked portions are not funded by the Bank. The linkage clause applies to “all components of the project that result in involuntary resettlement, regardless of the source of financing,” and “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 review found only 11 projects triggering OP 4.12 because of the linkage clause. Nearly all of these projects are in EAP, including seven in China, two in Laos, and one in Vietnam; one other project is in Uganda. The review also found that screening for linkage issues is reflected more systematically in the resettlement documents of the EAP Region. In this region, projects without linkage issues also reported in their PAD or ISDS that screening for potential linkage issues had been done.

### Closed Projects

This section presents the results of the review of a sample of closed projects. Table 32 presents the distribution of the 431 closed projects by region and sector.

#### *Number of Projects and Sample*

The pattern of projects involving resettlement by region and sector is identical to the pattern identified in active projects; with the difference that the EAP Region was the region with largest number of projects triggering the policy.

**Table 31. Distribution of Closed Projects by Region and Sector**

	AFR	EAP	ECA	LCR	MENA	SAR	Total
Agriculture & Rural Development	8	40	3	3	3	14	71
Education	5	1	0	2	1	1	10
Energy & Mining	17	28	3	3	0	15	66
Environment	8	4	4	13	2	2	33
Financial & Private Sector Development	5	2	0	2	0	2	11
Health, Nutrition & Population	5	5	0	0	0	0	10
Public Sector Governance	3	1	0	0	0	0	4
Social Development	4	6	2	0	0	0	12
Social Protection	8	3	1	0	0	0	12
Transport	13	58	7	17	2	16	113
Urban Development	9	16	3	4	9	4	45
Water	6	21	4	8	1	3	43
Multi Sector	0	0	0	1	0	0	1
<b>Total</b>	<b>91</b>	<b>185</b>	<b>27</b>	<b>53</b>	<b>18</b>	<b>57</b>	<b>431</b>

Of the 431 closed projects, a representative sample of approximately 10 percent (44 projects) was selected through a random sampling by regions and sectors. In addition, the year of project closing was

also considered in the sample to ensure that a reasonable number of projects are selected in each year.<sup>13</sup> The distribution of the sample by regions and sectors and years of closing is shown in tables 32 and 33. A list of all projects in the closed project sample can be found in annex 3.

**Table 32. Distribution of Closed Project Sample by Region & Sector**

	AFR	EAP	ECA	LCR	MNA	SAR	Total
Agriculture & Rural Development	1	4	0	0	1	2	8
Education	1	0	0	0			1
Energy & Mining	1	3	0	0		2	6
Environment	1	0	1	1			3
Financial & Private Sector Development	1	0	0	0			1
Health, Nutrition & Population	0	1	0	0			1
Public Sector Governance	1	0	0	0			1
Social Development	0	1	0	0			1
Social Protection	1	0	0	0			1
Transport	1	6	1	1		2	11
Urban Development	1	2	0	2	1		6
Water	0	2	1	1			4
<b>Total</b>	<b>9</b>	<b>19</b>	<b>3</b>	<b>5</b>	<b>2</b>	<b>6</b>	<b>44</b>

**Table 33. Distribution of Closed Project Sample by Years**

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
<b>Number of Projects</b>	1	3	2	2	4	5	4	5	5	4	9	44

Resettlement performance and compliance with the involuntary resettlement policies (both OD 4.30 and OP 4.12) were analyzed at different stages of the project cycle—including preparation, implementation, and completion—through a qualitative approach based on some key variables. The impacts and cost of resettlement were also collected at the project preparation and completion stages.

As mentioned, the sources of information to review the closed project sample were the PAD/SARs, RAPs, RPFs, social assessments, environmental impact assessments, ISDSs, project papers,<sup>14</sup> BTORs, aide memoires, documents and messages from the TTLs filed as project documents in the operations portal, resettlement evaluation reports, ex-post evaluation reports, and resettlement monitoring reports and ICRs. Not all these documents were found in the system; the information presented is thus limited to the documents that could be obtained.

<sup>13</sup> The sample included a proportionate percentage of projects from each strata (region and sector). To ensure that at least one project was included from each sector, the selection was adjusted in AFR. One project each was selected from the education, financial and private development, and public sector and governance sectors.

<sup>14</sup> For additional financing projects, a project paper is prepared instead of a PAD.

### ***Policy Triggered (OP v.s. OD)***

Out of 44 projects, 37 projects (84 percent) triggered OD 4.30 and 7 projects (16 percent) triggered OP 4.12. The time frame of closed projects in the review ranged from January 1, 1990 (Board approval date), to December 31, 2009 (closing date). The Bank instituted its current involuntary resettlement policy (OP 4.12) for all projects having PCN dates on or after January 1, 2002, and this is reflected in the sample.

### ***Environmental Category***

Out of 44 projects, 20 projects are category A (45 percent), 21 projects are category B, and 3 projects are categorized as other.

**Table 34. Sample Projects by Environmental Category**

	AFR	EAP	ECA	LCR	MNA	SAR	Total
Number of closed projects	9	19	3	5	2	6	44
Number of category A projects	3	10	1	1	1	4	20
Number of category B projects	6	7	2	3	1	2	21
Number of projects of other categories	0	2	0	1	0	0	3

## **4. Resettlement Instruments**

As can be seen in table 35 below, at the appraisal stage RAPs were prepared for 19 of the 44 projects. Similarly, at the appraisal stage, 16 project prepared RPFs. The remaining 11 projects did not prepare resettlement instruments at the preparation stage, with 7 of these project not preparing any resettlement instruments throughout implementation either.

**Table 35. Resettlement Instruments at Preparation Stage**

		AFR	EAP	ECA	LCR	MNA	SAR	Total
Number of closed projects		9	19	3	5	2	6	44
Number of projects with resettlement instruments at preparation stage	RAPs & ARAPS	1	9	0	3	1	2	16
	RPF	4	4	1	2	0	2	13
	RPF & RAP	0	1	0	0	1	1	3
	PF	0	0	1	0	0	0	1
	<b>Total</b>	<b>5</b>	<b>14</b>	<b>2</b>	<b>5</b>	<b>2</b>	<b>5</b>	<b>33</b>

During implementation, 5 more projects prepared RAPs. Two of these projects prepared these RAPs pursuant to a RPF that was prepared during appraisal. Three projects, which did not have any resettlement instruments prepared at appraisal stage, also prepared RAPs during implementation (Philippines, Ethiopia and Pakistan). As

can be seen in Table 36 below, out of 24 projects that prepared RAPs (19 at appraisal and 5 during implementation), RAPs were available for only 10 (42 percent) of the projects.

Similarly, 3 projects prepared RPFs during implementation. Two of these were accompanied by the preparation of RAPs at the same time (the Philippines and Ethiopia projects referred to in the previous paragraph). One project in Mozambique only prepared a RPF during implementation. Out of the total of 19 projects that prepared RPFs (16 at appraisal and 3 during implementation), RPFs were available for only 8 (42 percent) of the projects.

It is particularly difficult to gather data on the resettlement process when the resettlement instrument is not available. Some PADs have safeguards annexes with detailed information from RAPs, but this is not always the case. Therefore, the projects where resettlement instruments were available are analyzed in detail separately after the general analysis.

**Table 36. Availability of Resettlement Instruments**

		AFR	EAP	ECA	LCR	MNA	SAR	Total
Number of closed projects		9	19	3	5	2	6	44
Total number of projects that prepared resettlement instruments (at preparation or during implementation)		7	15	2	5	2	6	37
Number of projects where resettlement instrument is available	RAPs & ARAPS	1	2	0	3	0	4	10
	RPF	6	1	0	1	0	0	8
	PF	0	0	0	0	0	0	0
	Total	7	3	0	4	0	4	18

*Resettlement policy frameworks.* Resettlement policy frameworks were prepared in 19 projects.<sup>15</sup> Based on the PCN dates of projects, most RPFs were prepared under OD 4.30. Even though OD 4.30 did not include provisions for the preparation of RPFs—this requirement was formally introduced only in OP 4.12—the data show that frameworks were routinely prepared before the introduction of OP 4.12, and the new Bank policy formalized a practice that was already taking place.

In a few cases, it is not clear whether RPFs were prepared under OP 4.12 or OD 4.30, because the RPFs are not available. For example, for one project in Mozambique, the PAD was prepared in 2000 and the RPF was prepared during implementation under OP 4.12 in 2005 (box 6).

**Box 6. Case study: Coastal and Marine Biodiversity Management Project in Mozambique (P070305)**

The project's PAD was prepared in 2000. The ICR was prepared in December 2007. No resettlement instruments were prepared at the preparation stage, but one RPF was prepared in May 2005. It indicated that 57 families may be resettled, yet no RAP was prepared and no information on resettlement was included in the ICR.

<sup>15</sup> Some projects did not exactly prepare a resettlement policy framework, but included some key principles on involuntary resettlement in their environmental and social frameworks. Some projects prepared resettlement guidelines.

Out of 19 projects that prepared RPFs, 5 projects prepared these frameworks alongside RAPs. Out of these 5 projects, in three cases, RAPs were prepared at appraisal and identified the population to be affected. The RPFs were prepared in case additional resettlement occurred (P037294, Bangladesh, transport; P042940, Algeria, urban; P004845, Vietnam, agriculture). For the remaining two projects, RPF and RAPs were prepared during implementation (P004597, Philippines; P000755, Ethiopia).

Out of the 14 remaining projects that prepared RPFs by appraisal, only two projects prepared RAPs during implementation: an agriculture project with irrigation sub-projects in Laos (P065973) and the Second Power Grid Development Project in India (P035173). For the Laos project, the lessons learned at project completion indicated that a RAP could have been prepared at the preparation stage (see box 7).

**Box 7. ICR of Lao Agriculture Project (P065973)**

“Detailed preparatory activities for the initial phase of civil works such as surveys, beneficiary selection and the preparation of RAPs and engineering designs should have been prepared during project design to a level to permit the preparation of draft contract documents to be assessed during appraisal and finalized prior to project effectiveness.”

Of 12 projects with RPFs, a RAP was not prepared for the Transport Sector Support Project in Romania (P093812) because there were no adverse impacts from involuntary resettlement. This project was selected as a pilot for the use of country systems in terms of safeguard policies, but because of inconsistencies between the Bank policy and the national legal framework, OP 4.12 was applied and an RPF was prepared. However, the ICR indicated that civil works under the project were within the existing right-of-way, and there was no resettlement or land acquisition.

Of the remaining eleven projects with RPFs, eight projects included limited information on resettlement.<sup>16</sup> Some of these projects— such as the road project in Indonesia, which displaced 560 households—involved significant resettlement impacts.

The three projects that did not provide any information on resettlement were the Urban Poverty Project in Indonesia (P055821), Natural Disaster Management Project in Mexico (P064887), and Private Sector Infrastructure Development Project in Bangladesh (P044789). The Gambia GM–Gateway SIL Project (P057394) had inconsistent information (see box 8 below).

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<sup>16</sup> These eight projects are: the Coastal and Marine Biodiversity Management Project in Mozambique (P070305), KDP2 in Indonesia (P073025), NE-Basic Education SIL in Niger (P061209), Decentralized Infrastructure Reform and Development Loan in Mexico (P080149), Second National Fadama Development Project Nigeria (P063622), Northern Sumatra Region Road Project in Indonesia (P003993), GM Gateway SIL in Gambia (P057394), and Decentralized Planning and Financing Project in Mozambique (P001807).

**Box 8. Gambia: GM-Gateway SIL (P057394)**

The involuntary resettlement policy was not triggered as indicated in the ISDS, but the PAD indicated that a resettlement framework is prepared within the EIA, and plans will be prepared if needed.

EIA notes that there may be issues related to squatters and the potential need of preparing RAPs. It also notes that some sites for construction were considered unsuitable due to resettlement concerns. EIA adds that compensation of illegal squatters will not be required.

The 2007 aide memoire and the project paper stated that when there is a case of minor resettlement, the implementing agency will take care of this by in-depth consultation before relocation and compensation.

The ICR indicated that 260 ha of land were going to be acquired for a free zone, but the community refused to give 60 ha of this land. The implementing agency engaged in a dialogue with the affected community to come up with an appropriate solution. The ICR concluded that “there might be a possibility of triggering the safeguard on resettlement on this land acquisition,” but rated social safeguards compliance as satisfactory.

Furthermore, it was also found that:

- RPFs were prepared in three projects during implementation instead of during the preparation stage (P070305 in Mozambique (See box 6); P004597 in the Philippines; and P000755 in Ethiopia).
- RPFs were prepared in two projects for voluntary land donation, of which one project is a community driven development (CDD) project in Indonesia. The RPF was used to set up the principles and procedures of land donation and small scale displacement (less than five families) on a voluntary basis (P073025, Indonesia). The other project is the Basic Education Project in Niger (P061209), discussed in box 9 below.
- RPFs were prepared for two projects under the pilot use of country systems: Decentralized Infrastructure Reform and Development Loan in Mexico (P080149) and the Transport Sector Support Project in Romania (P093812).

The Mexico project is an unusual case and should be considered an unsuccessful pilot in the application of the country systems (see box 10).

**Box 9. KDP2 in Indonesia (P073025) and Niger NE-Basic Education SIL (P061209)****KDP2 in Indonesia (P073025)**

“No significant resettlement is anticipated. Village subprojects that would involve displacing or seriously affecting more than five families require a full resettlement plan, a criteria that has been strikingly successful in encouraging a more vigorous than usual search for alternative designs. Projects that affect less than five families will require payment of cash compensation or the provision of alternative productive land as part of the subproject approval. Affected families will also have to agree with the proposed compensation arrangements, as discussed and recorded in open village meetings.” (PAD)

“Land acquisition assessments were part of the proposal review process and any land acquisition had to be approved by the district level oversight engineer. Land and resettlement were also recorded in the project’s master database and reviewed during field supervision. No significant adverse impacts from land acquisition or involuntary resettlement were reported from any KDP2 subproject. Because KDP did not allow involuntary land acquisition, any displacement was small (i.e. <5 families), voluntary, and kept within village boundaries.” (ICR)

**Niger NE-Basic Education SIL (P061209)**

The project triggered OP 4.12 as indicated in the ISDS and PAD. The PAD stated: “The RPF has been prepared to ensure that voluntary land donations planned under the proposed project are indeed voluntary and that a grievance mechanism is available, if needed.”

One aide memoire mentioned that school custodians, who used to live on school premises, are being resettled during renovation of schools. Another aide memoire mentioned that during mission it was noticed that there were people living in sites where a school would be constructed. It was agreed to proceed according to the framework, but a RAP was not prepared and the number of affected people was not specified. Other aide memoires noted that the implementing agency had taken land in some cases without consent, consultation, and compensation, or any other rehabilitation measures in violation of RPF principles. Compliance with 4.12 was rated as satisfactory in BTORs and the ICR concludes that everything was in compliance with the RPF.

**Box 10. Mexico-Decentralized Infrastructure Reform and Development Loan (P080149)**

The project was approved in 2004, which is before the Bank’s use of country systems came into effect in 2005, but it used a pilot country systems approach. The project involved 128 municipal subprojects and would have required a binding RPF under OP 4.12 and subsequently necessitate that the borrower prepared RAPs. Instead, some RPF principles were included in the environmental and social management framework (ESMF), but the legal agreement did not obligate the borrower to strictly follow OP 4.12. It was agreed that land acquisition and resettlement would be governed by Mexican national laws and good practice procedures based on the state of Guanajuato’s previous resettlement experience. The PAD states that these good practice examples were found to be in compliance with the Bank’s OP 4.12.

The 128 subprojects requiring civil works consisted mainly of road maintenance and rehabilitation. For eight of these subprojects, the federal government’s implementing agency acquired the right of way, while the remaining 120 were handled by municipal governments. For the eight subprojects implemented through the federal government, land acquisition affected 174 lots. An assessment of the land acquisition found that it complied with national legislation, and that, although there were gaps between Bank requirements and the national law, the capacity of the implementing agency and its resettlement practice was improving to bridge those gaps. It is worth noting that some key elements required by the Bank policy, such as socioeconomic surveys for preparation and

information disclosure, are not required by national law.

Information for the remaining 120 subprojects implemented through the municipalities was not available, and the federal government was unable to obtain this information from the municipalities. Since there was little to no information on these subprojects, the resettlement impacts and the resettlement practices are unknown for a large part of this project. In one case with information, the municipality purchased a lot for the right of way from 55 families without legal title to the land, with the intention of providing them legal title elsewhere. The aide memoire notes, however, that the 55 families remain on site and it is unclear whether they have been provided legal title. An assessment of the municipal resettlement practices and their compliance with OP 4.12 cannot be made due to the general lack of information, but it can be noted that these subprojects would not be able to fulfill OP 4.12 monitoring requirements.

*Process frameworks.* Of the 44 projects in the sample, only one— the Rural Environment Project (P066199) in Azerbaijan—prepared a process framework because of the restriction of access to areas that were being converted into national parks and protected areas. The framework had a component on rural enterprise development to help project-affected people gain new livelihoods. However, this component was not implemented three years after the effectiveness of the project. The ICR indicated that the project implementation did not advance sufficiently to curtail local inhabitants' access to pastures and forests traditionally important for local livelihoods. A socioeconomic study was not carried out and a social mitigation plan was not developed (see box 11).

**Box 11. ICR of Rural Environment Project in Azerbaijan (P066199)**

“Under the project, no villages or households would be relocated and land ownership and rights would not be affected. However, the World Bank involuntary resettlement policy was triggered because establishing, enlarging, and improving enforcement of the two national parks would reduce local people’s access to pastures and forests that are traditionally important for their livelihoods. An access restriction process framework (ARPF) detailed measures to mitigate short-term project impacts, including involving local users in park zoning and management planning, phasing in grazing restrictions, and support for developing alternate livestock rearing methods, sources of fuel wood, and income, including employment in the parks. Furthermore, development assistance provided under components 2 and 3 would be targeted to villages most likely to be affected by resource access restrictions. Village clusters targeted for assistance under component 2 were selected based on their proximity to park areas likely to have tighter resource use restrictions. The park management planning process and the social mitigation plan (see below) would indicate whether any additional mitigation measures should be undertaken in these villages. The PIU would establish a program to assess, monitor, and mitigate socioeconomic impacts. This would include (a) preparing a detailed socioeconomic study during the first year (building upon work carried out during project preparation); (b) preparing a social mitigation plan to ensure that project benefits are targeted to people affected by resource access restrictions and vulnerable community groups within the communities, and optimally designed and implemented to help alleviate poverty in these remote, economically depressed areas; (c) strengthening conflict resolution processes and ensuring adequate grievance procedures; and (d) refining socioeconomic baseline and impact indicators and targets for the project.

In keeping with the ARPF, the consultant retained to prepare national park management plans for the Ordubad National Park and the Shah Dag National Park held consultations with local stakeholders. However, since draft plans were completed in December 2009 and never submitted to the Bank for review, the Bank team had no opportunity to determine whether they reflected the ARPF. In any case, project implementation never advanced sufficiently to curtail local inhabitants' access to pastures and forests traditionally important for local livelihoods. A socioeconomic study was never carried out and a social mitigation plan was never developed.”



*Projects without resettlement instruments.* Resettlement instruments were not prepared for seven projects out of 44 projects in the sample, even though all seven projects triggered OD 4.30 on involuntary resettlement.

In two of these cases, the involuntary resettlement policy was not triggered at appraisal and was later triggered during implementation. Two projects did not prepare any resettlement instrument, even though one had land acquisition (P043444, Croatia) and the other displaced 90 households (P000771, Ethiopia, Social Protection).

In the remaining five out of seven projects, the policy was triggered at appraisal (as indicated in the staff appraisal report/PAD), but no resettlement instrument was prepared.

The staff appraisal report/PADs indicated that OD 4.30 was triggered by five projects at appraisal because of land acquisition, or physical relocation of people. Only one of these projects has data on people affected—Indonesia Energy (P003916) affected 60 households—and in all projects there was land acquisition and compensation without any resettlement plans (P000973, Ghana, urban; P004312, Malaysia, health; P004576, Philippines, water; P003916, Indonesia, energy; P003954, Indonesia, agriculture).

### ***Resettlement Impacts for the Projects with Information Available***

*Impacts identified at project preparation stage.* Of the 20 projects with RAPs, data was available for 19 projects at appraisal stage from the PADs or RAPs (only 10 RAPs were found in the system). Resettlement documents are not available for Algeria (P042940, urban) and the PAD does not indicate the number of people affected.

**Table 37. People and Land to be affected: Availability of Information and Estimated Numbers at Preparation Stage**

	AFR	EAP	ECA	LCR	MNA	SAR	Total
Number of Projects with RAPs	1	10	0	3	2	4	20
Number of projects where number of persons affected data can be found at stage of PAD	1	10	0	3	1	4	19
Total number of people affected at PAD stage	4,000	272,131		4,019	0	52,954	333,104
Average number of people affected per project at PAD stage	4,000	27,213		1,340	0	13,239	16,655
Number of projects with information on land acquisition at PAD stage	0	8	0	2	1	3	14
Total amount of land acquired at PAD stage (ha)		5,459		221	0	3,366	9,046
Average amount of land acquired at PAD stage (ha)		682		111	0	1122	646
Number of projects with information on physically displaced persons	0	9	0	1	1	1	12
Total number of physically displaced persons at PAD stage (for all projects with information)		66,272		121	0	20,105	86,498
Average number of physically displaced persons at PAD stage (for all projects with information)		7,364		121	0	20,105	7,208

According to data available at the PAD stage, the average number of people affected for the projects in EAP and SAR in the sample is much larger than the number affected in AFR and LCR projects in the sample. While a project, on average, affects 27,213 people in EAP and 13,239 in SAR, only 4,000 people in AFR and 1,340 people in LCR were adversely affected by the projects.

Land acquisition shows similar trends among the sample of closed projects. At the PAD stage, it can be observed that the average land acquired in the eight EAP projects (682 hectares) and the three SAR projects (1,122 hectares) is larger than the average land acquired in the two LCR projects (111 hectares).

The lack of clarity in reporting the number of displaced people raises concern. Out of 19 projects where data on the affected people was known at the PAD stage, only 12 had accurate and clear information on the number of displaced people. Out of the seven projects without data on physically displaced people, RAPs were in fact available for six projects with unclear and vague data on the affected people.

The same problem found in active projects—related to reporting affected people and disaggregating the type of impacts—was found in the closed projects. The excerpt below exemplifies the difficulty of determining the number of physically displaced people:

*“Thus the total number PAPs is about 6,500 scattered in 308 villages and includes 3,031 major children at the time of the socioeconomic survey in 1994. The subcategories include: 121 PAPs who have lost their houses/homesteads; about 675 PAPs rendered landless; about 311 PAPs that became functionally landless (i.e. losing so much land that they ceased farming); 7 tenant PAPs; and 61 PAPs belonging to scheduled tribes, of which 49 will get replacement land. And all are farmers who would be irrigation beneficiaries.” (From RAP of P035158, India, Agriculture)*

Due to lack of information on physically displaced persons in most regions, it is not possible to deduce regional trends based on the review sample. Both LCR and SAR have one project each with information on physically displaced individuals. The SAR project displaced 20,105 people compared to the LCR project, which displaced 121. The EAP data on physically displaced persons comes from nine projects; based on these projects, a project in EAP displaced 7,346 people on average.

**Impacts at project completion stage.** Out of 20 projects, only 9 have detailed resettlement data on number of affected persons at the project completion stage. The remaining projects have complete ICRs on file, but most ICRs have none to very limited discussions of resettlement. A few ICRs have broad assessments of the resettlement process and discussions of lessons learned, but not the actual number of people affected and displaced.

**Table 38. People and Land Affected: Availability of Information and Changes through Implementation**

	AFR	EAP	ECA	LCR	MNA	SAR	Total
Number of Projects with RAPs	1	10	0	3	2	4	20
Number of projects where number of persons affected data can be found at both PAD and ICR stages	0	4	0	2	1	2	9
Total number of people affected at PAD stage		222,672		3,877	0	16,611	243,160
Total number of people affected at ICR stage		286,197		1,439	306	32,739	320,681
Number of projects where information of land acquisition data can be found at both PAD and ICR stages	1	0	0	0	1	2	4
Total amount of land acquired at PAD stage (ha.)					0	3,079	3,079
Total amount of land acquired at ICR stage (ha.)					630	3,580	4,218
Number of projects where information on physically displaced persons data can be found at both PAD and ICR stages	0	2	0	0	0	0	2
Total number of physically displaced persons at PAD stage		13,517					13,517
Total number of physically displaced persons at ICR stage		19,074					19,074

The information analyzed in the nine projects with information on resettlement in the ICR shows that resettlement impacts increased at project completion in comparison with appraisal stage, in terms of affected people and land (table 38).

**Table 39. Increase in PAPs from Project Preparation to Project Completion**

Resettlement impacts	Number of projects compared	Appraisal stage	Completion stage	Absolute increase	%
Total PAPs	9	243,160	320,681	77,521	32
Total land acquired (ha.)	4	3,079	4,281	1,202	39
Total number of people physically displaced	2	13,517	19,074	5,557	41

The number of affected people increased by 32 percent in comparison with the number of affected people at appraisal. Generally, these increases were attributed to additional civil works or construction done during implementation, and/or a long time frame of resettlement activities resulting in an increasing population in the area.

The only case where the number of affected people declined—by 66 percent—during implementation occurred in LCR. This decrease is due to a slum-upgrading project in Venezuela, in which there was a partial loan cancellation. The project-affected people were being resettled for their benefit, but the beneficiaries decreased as part of the project was canceled. Therefore, this is not necessarily representative of a regional trend. In the other project from LCR (P057538, Honduras, transport), for example, the number of affected people was modest, but increased by about six-fold during implementation (from 95 to 628 persons).

Land acquisition during implementation shows similar trends. The amount of land acquired increases during implementation compared to the amount estimated at the PAD stage, both in MNA and SAR, where data is available. The ICR of a project from China (P070459, transport) notes that land acquisition increased during implementation—in this case due to an inaccurate inventory at the RAP preparation stage. Overall, reporting on land acquisition in the ICR stage is much weaker than reporting on affected people.

Due to lack of information on physically displaced persons in most regions, it is not possible to deduce regional trends based on the sample reviewed. For two projects that have data on displaced people at the ICR stage, the number of physically displaced people increased by 41 percent.

In summary, basic data on resettlement impacts—such as affected people, acquired land, physically displaced people, and assessment of the implementation of the RAPs—is largely absent in the project ICR. Therefore, the review of the closed project sample cannot assess regional trends on the success of resettlement. The number of projects with data on affected people drops from 19 at the PAD preparation stage to 9 at the completion stage, preventing any assessment of what happens over time for half of the projects with RAPs. Even more drastically, the number of projects with land acquisition data drops from 14 projects at the preparation stage to 4 projects at the completion stage; the number of projects with data on physically displaced people drops down from 12 to 2.

### ***Urban or Rural Nature of Affected People***

Disaggregated data on urban/rural status of affected people is largely unavailable. Only three projects have disaggregated data on urban and rural, including Cartagena Water Supply Sewerage and Environment Management in Colombia (P044140), GH-Thermal Power SIL in Ghana (P000926), and Road Reconstruction and Improvement Project in Honduras (P057538).

### ***Resettlement Costs for Projects with Information Available***

*Resettlement costs at project preparation stage.* Out of 20 projects with RAPs by appraisal, the cost of resettlement was available for 19 projects. The RAP of the remaining project is not available, and the cost of resettlement is not included in the PAD.

**Table 40. Resettlement Costs: Availability of Information and Projected Budget at Preparation Stage**

	AFR	EAP	ECA	LCR	MNA	SAR	Total
Number of projects with RAP/ARAP	1	10	0	3	2	4	20
Number of projects with resettlement cost at PAD stage	1	10	0	3	1	4	19
Total resettlement cost at PAD stage (US\$ millions)	\$2.73	\$394.06		\$31.5	\$0.2	\$89.25	\$517.74
Total project investment cost at PAD stage (US\$ millions)	\$414.3	\$6,300.8		\$376.2	\$211	\$1,884.9	\$9,187.19
Share of resettlement cost in total project investment at PAD stage (%)	0.7	6.3		8.4	0.1	4.7	5.6

*Resettlement costs at project completion stage.* As with the number of people affected, resettlement costs increase during implementation. For the ten projects with resettlement cost data at the ICR stage, a

clear increase in resettlement cost can be observed—from 6.8 percent of total project costs at the PAD stage to 9.6 percent of total project costs at the ICR stage.

**Table 41. Resettlement Costs: Availability of Information and Changes through Implementation**

	AFR	EAP	ECA	LCR	MNA	SAR	Total
Number of projects with RAP/ARAP	1	10	0	3	2	4	20
Number of projects with resettlement cost at both PAD & ICR stages	0	7	0	1	0	2	10
Total resettlement cost at PAD stage (US\$ millions)		\$198.56		\$30.3		\$52.03	\$280.89
Total project investment cost at PAD stage (US\$ millions)		\$2,990.6		\$152.2		\$1,005.9	\$4,148.69
Share of resettlement cost in total project investment at PAD stage (%)		6.6%		19.9%		5.2%	6.8%
Total resettlement cost at ICR stage (US\$ millions)		\$291.41		\$22.1		\$56.49	\$370.00
Total project investment cost at ICR stage (US\$ millions)		\$2,897.3		\$55.3		\$889.93	\$3,842.53
Share of resettlement cost in total investment cost at ICR stage (%)		10.1%		40.0%		6.3%	9.6%

The cost increase is summarized in table 41 for the ten projects with information on resettlement costs at both the PAD stage and ICR stage.

**Table 42. Increase in Resettlement Costs from Project Preparation to Project Completion**

	PAD stage	ICR stage	Change	%
Total resettlement cost (US\$ millions)	\$280	\$370	+110	39
Total project investment cost (US\$ millions)	\$4,148	\$3,842	-306	-7.4
Share of total resettlement cost in total project investment (%)	6.75%	9.63%	+2.88%	

The cost information in LCR comes from one project and its magnitude—19.9 percent of total project cost at PAD stage and 40 percent at ICR stage—is not a fair representation of resettlement costs in the region or in general. This particular project from Venezuela is a slum-upgrading project with a large resettlement component. The increase in cost in the rest of the sample is still clear, even if we exclude the Venezuela project. For the remaining projects, the resettlement cost increases from 6.3 percent of total project cost at the PAD stage to 9.2 percent at the ICR stage.

Projects cite different reasons for this cost increase. In Vietnam (P004845, agriculture), consultation with PAPs during implementation resulted in the revision of the original engineering design. The revised design was also offered for consultation. Negotiations with PAPs and the resolution of their concerns in a mutually satisfactory manner further delayed the implementation of the resettlement plan. In the meantime, land prices soared in the area, further slowing the land acquisition and delaying the whole project by 30 months. Similarly, a project in China (P070459, transport) saw prices for land and housing rise during the implementation of the project. In SAR, a project from Bangladesh (P037294, transport)

states in its ICR that the cost increased 125 percent during implementation due to land administration problems in the country. Non-uniform and conflicting data on land titling and the difficulty of determining market rates caused delays.

### ***Other Key Resettlement Variables***

To assess the overall performance of resettlement of closed projects, some other key variables were also collected and analyzed besides the resettlement impacts and cost.

The analysis of these key variables, however, was done only for two categories of projects with resettlement instruments available, including RAP and RPF.

### **Projects with RAPs available**

For the projects with RAPs, the information on the following variables was collected and analyzed:

- Resettlement objectives
- Using resettlement as an opportunity for development
- Participation of and consultation with affected people
- Establishment of a grievance redress mechanism
- Monitoring arrangements
- Eligibility and cutoff date
- Legal framework
- Socioeconomic survey
- Methods of asset valuation and compensation
- Strategies and measures of livelihood rehabilitation
- Resettlement implementation schedule
- Institutional arrangements
- Assessment of clients' capacity
- Environmental protection and management measures
- Integration with host communities
- Information disclosure.

For the 12 projects with RAPs available, the information on these key variables is summarized in table 42.

**Table 43. Key Variables in Projects with RAPs**

	AFR	EAP	ECA	LCR	MNA	SAR	Total	
Number of Projects with RAP/ARAP	2	11	0	2	2	5	22	
Number of Projects where RAP is available	1	2	0	3	0	4	10	
Objectives of Resettlement Program	Provided at PAD stage	2	2	0	2	0	4	10
	assessed at ICR stage	0	2	0	0	0	2	4
	achieved at project completion	0	2	0	0	0	1	3
Projects with reasonable information on legal framework	2	3	0	2	0	4	11	
Projects with information on eligibility and cut-off date	1	3	0	2	0	4	10	
Projects with grievance mechanism	2	3	0	3	0	4	12	
Projects with monitoring arrangements	2	3	0	3	0	4	12	
Projects with arrangements for participation and consultation	2	3	0	2	0	4	11	
Projects using resettlement as development opportunity	0	1	0	0	0	2	3	
Projects with reasonable socioeconomic survey information	2	3	0	2	0	4	11	
Projects with information on compensation and valuation methods	2	3	0	2	0	3	10	
Projects including livelihood rehabilitation measures and actions in RAPs	2	2	0	2	0	4	10	
Projects with clear resettlement implementation schedule	2	3	0	2	0	2	9	
Projects with clear institutional arrangements	2	3	0	3	0	4	12	
Projects with clients' capacity assessment	1	0	0	1	0	4	6	
Projects with environmental protection and management measures in RAPs	0	0	0	0	0	0	0	
Projects with information on integration with host population	1	0	0	0	0	2	3	
Projects that disclosed resettlement instruments in country	2	1	0	0	0	2	5	

As indicated in the table, most RAPs have reasonable information on most key variables, but several key variables are missing in the RAPs of a significant proportion of projects, such as resettlement objectives, using resettlement as a development opportunity, assessment of clients' capacity, integration with host populations, and environmental protection and management measures in resettlement activities.

***Resettlement objectives:*** Out of ten projects with RAPs available, three assessed resettlement objectives at completion stage and achieved their designed objectives. These three projects are Inner Mongolia Highway Project in China (P070459), Mekong Delta Water Resources Project in Vietnam (P004845), and Andhra Pradesh Irrigation Project III in India (P035158). Please see box below for what their ICR included:

**Box 12. Good Practices of Assessment of Resettlement Objectives in ICR****China: Inner Mongolia Highway Project (P070459)**

“The overall impact of resettlement activities under the project was modest. For the LJI, the project relocated 24 households. The total land being acquired for the project was increased slightly by 3.34 percent due to inaccurate inventory during the RAP preparation period, and the total compensation cost increased by 19.57 percent because the compensation levels for both land and houses increased during the project implementation period.

The land and house demolition compensation funds were distributed to the affected households and the compensation was in line with the RAP. The assessment of livelihood restoration showed that the income of the affected people increased by 76 percent per capita after land acquisition and relocation. The resettlement implementation was considered to be satisfactory and it was concluded that the resettlement objective of improving the livelihood of the project-affected people after resettlement implementation was met.”

**Vietnam: Mekong Delta Water Resources Project (P004845)**

“An external RAP monitoring contract (2000 to 2007) concentrated on monitoring compensation rates paid by the provincial governments to ensure that all resettlement work was carried out in accordance with the project’s RAP policy statement and the approved RAPs. The final monitoring report concluded that the RAP objectives were reached and that PAFs living standards were restored to their pre-project levels or better. An additional benefit noted was that project staff had now acquired much valuable experience in the implementation of resettlement policy.”

**India: Andhra Pradesh Irrigation Project III (P035158)**

“The objective of mitigating the adverse impact of land acquisition (LA) undertaken during AP-II and supporting people affected by LA during AP-III in their economic rehabilitation has been met. LA is completed in 2,981 ha and compensation paid for the lands required for the project. All the 4,146 project-affected persons (PAPs) had been provided with productive assets to help regain economic loss. The assets are being maintained by PAPs and deriving regular flow of income. All the 362 infrastructure works, including the new works in the extended period, in resettlement villages have been completed. This output is **satisfactory**.”

The rest of the projects either did not mention achievement of resettlement objectives at all or simply mentioned that resettlement implementation had been in compliance with resettlement policy.

*Institutional capacity assessment:* Despite most projects detailing implementation schedules and institutional arrangements in their RAPs, 50 percent of projects did not address the capacity of clients. ICRs of some projects stated that projects encounter problems with capacity of clients in resettlement implementation. This suggests that more attention needs to be devoted to assessments of implementing agencies’ capacity in the RAPs.

*Land valuation methods:* Of the projects with available RAPs, all of them addressed land valuation methods in the RAPs, with varying amounts of detail. One project in Ethiopia (P000755) valued farmed land by calculation of an “annual average output value” of the farming yield, decided jointly by beneficiaries and the compensation committee. Other methods used were based on market price and/or replacement cost.



**Box 13. Examples of Land Valuation Methods****Ethiopia (P000755): *Value of farm land was determined based on annual average output value***

The approach tried to minimize the negative effects on the families to be affected and fully compensate those households during project implementation. The compensation committee, together with the affected households, decided the details and actual compensation to be received by each household. The computation was done on a hectare-based return calculation. The amount of inputs (labor, oxen power, seed, pesticide etc.) was calculated, the amount of yield through local farming methods was estimated, and the market price of the product per kg was collected from the area. This resulted in the return calculation.

**Ghana (P000926): *Land value was determined based on market price in recent transactions***

The Land Valuation Board (LVB) was responsible for valuation of asset losses. LVB consulted with the Land Commission on recent land sales of formally titled properties. In rural areas, where land is held under customary tenure, LVB investigated the current market price of land, and in addition to this price estimate, considered informal costs, such as payments to chiefs at the time of the land transfer.

For sensitive lands, such as shrines and communities, valuations were determined through culturally sensitive negotiations with the community, taking into account inflation and additional transportation.

**Vietnam (P004845): *Land valuation was determined based on replacement cost***

Compensation rates were determined based on replacement cost and was approximately 30 percent higher than market price. The local authorities determined these through market investigations and transaction records. Compensation for annual crops was equivalent to the average production over the last three years multiplied by the market price for agricultural products at the time of the calculation of the compensation.

*Integration with host communities:* Even though this aspect applied to six projects, only two included some measures in the RAPs.

*Environmental management:* None of the RAPs addressed environmental management measures.

*Disclosure of resettlement instruments:* Only five projects had information about disclosure of the resettlement instruments in the countries.

*Using resettlement as a development opportunity:* There are some good practices in terms of turning the resettlement process into development opportunities. These projects include Mekong Delta Water Resources Project in Vietnam (P004845), Andhra Pradesh Irrigation Project III in India (P035158), Tianjin Urban Development and Environment Project in China (P003568), and Taunsa Barrages Emergency Rehabilitation and Modernization Project in Pakistan (P088994).

**Box 14. China: Tianjin Urban Development and Environment Project (P003568)**

“Many of the transport and drainage improvement components of the project serve dual purposes, not only to improve the particular subsector assets but also to improve land use and housing in the central city. In particular, provision of better housing for the 4,046 households involved is one of the most important aspects of these investment components. This effort will be consistent with TMG's ongoing program of land use and housing improvement which has been the essential element of its overall urban development programs. Under the resettlement program, the residents will move from dilapidated ‘pingfang’ houses, which are extremely crowded, and lack kitchens and sanitary facilities, to larger, adequately equipped ones in six new residential developments, on average about 4 km from current locations. Recognizing the importance of the housing improvement objectives, the project will support residential resettlement as an explicit component, introducing improvements in resettlement procedures, in order to help minimize the risk of disruption and maximize the housing improvement benefits.” (Staff Appraisal Report)

“This component resulted in highly satisfactory outcomes as it greatly improved housing conditions of relocatees by replacing the old housing with new ones about 2.7 times the size and equipped with plumbing the old housing lacked, while facilitating the project implementation and redevelopment of the old near-slum areas. The scope of resettlement was expanded from about 13,500 persons to about 19,000 persons as a result of increased road construction. The project's physical investments were located mostly in the densely built-up central city area, requiring resettlement of some 4,000 households. In fact resettlement was considered a main benefit rather than cost; it improved the housing conditions of the affected households while starting the process of redeveloping the old city areas. The way it was implemented was, however, problematic as the government built the replacement housing and assigned the households arbitrarily. Under the project it was agreed to experiment with a new system whereby the affected households would be given a voucher to buy housing equivalent to replacement housing that they would be entitled to. The vouchers would be used on housing of their choosing among several developments that Tianjin Municipal Government enters into agreement with. This was at first strongly resisted by the District governments and the procedures needed fine-tuning as the implementation proceeded. Soon, however, the procedure became popular with relocatees and developers, and the government also found them simpler and facilitated real estate market development. The procedure was therefore made standard for most relocation programs in Tianjin, and adopted by various cities of China including Beijing. The voucher system paved the way to cash compensation, now widely accepted due to the full development of the real estate market.” (ICR)

The project in Pakistan (P088994) with information on host populations in the RAP concluded in its ICR that at the end of the project the host community's circumstances were also improved thanks to their inclusion in the resettlement plan; they had better access to services as a result of an infrastructure development program.

The projects in India (P035158 and P071244) used resettlement as a development opportunity by providing transitional allowances to resettled PAPs, launching an HIV/AIDS initiative, arranging an array of vocational training and income generating schemes, and building essential community facilities.

*Projects with RPFs available:* For the eight projects with RPFs available, the information on these key variables is summarized in table 43.

- Brief description of the project and the components for which land acquisition and resettlement are required (and an explanation of why a resettlement plan or an abbreviated resettlement plan cannot be prepared by project appraisal)
- Principles and objectives governing resettlement preparation and implementation

- Estimated population displacement and likely categories of displaced persons, to the extent feasible
- Legal framework reviewing the fit between borrower laws and regulations and Bank policy requirements and measures proposed to bridge any gaps between them
- Methods of valuing affected assets
- Eligibility criteria for defining various categories of displaced persons
- Description of the process for preparing and approving resettlement plans
- Description of the implementation process, linking implementation to civil works
- Descriptions of mechanism for consultation with, and participation of displaced persons in planning, implementation, and monitoring
- Description of grievance redress mechanisms
- Organizational procedures for delivery of entitlements, including for projects involving private sector intermediaries, the responsibility of the financial intermediary, the government and the private developer
- Description of the arrangements for funding resettlement, including the preparation and review of cost estimates, the flow of funds, and contingency arrangements
- Arrangements for monitoring by the implementing agency and, if required, by independent monitors.

**Table 44. Number of Projects with RPFs Having Reasonable Information on Key Variables**

	AFR	EAP	ECA	LCR	MNA	SAR	Total
<b>Number of Projects with RPF</b>	6	6	1	2	1	3	19
<b>Number of Projects where RPF is available</b>	6	1	0	1	0	0	8
Brief description of the project and the components for which land acquisition and resettlement are required (and an explanation of why a resettlement plan or an abbreviated resettlement plan cannot be prepared by project appraisal)	6	1	0	0	0	0	7
Principles and objectives governing resettlement preparation and implementation	5	1	0	0	0	0	6
Estimated population displacement and likely categories of displaced persons, to the extent feasible	1	0	0	0	0	0	1
Legal framework reviewing the fit between borrower laws and regulations and Bank policy requirements and measures proposed to bridge any gaps between them	5	1	0	0	0	0	6
Methods of valuing affected assets	3	0	0	0	0	0	3
Eligibility criteria for defining various categories of displaced persons	3	1	0	0	0	0	4
Description of the process for preparing and approving resettlement plans	5	1	0	0	0	0	6
Description of the implementation process, linking implementation to civil works	3	0	0	0	0	0	3
Descriptions of mechanism for consultation with, and participation of displaced persons in planning, implementation, and monitoring	5	1	0	0	0	0	6
Description of grievance redress mechanisms	5	1	0	0	0	0	6
Organizational procedures for delivery of entitlements, including for projects involving private sector intermediaries, the responsibility of the financial intermediary, the government and the private developer	2	1	0	0	0	0	3
Description of the arrangements for funding resettlement, including the preparation and review of cost estimates, the flow of funds, and contingency arrangements	5	1	0	0	0	0	6
Arrangements for monitoring by the implementing agency and, if required, by independent monitors	5	1	0	0	0	0	6

Most of the available RPFs had information on the components that might require compliance with the policy. The documents mention the specific project components that might need to acquire land, such as construction works, although the exact location and size of the area is not known. Similarly, the documents state that resettlement might occur because of a specific project activity.

Only one RPF had an estimation of the number of families that might need to be resettled. That document stated that this estimation was based on the population that was currently residing in a specific location, but that not all of them would need to be resettled. The other RPFs referred to the preparation of RAPs and/or ARAPs once the number of people affected was known and would not include estimation of affected people.

In six of the eight available RPFs, the national legal framework was clearly described in relation to land acquisition and resettlement, as well as the analysis of the gaps with Bank policy requirements. In the

case of Mozambique, for instance, there is very little in the national legislation concerning resettlement, but payment of compensation is required and it also automatically triggers the realization of an EIA and thus the production of an environmental management plan. However, the legislation makes no distinct reference to a resettlement planning process. In the absence of such guidance, the RPF states that the principles and procedures stipulated in the Bank's OP/BP 4.12 will prevail and supplement all the gaps between the policy and national legislation.

The variable on how to value assets was only present in three out of eight RPFs. For instance, the documents state that the compensation depends on the type of loss, the extent of the loss, and this will be done in consultation with the affected people to ensure a satisfactory rate of compensation. One RPF that included this information states that: "Basic compensation guidelines are provided in the form of tables produced and updated by the Provincial Directorate of Agriculture and Rural Development covering the minimum values attributed at the current market value to various annual and tree crops. The guideline for assessing values of houses produced by the Provincial Directorate of Public Works and Housing is based on the Ministerial Diploma 119/1994 of 14th September."

Only three out of eight RPFs linked the implementation process to the start of the civil works.

### ***Resettlement Implementation***

All available aide memoires, BTORs, TTL e-mails, and monitoring documents were reviewed for all 44 projects. The documents on resettlement were not systematically filed. For instance, resettlement monitoring reports were not available for most projects, although a resettlement monitoring system was established as indicated in RAPs or PADs. Grievance redress mechanisms were established as indicated in RAPs, but their effectiveness cannot be determined. A record of the number of complaints received could not be found in any project documents. However, the ICRs of some projects described the implementation of monitoring and grievance redress mechanisms. The projects in Pakistan and Vietnam can be considered as good practice examples in terms of describing the monitoring and grievance redress mechanisms (see Box 16). The details of monitoring and grievance redress mechanisms in other projects are provided in Annex 6.

**Box 15. Good Practices in Documentation of Monitoring and Grievance Redress*****Pakistan (P088994)***

**Resettlement monitoring:** “The Project Management Office played a very rigorous role in the RAP implementation. The PMO head took the RAP implementation directly under his responsibility and continuous presence of PMO staff was maintained at the site and in the resettlement villages, including an environment specialist and two sociologists to monitor and supervise the RAP implementation.

A sociologist of the supervision consultants, in the later stages, was stationed permanently at the Taunsa barrage to do internal monitoring. A resettlement consultant was engaged externally to monitor RAP implementation. The PMO prepared a final resettlement implementation evaluation report in December 2009.

The PMO engaged an independent consultant to carry out an evaluation of the RAP implementation. On the basis of the regular monitoring data, the evaluation was conducted through a community survey, group meetings and interviews of key informants. The evaluation concludes that the RAP program has managed to mitigate the adverse impacts of the project and has improved the living conditions of the affected households through better residential housing, improved and new community infrastructure and facilities, better social services and a brighter prospect for development at the rehabilitated barrage, and an enhancement of social prestige as a new community.

The grievance redress cell (GRC) was established comprising a resettlement/supervision consultant, a subengineer stationed at Taunsa barrage, and a PAP representative. An open register was available at the site public information centre where all grievances, both oral and in writing, were registered. The grievances were reviewed and decisions were made at the GRC. A Second Tier Grievance Committee was later established at the Planning and Development Department level to further review grievances that were not resolved at the GRC. This system worked very well.

All grievances and requests as well as resolution decisions were disclosed to the community members. The project office kept its continuous presence in the villages through its staff and experts from the supervising consultants. This provided direct access to the community members over project progress and grievance resolution.”

***Vietnam (P004845)***

**Monitoring and Evaluation Design.** “Key elements of a practical M&E system were identified at appraisal, and consisted of: (a) six-monthly periodic monitoring and reporting of the project’s physical and financial progress by the Sub-project Implementation Offices (SIOs) and Provincial Center for Rural Water Supply and Sanitation (PCERWAS), consolidated by the Central Project Office (CPO); (b) the project M&E system, designed with consultant support, selected a large number of indicators to track key project outputs and outcomes, to be monitored by SIOs and PCERWAS and consolidated by the CPO; (c) implementation units established at different level, with adequate staffing, training, and supervision; and (d) the external monitoring for RAP implementation and environmental impacts were put in place to monitor the compliances and adverse impacts. The baseline survey was carried out and regularly updated. Overall, the M&E system was adequately designed and implemented and related information was generated and put to use.”

**M&E Implementation.** “At an early stage of project implementation, a management information system (MIS) system was set up at CPO, SIO and PCERWAS to monitor the progress of design works, costs, procurement, disbursement, construction, RAP implementation, technical assistance, and environmental studies. Technical experts were hired to assist in procurement and the monitoring of construction quality.

An external RAP monitoring contract (2000 to 2007) concentrated on monitoring compensation rates paid by the provincial governments to ensure that all resettlement work was carried out in accordance with the project’s RAP policy statement and the approved RAPs. The final monitoring report concluded that the RAP objectives were reached and that PAFs’ living standards were restored to their pre-project levels or better. An additional benefit

noted was that project staff had now acquired much valuable experience in the implementation of resettlement policy.

#### **Laoyiemiao-Jining Expressway in China (P070459)**

**Grievance Redress:** To ensure the PAPs have avenues for redressing their grievances related to any aspects of the land acquisition and resettlement, the detailed procedures of grievance redress have been established for the project

Stage 1: If any persons are not satisfied with any aspects of the resettlement and rehabilitation programs, he or she can lodge a oral or written grievance to the following agencies: a) the Village Administrative Committee; b) The Township Resettlement Office. In case an oral complaint is made, it will be written on paper by the receiving unit. The above issue will be resolved within 15 days.

Stage 2: If the persons are not satisfied with the decision of the village administrative committee or the Township Resettlement Office, he or she can bring the complaint to the attention to the Banner/County Resettlement Office within one month from the date of the receipt of the decision. The issue shall be resolved within 15 days.

Stage 3: If the person is not satisfied with the decision of the Banner / County Resettlement Office, he or she can bring the complaint to the attention of the League/City Resettlement Office within one month from the date of the receipt of the decision. The issue shall be resolved within 15 days.

Stage 4: If the person is not satisfied with the decision of the League/City Resettlement Office or the complaint is not responded within 15 days, he or she can bring the complaints to the attention of the Project Resettlement Office within three months from the date of the original record. The Project Resettlement Office will reach a decision on the complaint within one month.

Stage 5: If the person is not satisfied with the decision, she or he can appeal to the People's Court in accordance with the Civil Procedure Act within 15 days of receiving the decision of the Project Resettlement Office.

*Participation of Social Scientists in Projects:* Out of 44 projects reviewed in the sample, information could not be found in 28 projects on whether a social scientist participated in project preparation, supervision, and completion. Sixteen projects listed the social scientists who participated in project supervision missions, and for most of these projects the social scientists participated in the majority of supervision missions.

#### ***Resettlement Information in ICR***

All ICRs of 44 projects in the sample were carefully reviewed in terms of inclusion of information on resettlement. Overall, assessment of the resettlement implementation was largely absent in the ICRs. Only 20 projects mentioned resettlement, but most of them did not include any basic information, such as number of affected people, amount of acquired land, displaced people, restoration of livelihoods, and resettlement cost. In most cases, the ICR had only one sentence on resettlement indicating that resettlement was implemented in compliance with Bank policy or satisfactorily. ICRs of the projects with RAPs included better information than the projects without RAPs. The table below summarizes the information included in the ICRs of 24 projects with RAPs.

**Table 45. Resettlement Information in ICRs**

	AFR	EAP	ECA	LCR	MNA	SAR	Total
Number of Projects with RAP/ARAP	2	12	0	3	2	5	24
Description of achievement of resettlement objectives	0	8	0	1	2	2	13
Brief description of resettlement activities	1	6	0	2	1	3	13
Resettlement impacts (people affected & land acquired)	1	7	0	2	1	3	14
Resettlement cost	1	7	0	1	1	3	13
Brief description of resettlement compensation	0	5	0	2	1	4	12
Description of provision of services/transitional aid/livelihood generation mechanisms	1	3	0	2	1	3	10
Description of lessons learned of resettlement implementation	0	7	0	0	1	4	12
Description of success/satisfactoriness of resettlement implementation	1	9	0	2	2	5	19
Description of effectiveness of monitoring arrangements	0	3	0	0	0	3	6
Description of effectiveness of grievance mechanism	0	0	0	0	0	1	1



## CHAPTER 3. CONCLUSIONS AND RECOMMENDATIONS

This chapter presents the main conclusions based on the results of the analysis of the closed and active projects and the projects in the pipeline. According to the results and the availability of information, it presents some recommendations for the second phase of the involuntary resettlement portfolio review and for the updating of OP 4.12.

### Conclusions

#### *Trends by Sector, Region, and Affected Population*

**There is an increasing trend in the number of projects triggering the resettlement policy.** This increasing trend is not only in absolute numbers but also in the percentage of projects with involuntary resettlement in relation to the overall Bank portfolio. In the closed projects, those triggering the policy represented 12 percent of the overall Bank portfolio. This percentage increases to 29 percent in the active projects and to 41 percent in the projects in the pipeline.

A steeper increase in the percentage is visible after the introduction of OP 4.12, which could be the result of the wide range of impacts covered by OP 4.12—impacts resulting from the involuntary taking of land such as loss of assets, access to assets, loss of income, and restriction of access to parks and protected areas—as well as the introduction of RPFs and PFs as new resettlement instruments.

**The regional distribution of projects triggering the resettlement policy has historically remained constant with only one change.** The Bank's regions could be grouped into three categories according to the magnitude of projects involving resettlement: EAP and AFR, where the majority of projects triggering resettlement are concentrated (with an average of 31 percent in each region for closed and active projects); LCR and SAR, each with an average of 12 percent; and ECA and MNA, each with about 7 percent.

The only difference identified in comparing the trends in closed and active projects is that EAP, which was the largest region in terms of overall number of projects triggering the policy, is second to AFR in active projects. However, while in the EAP Region 40 percent of projects prepared RPFs by appraisal, in AFR 66 percent of projects prepared this instrument. An in-depth analysis is needed to clarify the change in this regional trend.

**The distribution of projects triggering the policy within the regions also shows similar historical trends.** The countries with the highest number of resettlement projects in the overall Bank portfolio are China (70 projects), India (35 projects), Vietnam (34 projects), and Brazil (32 projects). These countries also comprise large portions of their respective region's resettlement portfolio. In EAP, SAR, LCR, and MNA, there are countries that historically account for the majority of projects involving resettlement, while in AFR and ECA no specific trend was found.

**The sectoral distribution of projects triggering the resettlement policy shows a similar historical pattern.** In all regions, transport, energy, and agriculture are the sectors that include the majority of the projects involving resettlement. Transport is the lead sector in all regions with the exception of AFR, where the energy sector takes first place.

The sectors could also be grouped into five categories regarding the number of projects involving resettlement: (a) transport in first place, involving 23 percent of projects with resettlement; (2) energy

and agriculture in second place, with an average of 16 percent; (3) water and urban, with an average of 12 percent; (4) environment and education with 7 percent and 4 percent respectively; and (5) other sectors—financial and private sector, health, nutrition and population, information and technology, public sector governance, social development, and social protection—with a low probability of causing involuntary resettlement.

The sectoral distribution by region shows a similar trend as above, with the exception of the LCR Region, where the urban sector is the second largest involving resettlement after the transport sector. This result reflects the high rate of urbanization in this region, where 78 percent of the population lives in cities.

In addition, the most rapid sectoral increase in resettlement projects occurred in the transport sector. However, over the last three years the agriculture sector has had a steeper growth rate and is closing the gap with the transport sector. The only sector that suffered a reduction in the number of projects triggering the resettlement policy is the environment sector, showing a decrease over the last ten years.

### ***Project Category under OP 4.01***

**Most of the projects involving involuntary resettlement are classified as category B projects.** Fifty-eight percent of closed projects, active projects, and projects in the pipeline triggering the resettlement policy are category B, and 12 percent are category C. The percentage of category A projects decreased from closed projects to active projects, which could be related to the size and complexity of the projects financed by the Bank in the past. This finding shows that 70 percent of the resettlement planning instruments have not been reviewed by the safeguards advisory teams, especially in the regions where the review of compliance with the safeguard instruments for category B and C projects has been delegated to the sector managers.<sup>17</sup>

**A low percentage of projects triggered the policy due to the “linkage clause.”** One of the new provisions of OP 4.12 is the explicit mention that the policy requirements also apply, at the discretion of the Bank, to projects not directly financed by the Bank, but which are associated with Bank financed projects. Only 11 projects (1.5 percent of the total active projects) include such provision. Exception for one project in Uganda, all are located in EAP (seven in China, two in Laos, and one in Vietnam). The screening for linkage issues is more systematic in the EAP Region.

### ***Resettlement Planning Instruments***

**RPFs are the predominant resettlement planning instruments.** Fifty-nine percent of projects triggering the policy prepared only an RPF by appraisal. This percentage is above 60 percent in all regions with the exception of EAP (39 percent). The review of the closed projects shows that 11 of 19 projects that prepared RPFs by appraisal stage did not prepare a RAP and did not provide any explanation about this issue in the ICRs. The results of the closed projects on the projects with RPFs also raise concerns about the magnitude of projects that have prepared RPFs by appraisal.

**The use of process frameworks is not well-understood.** A process framework is the instrument that is less applied when triggering the resettlement policy. Based on the results of the closed projects and a

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<sup>17</sup> This delegation to sector managers was the prevalent practice during the time period for which the review was conducted; recently, some regions have changed this process.

thematic review on this topic carried out in LCR, the main conclusion is that the usefulness of this instrument has been misunderstood by the borrowers and the Bank's teams.

**Almost all RAPs reviewed for the closed projects have good information on key variables required by the policy.** The topics that are less frequently developed are the use of resettlement as a development opportunity, information about host populations, measures for environmental protection and management, and the institutional capacity for implementing the resettlement plan.

### *Affected Populations*

**Despite the increasing trend in the number of projects triggering the resettlement policy, it is not clear if there is an increase in the number of the affected population.** Since 59 percent of the active projects have only prepared an RPF by appraisal, and the scope of this review only analyzed the resettlement planning instrument by appraisal, it is not clear if all projects that have prepared an RPF will involve resettlement and prepare RAPs.

Regarding the affected population, the previous Bank-wide involuntary resettlement portfolio review of 192 projects found about 2.5 million displaced during a period of seven years (1986–93). This review found about 3 million people affected in a period of 11 years (1998–2009), but because of the quality of recording the type of impact (i.e. loss of assets, loss of access to assets, loss of sources of livelihood, loss of shelter, loss of access to natural resources) in the RAPs, it is not clear if there is an increase in the number of people affected by Bank-financed projects.

**Almost 3 million people are affected by the Bank's active projects, but it is not possible to differentiate the type of impact they face.** Since OP 4.12 covers a wide range of affected people—through either the involuntary taking of land, loss of assets, loss of access to assets, or physical displacement—RAPs often use the term “project-affected people” (PAPs), but without disaggregating the type of impacts those people faced.

**There are significant differences in the number of affected people among regions.** AFR is the region with the largest number of projects (39 percent of all active projects) triggering the resettlement policy, but is only the third region in terms of affected people and only the fourth region in terms of displaced people. AFR counts for only 8 percent of the affected and 15 percent of the displaced population. EAP is the second largest region triggering the resettlement policy, but has eight times more affected people and four times more displaced people compared to AFR.

**Most of the affected people are not physically displaced.** Based on the data provided in 70 percent of projects that prepared RAPs by appraisal, only 16 percent of the 3 million affected people will be physically displaced. This finding should be corroborated in the second phase of the portfolio review, once the resettlement impacts of projects with RPFs will be identified.

**Most of the affected people are residential and concentrated in the EAP and SAR regions.** Ninety-five percent of affected people are recorded as residential people. EAP counts for 68 percent of the total number of affected persons and SAR for 23 percent. Most of the residential people are affected by transport and energy projects (84 percent), but transport projects displaced the largest portion (71 percent).

**Most of the affected people are in rural areas, but there are significant differences among regions.** Seventy-five percent of all affected people are in rural areas, mainly in EAP, SAR, and EAP. However, most of the affected people in LCR and MNA are urban (91 percent and 86 percent respectively).

**Businesses are also affected and displaced, but the data reported should improve.** About 5 percent of the affected population is classified as related to a business affected by the projects, but this information is not very well recorded. It was not possible to differentiate among the different types of economic activities (industries, business, services, rural activities, etc.). This aspect is crucial since the impact on economic activities could significantly affect livelihoods. There are also regional differences, since SAR and EAP are the regions affecting more economic units. However, this result may only show that these regions report these data better. Given the characteristics of the projects in the transport and urban sectors, they are the ones that affect more economic units.

### ***Resettlement Cost***

**The average cost of the resettlement plan in the active projects is 4 percent of the total cost of the project.** The cost for urban, water, and transport projects is above this average, while energy and agriculture projects are below the average. However, it is noteworthy that the resettlement cost of 10 closed projects increased by 39 percent. This aspect should be analyzed in detail during the second phase of the review. Additionally, this review recommends differentiating between the cost of the land, the cost of structures, and other costs of resettlement in order to estimate the additional costs due to the Bank's policy requirements, as well as disaggregating the cost by type of impact (for example, land acquisition, loss of assets or access to assets, and physical displacement).

**Both impacts and the cost of resettlement increase at project completion.** Resettlement costs for 10 closed projects increased by 39 percent, total affected people increased by 32 percent, and affected land by 39 percent. The reasons for such changes varied, but this is an important finding to highlight.

### ***Documentation***

**Documentation of resettlement activities during implementation is absent.** Aide memoires, BTORs, and TTL e-mails were reviewed for the sample of the closed projects, but information about resettlement was not found in most of these documents. Resettlement monitoring documents often could not be found. Therefore, it was not possible to assess the resettlement process at any other point than the preparation stage and the completion stage.

**Most of the ICRs do not include information on resettlement.** The results of the resettlement implementation are largely absent in the implementation completion reports (ICRs). Out of 44 closed projects in the sample, only 20 ICRs mentioned resettlement, but without any substantive information, such as number of affected people, type of resettlement impacts, resettlement alternatives, acquired land and displaced people, and resettlement cost.

**Lack of availability, consistency, and quality of information.** There are significant discrepancies in the numbers of projects triggering the involuntary resettlement policy among BW, SAP, and the safeguard research tool.

There are also significant discrepancies and inconsistencies among the data in the different project documents, and there is a wide range in the quantity and quality of information in these documents. Different project documents may have inconsistent information even on the total number of physically

displaced people. The quality of information collected in social assessments and reported in RAPs, ISDSs, PADs, and ICRs varies greatly.

Definitions are often inconsistent and lack uniformity. Resettlement instruments used different units of analysis when referring to persons, households, or families, and sometimes these terms were used interchangeably. While in most cases the location of the project in general could be determined, the urban or rural location of affected people and of lands acquired is often not available.

Key information is often missing or lacks the necessary disaggregation. For active projects, this is especially the case with affected/displaced businesses, business structures, and business employees. RAPs included better-than-average information in SAR and EAP. The regions that had lower-than-average information are ECA, AFR, and LCR.

### ***Resettlement Practices and Outcomes***<sup>18</sup>

**More than half of the cases investigated by the Inspection Panel involve the involuntary resettlement policy.** Noncompliance with the Bank's involuntary resettlement policy was cited in 54 percent of the requests for inspection by the panel. Of particular importance for the findings of this review, some of the panel's conclusions about the lack of compliance with the Bank's policy are the failure to ensure adequate socioeconomic baseline information and failure to trigger the policy. Other conclusions of the Inspection Panel cases may be analyzed in the second phase of the review.

**Some practices have improved in comparison with previous resettlement reviews and others still need to be improved.** The results of previous reviews were compared with the findings of this review, but only in those aspects where such comparison was possible, since the scope and objectives of the first phase of the review were limited. This review found that the preparation of resettlement instruments by appraisal has improved, since only 0.6 percent of the active projects did not prepare a resettlement planning instrument by appraisal and did not have any justification, in comparison with 9 percent of the closed projects. This matter was reported as a problem in the 1979–85 review. The participation of social development specialists has also improved, since all the PADs and ISDSs include a social development specialist in the preparation of the projects. However, this finding should be confirmed in the second phase of the review.

Among the issues that have been identified as weak in previous reviews and still require improvement are the environmental considerations of resettlement and the importance of better analysis regarding the impacts on small businesses.

### **Recommendations for Enhanced Performance**

Based on the results of the first phase of the portfolio review, this review makes the following recommendations:

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<sup>18</sup> These findings only come from surveyed Inspection Panel cases and the sample of surveyed closed projects for which information was available. The review of active projects only analyzed project information at the design stage.

### ***Resettlement Instruments***

**Urgent need to review the use of RPFs.** The findings related to RPFs show an urgent need to identify whether this instrument is being used properly. It is important to understand the justification for preparing an RPF and whether RAPs are prepared once the affected population is identified in the implementation of the project. This analysis will allow a better understanding of the resettlement impact caused by Bank-financed projects, and will also help in planning properly in terms of human and financial resources allocated to the regions to support the preparation and supervision of projects involving resettlement.

### ***Review of Resettlement Instruments***

**Need to review the resettlement instruments by the regional safeguard advisory units.** The quality of the resettlement planning instruments should be reviewed by experts on this topic. This review will also improve the appropriate use of RPFs pursuant to the objectives of the policy. It is also advisable to analyze the safeguards review and clearance procedures and processes in different regions to make them similar and improve the overall quality of resettlement instruments at the project preparation stage.

### ***Documentation during Project Preparation, Implementation, and Closing***

**Need to improve the reporting on affected people and resettlement impacts.** The lack of uniformity used to refer to affected people—when referring to persons, households, families, and economic units—makes it difficult to have adequate baseline information in relation to affected people and type of impact (e.g. loss of assets, access to assets, loss of livelihoods, physical displacement). This is one of the reasons why the Inspection Panel has found lack of compliance with OP 4.12. To improve this issue, a template could be designed to include reporting on affected people and resettlement impacts in the PADs, ISDSs, and in the resettlement instruments.

**Need to include the results of the resettlement plans in the ICRs.** The only Bank instrument where experiences and lessons learned can be compiled in a systematic way is the ICR. The absence of information about the results of RAPs is a missed opportunity to learn resettlement lessons and improve future practices. This review recommends significantly improving the ICR by including an assessment of the resettlement plan implementation results. A guidance note may be prepared on how to report resettlement aspects in ICRs. IFC's practices in this area should be analyzed, since the IFC requests an external completion audit after the finalization of projects with significant resettlement.

### ***Capacity Building and Use of Country Systems***

**Design of capacity building strategies.** The results of this review provide useful insights into designing capacity building strategies by regions, countries, and sectors. Resettlement of businesses in the SAR and EAP regions, urban resettlement in LAC, and resettlement in transport projects for all regions can be priority targets for capacity building. Based on the results of the review, capacity building activities could be targeted to be more effective.

**Use of country systems approach on involuntary resettlement.** It is well-known that the countries do not have specific legislation on involuntary resettlement and that there is a huge gap between the Bank policy requirements and their legislation. For that reason, the country systems approach that the Bank has wanted to apply is not feasible in this area. However, taking into account that there are countries that have had a long engagement with the Bank in implementing resettlement plans, this review recommends establishing a dialogue with those countries to upgrade their practices to public

policies. We also recommend exploring the preparation of DPLs and TALs to achieve these objectives. For countries with a medium level of engagement, capacity building activities could be designed to help encourage the development of public policies in the future.

### ***Further Steps in Preparation for the Bank's Updating of Safeguard Policies***

**Resettlement impacts covered by the involuntary resettlement policy.** Given the severity of the impacts, it is understandable that the Bank included a wide range of impacts resulting from the involuntary taking of land. However, since OP 4.12 considers all affected people as displaced and requests the same type of instruments for all types of impacts included in paragraph 3 (a), there is a lack of clarity regarding the people affected by the specific type of impacts and the measures and planning instruments necessary to address these impacts. Given that the Bank is in the process of updating the safeguard policies, this review recommends discussing the convenience/usefulness of including all impacts in the same policy and requesting a resettlement plan for all of them. There are two options to be considered: (1) restricting the involuntary resettlement policy to cover physical displacement only, and (2) requesting different planning instruments to address the different impacts. The practices of the IFC on this issue could be reviewed as a starting point. IFC requests different types of instruments depending on the impact, such as a land acquisition protocol for those projects that only require land acquisition and do not cause any adverse livelihood impacts; a livelihood restoration plan for those whose sources of livelihood are affected but do not have to relocate; and resettlement plans when physical displacement occurs.

**Conduct the second phase of the portfolio review.** This first phase has provided information about regional and sectoral trends and resettlement planning instruments, as well as some preliminary information about the type of impacts and the cost of resettlement plans. We strongly recommend conducting the second phase of this review as planned in order to (a) determine with accuracy the number of affected people, their characteristics, and the type of impacts they face; (b) obtain more accurate information on resettlement costs, (c) learn more about the level of compliance with OP 4.12, and (d) identify good practices and risks.

## Annex 1. Methodology: Information Collected on All Projects

PROJECT ID		
PROJECT NAME		
REGION		
COUNTRY		
SECTOR MANAGEMENT UNIT		
MAJOR SECTOR		
BOARD APPROVAL DATE		
CLOSING DATE		
TOTAL RESETTLEMENT COST (mil\$)		
TOTAL PROJECT COST (mil\$)		
% OF TOTAL PROJECT COST		
BANK LOAN AMOUNT		
ENVIRONMENTAL CATEGORY		
CURRENT TASK MANAGER		
TASK MANAGER ON ISDS		
SOCIAL DVT. SPECIALIST		
Emergency Recovery Loan: Y or N?		
NUMBER OF RESETTLEMENT INSTRUMENTS	RAP	
	Abbreviated RAP	
	RPF	
	Process Framework	
TECH/SOCIAL PREPERATION?	SUPPORT IN	Yes / No
		Nature
LINKAGE CLAUSE?	Yes / No	
Location of Project: Urban/Rural/Mixed		
Number of People Affected	Urban	Family
		Persons
	Rural	Family
		Persons
	Total	Family
		Persons
Physically Displaced	Family	
	Persons	
Number of People	Urban	Family



Affected Residential -		Persons
		Family
	Rural	Persons
		Family
	Total	Persons
	Physically Displaced	Family
	Persons	
Businesses Affected	Urban	
	Rural	
	Total	
	Displaced	
People Affected by Businesses Affected	Urban	
	Rural	
	Total	
	Displaced	
Urban Land Acquisition (ha)		# Plots
	Private	Size
		# Plots
	Public	Size
Rural Land Acquisition (ha)		# Plots
	Private	Size
		# Plots
	Public	Size
Total Land Acquisition (ha)		# Plots
	Private	Size
		# Plots
	Public	Size
AFFECTED STRUCTURES	Residential	
	Commercial	
	Public	
	Industrial	
	Total	
TEMPORARY LAND USE (ha)		# Plots
	Urban	Size
		# Plots
	Rural	Size
		# Plots
	Total	Size

RESTRICTION OF ACCESS TO RESOURCES	Y/N
	nature
NATURE OF DISPLACEMENT	For dvt project? Y/N
	For benefit of displaced? Y/N
KEY IR INFORMATION PRESENT IN DOCUMENTS BELOW? Y/N	PAD
	ISDS
ADDITIONAL OBSERVATIONS	

## Annex 2. Methodology: Factsheet for Closed Project Sample

Country:

Project ID:

Project Name:

Reviewer:

This review is based on PAD  RAP  SAR  SA  EIA  RPF  ISDS  Project Paper  BTOR  Aide Memoir  TTL emails

Resettlement evaluation report  Ex-post evaluation report  Resettlement monitoring report  ICR  Other: ( check all that apply)

For rating: \* Yes (the information is included in the documents), No (the information is not included in the documents), NA (the question is not applicable), NI (no relevant document found in the system)

\*\* This part will be rated as Unsatisfactory, Satisfactory, or Outstanding

### General description and identification of the project area (PAD, ISDS).

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### Reviewer's General Observations

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Key questions	Availability of information*	Ratings**	Remarks
<b>1. Resettlement Impacts</b>	<b>Overall Rating</b>		
a) Are the project components or activities that give rise to resettlement mentioned?			
b) Is the zone of impact of such component or activities mentioned?			
c) Have alternatives, to avoid or minimize resettlement, been considered and determined?			
d) If yes to c), to what extent were the resettlement impacts reduced?			
e) If yes to c), were the alternatives documented?			
f) Have mechanisms been established to minimize resettlement, to the extent possible, during project implementation?			
g) Were there any changes of resettlement impacts during implementation?			
h) If yes to g), were these changes reflected in			

Key questions	Availability of information*	Ratings**	Remarks
project documentation?			
i) Were there any changes of resettlement impacts at project completion? (in comparison with the PAD stage)			
j) If yes to i), what are the changes?			
<b>2. Objectives of Resettlement Action Plan</b>	<b>Overall Rating</b>		
a) Does the RAP include objectives of the resettlement programs?			
b) If yes to a), what are the objectives?			
c) Were the objectives consistent with the policy? (section 2 policy objectives)			
d) If yes to a), did the ICR assess the resettlement objectives?			
e) If yes to d), were the objectives achieved?			
f) If no to d), were any follow-up actions considered to achieve the resettlement objectives?			
<b>3. Socioeconomic Studies</b>	<b>Overall Rating</b>		
a) Does the census survey provide the demographic data of PAPs?			
b) Is gender-disaggregated information included?			
c) Does the survey provide information of occupation of PAPs?			
d) Does the survey provide information on level of income of PAPs?			
e) Does the survey provide analysis of expenditure structure of PAPs?			
f) Does the survey provide information on vulnerable groups?			
g) Does the survey provide information on sources of livelihood of PAPs?			
h) Does the survey provide information on land tenure rights?			
i) Does the survey provide information on squatters?			
j) Is the magnitude of loss of assets included?			
k) Is the legal status of loss of assets included?			
l) Can the results of the census survey establish appropriate baseline information for monitoring and evaluation?			
m) Are the results of the census survey detailed enough to be used as a basis for assessing the feasibility of livelihood rehabilitation measures?			
n) Were the inventory results verified by PAPs?			
<b>4. Legal Framework</b>	<b>Overall Rating</b>		
a) Does the RAP provide valuation and compensation methods for loss assets based on the domestic laws and regulations?			
b) To what extent is the legal framework in the			

Key questions	Availability of information*	Ratings**	Remarks
RAP relevant to the implementation process of the project?			
c) Does the legal framework cover conflict resolution mechanisms?			
d) Were the gaps between the Bank resettlement policies and the government laws and regulations analyzed?			
e) If there were gaps, were measures taken to fill them?			
<b>5. Eligibility</b>	<b>Overall Rating</b>		
a) Has the definition of displaced persons been included in the RAP?			
b) Have the criteria for determining their eligibility for compensation and other resettlement assistance been included in the RAP?			
c) Are the criteria consistent with the Bank resettlement policy?			
d) Are the relevant cut-off dates specified?			
<b>6. Valuation and Compensation</b>	<b>Overall Rating</b>		
a) Does the RAP include the methodology for valuating losses?			
b) Does the RAP include analysis to explain how compensation rates of losses reflect their replacement cost?			
c) Were the compensation rates determined in consultation with PAPs?			
d) Were the compensation rates of losses adjusted during project implementation to reflect the changes of replacement cost? (AMs, and monitoring report)			
<b>7. Resettlement Measures and Livelihood Rehabilitation</b>	<b>Overall Rating</b>		
a) Was there a description of the compensation package for each category of eligible PAPs?			
b) Besides compensation, were there any other resettlement measures, such as offering skill training, or providing job opportunities?			
c) What are the primary types of compensation (such as cash), land for land?			
d) Were the resettlement measures prepared in consultation with PAPs?			
e) Were different options of resettlement measures provided to PAPs?			
f) Does the RAP include plans for PAPs to access to social services, such as health and education?			
g) Does the RAP include plans for PAPs to provide infrastructure, such as water supply and feeder roads?			
h) Does the RAP include strategies and measures for income restoration and livelihood rehabilitation?			

Key questions	Availability of information*	Ratings**	Remarks
i) Were transitional arrangements provided to PAPs?			
j) Does the resettlement package include special arrangements for vulnerable groups?			
k) Was the resettlement package designed with a gender-sensitive approach?			
l) Was the feasibility of the proposed measures of income restoration and livelihood rehabilitation properly assessed and reflected in the RAP?			
m) Based on the AM, BTOR, and monitoring reports, was compensation paid to PAPs in a timely manner?			
n) Based on the AM, BTOR and monitoring reports, were the PAPs satisfied with the compensation received?			
o) Has the level of income of the PAPs changed from the time of project appraisal to project completion?			
p) If yes to n), please specify the changes.			
q) Has the sources of livelihood of PAPs changed at project completion in comparison with project appraisal?			
r) If yes to p), please specify the changes.			
<b>8. Institutional Framework and Organizational Responsibility</b>		<b>Overall Rating</b>	
a) Does the RAP include the institutional arrangements (and responsibilities of the implementing agencies)?			
b) Does the RAP or ISDS include assessment of the capacities of resettlement implementation agencies?			
c) Does the RAP include any activities on capacity building for resettlement implementation?			
d) Does the ICR include the assessment of clients' capacity for resettlement at project completion?			
e) If yes to d), what are the main findings?			
<b>9. Environmental Protection and Management</b>		<b>Overall Rating</b>	
a) Does the RAP include an assessment of the environmental impacts of the proposed resettlement activities?			
b) Does the RAP include measures to mitigate and manage these impacts, if applicable?			
c) If applicable, has this aspect been monitored and supervised properly?			
<b>10. Implementation Schedule</b>		<b>Overall Rating</b>	
a) Does the RAP include an implementation schedule covering all resettlement activities from preparation through implementation?			
b) Is the schedule of the resettlement activities linked to the implementation of the overall			

Key questions	Availability of information*	Ratings**	Remarks
project?			
c) Was the project delayed because of the resettlement activities?			
d) If yes to c), for how long? What were the reasons for the delay?			
<b>11. Consultation and Participation</b>	<b>Overall Rating</b>		
a) Does the RAP include a description of the strategy and mechanism for consultation with and participation of PAPs in the planning and implementation of the resettlement activities?			
b) Does the RAP include a description of the strategy and mechanism for consultation with and participation of host populations and communities in the design and implementation of the resettlement activities?			
c) Does the RAP include a summary of the views expressed by PAPs and the ways these views were taken into account in preparing the resettlement plan?			
d) Was a resettlement information booklet prepared and disseminated among affected people?			
<b>12. Integration with Host Populations</b>	<b>Overall Rating</b>		
a) Does the RAP include measures to mitigate the impact of resettlement on any host communities?			
b) Did consultations with host communities take place?			
c) Did consultations with local governments in host areas take place?			
<b>13. Grievance Mechanism</b>	<b>Overall Rating</b>		
a) Does the RAP include a grievance mechanism for PAPs, and for host communities if applicable?			
b) Was the grievance redress mechanism monitored and supervised during project implementation?			
c) Are there any records of complaints from PAPs?			
<b>14. Monitoring and Evaluation</b>	<b>Overall Rating</b>		
a) Does the RAP include an internal monitoring system?			
b) Does the RAP include an independent external monitoring mechanism?			
c) If yes to b), were independent external monitoring reports prepared?			
d) Is there a feedback mechanism available for the Bank and implementing agencies to address the findings of the monitoring reports?			
e) Was a resettlement evaluation report prepared?			

Key questions	Availability of information*	Ratings**	Remarks
f) If yes to e), what are the main findings?			
<b>15. Resettlement Cost and Budget</b>	<b>Overall Rating</b>		
a) Is the resettlement cost included in the RAP? (timetables for expenditures, arrangements for timely flow of funds, etc.)			
b) Is the source of funding included in the RAP?			
c) Is there any change of resettlement cost at project completion in comparison with the appraisal stage?			
d) If yes to c), what is the difference, and what are the factors causing the changes?			
<b>16. Information Disclosure</b>	<b>Overall Rating</b>		
a) Were RAPs disclosed at the Info shop?			
b) Were RAPs disclosed in country?			
c) Were RAPs disclosed in county in a form, place, and language accessible to the displaced people? Please specify places where RAPs were put, and the forms informing the PAPs.			
<b>17. Resettlement Linkage Issue</b>	<b>Overall Rating</b>		
a) Does the RAP include the analysis of any linked resettlement projects?			
b) What criteria were used in analyzing the resettlement linkage issue?			
c) Does the project include linked resettlement activities?			
d) If yes to c), has it been monitored or supervised?			
<b>18. Resettlement ICR</b>	<b>Overall Rating</b>		
a) Was an ICR prepared?			
b) If yes to a), does it include information on resettlement?			
c) If yes to a), what are the main findings?			
<b>19. Participation of Social Scientist</b>	<b>Overall Rating</b>		
a) What is the ratio of social specialist participation in the total number of supervision missions?			
b) Did a social specialist participate in the ICR mission?			
<b>20. Ex-post Evaluation</b>	<b>Overall Rating</b>		
a) Has an ex-post evaluation been carried out?			
b) If yes, how many years after the project closed and what are the key lessons learned?			
<b>21. Development Opportunities</b>	<b>Overall Rating</b>		
a) Were the PAPs the direct beneficiaries of the project?			
b) Based on the ICR and AM, has the RAP created development opportunities for local people?			
c) If yes to b), explain how the resettlement			



Key questions	Availability of information*	Ratings**	Remarks
implementation has contributed to social sustainability in a broad development context.			
<b>22. Inspection Panel Cases</b>		<b>Overall Rating</b>	
a) Was the project investigated by the inspection panel?			
b) If yes to a), was resettlement a reason for going to the inspection panel?			

### Annex 3. List of Projects in the Closed Project Sample

#### Projects Triggering 4.12

AFR	Mozambique	P001807	MZ-Decentr Planning &Fin SIL (FY04)
AFR	Niger	P061209	NE-Basic Education SIL (FY04)
AFR	Nigeria	P063622	NG-Fadama SIL 2 (FY04)
ECA	Romania	P093812	Transport Sector Support Project
LCR	Honduras	P057538	Road Reconstruction and Improvement
LCR	Mexico	P080149	MX-Decentralized Infrastructure Reform and Development Loan
SAR	Pakistan	P088994	Taunsa Barrage Emergency Rehab. & Modern

#### Projects Triggering 4.30

AFR	Ethiopia	P000755	ET-Road Sec. Dev. Program Support Proj.
AFR	Ethiopia	P000771	ET-Soc Rehab & Dev Fund (FY96)
AFR	Gambia, The	P057394	GM-Gateway SIL (FY02)
AFR	Ghana	P000926	GH-Thermal Power SIL 5 (FY95)
AFR	Ghana	P000973	GH-Urban Env Sanitation 1 (BD FY06)
EAP	China	P036405	Wanjiazhai Water Transfer Project
EAP	China	P003650	China Tuoketuo Thermal Power Project
EAP	China	P003518	Guangdong Provincial Highway Project
EAP	China	P003643	Xinjiang Highway Project (02)
EAP	China	P070459	Inner Mongolia Highway Project
EAP	China	P003568	Tianjin Urban Development and Environment Project
EAP	China	P003648	Second Shanghai Sewerage Project
EAP	Indonesia	P055821	Urban Poverty Project
EAP	Indonesia	P073025	Kecamatan Development Project (02)
EAP	Indonesia	P003993	Sumatra Region Roads Project
EAP	Indonesia	P003916	Suralaya Thermal Power
EAP	Indonesia	P003954	JAVA Irrigation Improvement and water resource management project
EAP	Lao People's Democratic Republic	P065973	Agricultural Development Project
EAP	Malaysia	P004312	MY-Health
EAP	Philippines	P004571	Transmission Grid Reinforcement Loan Project
EAP	Philippines	P004576	Water Districts Development Project
EAP	Philippines	P004597	Highway Management
EAP	Vietnam	P004845	Mekong Delta Water Resources Project
EAP	Vietnam	P004832	Highway Rehabilitation Project
ECA	Croatia	P043444	MUN ENV INFRA

LCR	Colombia	P044140	Cartagena Water Supply, Sewerage and Environmental Management Project
LCR	Mexico	P064887	Natural Disaster Management Project
LCR	Venezuela	P040174	Caracas Slum Upgrade
MNA	Algeria	P042940	DZ-Low Income Housing
MNA	Tunisia	P005721	Agricultural Sector Investment Loan
SAR	Bangladesh	P037294	Third Road Rehabilitation & Maintenance
SAR	Bangladesh	P044789	BD Private Sector Infrastructure Dev
SAR	India	P035158	Third Andhra Pradesh Irrigation Project
SAR	India	P071244	Grand Trunk Road Improvement Project
SAR	India	P035173	Powergrid II

**Projects that should have triggered 4.30 according to PCN date, but apply 4.12:**

AFR	Mozambique	P070305	Coastal and Marine Biodiversity Management Project
ECA	Azerbaijan	P066199	Rural Environment

**Projects that prepared RAPs by project preparation:**

AFR	Ghana	P000926	GH-Thermal Power SIL 5 (FY95)
EAP	China	P036405	Wanjiazhai Water Transfer Project
EAP	China	P003643	Xinjiang Highway Project (02)
EAP	China	P070459	Inner Mongolia Highway Project
EAP	China	P003568	Tianjin Urban Development and Environment Project
EAP	China	P003648	Second Shanghai Sewerage Project
EAP	Vietnam	P004845	Mekong Delta Water Resources Project
EAP	Vietnam	P004832	Highway Rehabilitation Project
LCR	Colombia	P044140	Cartagena Water Supply, Sewerage and Environmental Management Project
LCR	Venezuela	P040174	Caracas Slum Upgrade
MNA	Tunisia	P005721	Agricultural Sector Investment Loan
SAR	Bangladesh	P037294	Third Road Rehabilitation & Maintenance
SAR	India	P035158	Third Andhra Pradesh Irrigation Project
SAR	India	P071244	Grand Trunk Road Improvement Project
LCR	Honduras	P057538	Road Reconstruction and Improvement
EAP	China	P003518	Guangdong Provincial Highway Project
EAP	Philippines	P004571	Transmission Grid Reinforcement Loan Project
MNA	Algeria	P042940	DZ-Low Income Housing
EAP	China	P003650	China Tuoketuo Thermal Power Project

**Projects that prepared RAPs by appraisal where RAPs can be found:**

AFR	Ghana	P000926	GH-Thermal Power SIL 5 (FY95)
EAP	China	P070459	Inner Mongolia Highway Project
EAP	Vietnam	P004845	Mekong Delta Water Resources Project
LCR	Colombia	P044140	Cartagena Water Supply, Sewerage and Environmental Management Project
LCR	Venezuela	P040174	Caracas Slum Upgrade
SAR	Bangladesh	P037294	Third Road Rehabilitation & Maintenance
SAR	India	P035158	Third Andhra Pradesh Irrigation Project
SAR	India	P071244	Grand Trunk Road Improvement Project
LCR	Honduras	P057538	Road Reconstruction and Improvement

**Projects that prepared RAPs during implementation:**

EAP	Philippines	P004597	Highway Management
LCR	Venezuela	P040174	Caracas Slum Upgrade
SAR	India	P035173	Powergrid II
AFR	Ethiopia	P000755	Road Sec. Dev. Program Support Project
SAR	Pakistan	P088994	Taunsa Barrage Emergency Rehab. & Modern
EAP	Lao People's Democratic Republic	P065973	Agricultural Development Project

**Projects that prepared RAPs during implementation where RAPs can be found:**

LCR	Venezuela	P040174	Caracas Slum Upgrade
AFR	Ethiopia	P000755	Road Sec. Dev. Program Support Project
SAR	Pakistan	P088994	Taunsa Barrage Emergency Rehab. & Modern
EAP	Lao People's Democratic Republic	P065973	Agricultural Development Project

**Projects that prepared RPFs by appraisal:**

AFR	Mozambique	P001807	MZ-Decentr Planning & Fin SIL (FY04)
AFR	Niger	P061209	NE-Basic Education SIL (FY04)
AFR	Nigeria	P063622	NG-Fadama SIL 2 (FY04)
ECA	Romania	P093812	Transport Sector Support Project
LCR	Mexico	P080149	MX-Decentralized Infrastructure Reform and Development Loan
EAP	Indonesia	P055821	Urban Poverty Project
EAP	Indonesia	P073025	Kecamatan Development Project (02)
EAP	Indonesia	P003993	Sumatra Region Roads Project
LCR	Mexico	P064887	Natural Disaster Management Project
SAR	Bangladesh	P044789	BD Private Sector Infrastructure Dev
MNA	Algeria*	P042940	DZ-Low Income Housing
EAP	Vietnam*	P004845	Mekong Delta Water Resources Project
SAR	Bangladesh*	P037294	Third Road Rehabilitation & Maintenance
EAP	Lao People's Democratic Republic	P065973	Agricultural Development Project
AFR	Gambia, The**	P057394	GM-Gateway SIL (FY02)
SAR	India**	P035173	Powergrid II

\* prepared RAPs at the same time

\*\* prepared ESMFs, not separate RPFs

**Projects that prepared RPFs by appraisal where RPFs can be found:**

AFR	Mozambique	P001807	MZ-Decentr Planning &Fin SIL (FY04)
AFR	Niger	P061209	NE-Basic Education SIL (FY04)
AFR	Nigeria	P063622	NG-Fadama SIL 2 (FY04)
LCR	Mexico	P080149	MX-Decentralized Infrastructure Reform and Development Loan
EAP	Lao People's Democratic Republic	P065973	Agricultural Development Project
AFR	Gambia, The**	P057394	GM-Gateway SIL (FY02)

\*\* prepared ESMFs, not separate RPFs

**Projects that prepared RPFs during implementation:**

AFR	Mozambique	P070305	Coastal and Marine Biodiversity Management Project
EAP	Philippines*	P004597	Highway Management
AFR	Ethiopia*	P000755	Road Sec. Dev. Program Support Project

\* prepared RAPs at the same time

**Projects that prepared RPFs during implementation where RPFs can be found:**

AFR	Ethiopia	P000755	Road Sec. Dev. Program Support Project
AFR	Mozambique	P070305	Coastal and Marine Biodiversity Management Project

**Projects with No instruments by appraisal:**

AFR	Ethiopia	P000755	ET-Road Sec. Dev. Program Support Proj.
AFR	Ethiopia	P000771	ET-Soc Rehab & Dev Fund (FY96)
AFR	Ghana	P000973	GH-Urban Env Sanitation 1 (BD FY06)
AFR	Mozambique	P070305	Coastal and Marine Biodiversity Management Project
EAP	Indonesia	P003916	Suralaya Thermal Power
EAP	Indonesia	P003954	JAVA Irrigation Improvement and water resource management project
EAP	Malaysia	P004312	MY-Health
EAP	Philippines	P004576	Water Districts Development Project
EAP	Philippines	P004597	Highway Management
ECA	Croatia	P043444	MUN ENV INFRA

**Projects with no instruments by completion (=none prepared at any time):**

AFR	Ethiopia	P000771	ET-Soc Rehab & Dev Fund (FY96)
AFR	Ghana	P000973	GH-Urban Env Sanitation 1 (BD FY06)
EAP	Indonesia	P003916	Suralaya Thermal Power
EAP	Indonesia	P003954	Java Irrigation Improvement and water resource management project
EAP	Malaysia	P004312	MY-Health
EAP	Philippines	P004597	Highway Management
ECA	Croatia	P043444	MUN ENV INFRA

## Annex 4. Distribution of All Projects by Country

Region	Country	Closed	Active	Pipeline	Total	Percentage	Region	Country	Closed	Active	Pipeline	Total	Percentage
AFR	Angola	1	3	1	5	1%	EAP	Cambodia	5	11	3	19	5%
AFR	Benin	1	9	2	12	3%	EAP	China	94	70	25	189	45%
AFR	Botswana	0	2	0	2	0%	EAP	Indonesia	31	21	9	61	15%
AFR	Burkina Faso	3	10	1	14	3%	EAP	Kiribati	0	1	0	1	0%
AFR	Burundi	4	7	1	12	3%	EAP	Korea, Rep. of	2	0	0	2	0%
AFR	Cameroon	4	4	3	11	2%	EAP	Lao, People's R.	5	10	1	16	4%
AFR	Cape Verde	2	2	1	5	1%	EAP	Malaysia	1	0	0	1	0%
AFR	Central Afr. Rep.	0	3	1	4	1%	EAP	Mekong	0	0	1	1	0%
AFR	Chad	3	3	0	6	1%	EAP	Mongolia	2	1	0	3	1%
AFR	Comoros	0	2	1	3	1%	EAP	Papua New Gu	1	3	1	5	1%
AFR	Congo, Dem. Rep.	0	12	4	16	3%	EAP	Philippines	16	16	7	39	9%
AFR	Congo, Rep.	0	2	1	3	1%	EAP	Samoa	1	1	1	3	1%
AFR	Cote D'Ivoire	0	3	0	3	1%	EAP	Solomon Islan	0	0	0	0	0%
AFR	Eritrea	2	3	0	5	1%	EAP	Thailand	2	1	1	4	1%
AFR	Ethiopia	10	16	4	30	6%	EAP	Timor-Leste	6	1	0	7	2%
AFR	Gabon	0	3	1	4	1%	EAP	Vietnam	19	34	11	64	15%
AFR	Gambia	1	2	2	5	1%	EAP	Multi-Country	0	1	0	1	0%
AFR	Ghana	6	13	3	22	5%	<b>EAP</b>	<b>TOTAL EAP</b>	<b>185</b>	<b>171</b>	<b>60</b>	<b>416</b>	<b>100%</b>
AFR	Guinea	2	6	1	9	2%	ECA	Albania	8	6	0	14	13%
AFR	Guinea-Bissau	1	3	0	4	1%	ECA	Armenia	2	1	2	5	5%
AFR	Kenya	1	8	7	16	3%	ECA	Azerbaijan	5	6	1	12	11%
AFR	Lesotho	2	3	1	6	1%	ECA	Belarus	0		1	1	1%
AFR	Liberia	1	6	1	8	2%	ECA	Bosnia	0	2	1	3	3%
AFR	Madagascar	3	8	4	15	3%	ECA	Bulgaria	1	2	0	3	3%
AFR	Malawi	4	6	2	12	3%	ECA	Croatia	2	6	1	9	8%
AFR	Mali	3	8	3	14	3%	ECA	Estonia	1	0	0	1	1%
AFR	Mauritania	1	7	1	9	2%	ECA	Georgia	1	7	0	8	7%
AFR	Mauritius	0	1	0	1	0%	ECA	Kazakhstan	0	4	1	5	5%
AFR	Mozambique	5	13	5	23	5%	ECA	Kosovo	0	0	0	0	0%
AFR	Namibia	0	2	0	2	0%	ECA	Kyrgyz Rep.	1	4	0	5	5%
AFR	Niger	2	7	1	10	2%	ECA	Macedonia	0	5	0	5	5%
AFR	Nigeria	4	12	5	21	4%	ECA	Moldova	0	1	0	1	1%
AFR	Rwanda	3	5	0	8	2%	ECA	Montenegro	1	4	1	6	6%
AFR	Sao Tome & Princ	1	2	1	4	1%	ECA	Poland	0	1	1	2	2%
AFR	Senegal	4	13	2	19	4%	ECA	Romania	2	4	0	6	6%
AFR	Sierra Leone	2	7	0	9	2%	ECA	Russia	1	0	1	2	2%
AFR	South Africa	1	2	2	5	1%	ECA	Serbia	0	2	0	2	2%
AFR	Sudan	0	5	0	5	1%	ECA	Tajikistan	1	1	0	2	2%
AFR	Swaziland	1		1	2	0%	ECA	Turkey	1	7	1	9	8%
AFR	Tanzania	3	19	8	30	6%	ECA	Ukraine	0	2	0	2	2%
AFR	Togo	0	3	2	5	1%	ECA	Uzbekistan	0	2	1	3	3%
AFR	Uganda	6	14	0	20	4%	ECA	Multi-Country	0	1	0	1	1%
AFR	Zambia	2	9	3	14	3%	<b>ECA</b>	<b>TOTAL ECA</b>	<b>27</b>	<b>68</b>	<b>12</b>	<b>107</b>	<b>100%</b>
AFR	Zimbabwe	1	0	0	1	0%							
AFR	Multi-country	1	23	10	34	7%							
<b>AFR</b>	<b>TOTAL AFR</b>	<b>91</b>	<b>291</b>	<b>86</b>	<b>468</b>	<b>100%</b>							



Region	Country	Closed	Active	Pipeline	Total	Percentage	Region	Country	Closed	Active	Pipeline	Total	Percentage
LCR	Argentina	1	13	6	20	11%	MNA	Algeria	2	0	0	2	3%
LCR	Belize	1	0	0	1	1%	MNA	Djibouti	1	0	0	1	1%
LCR	Bolivia	2	2	1	5	3%	MNA	Egypt	1	6	6	13	16%
LCR	Brazil	22	32	14	68	36%	MNA	Iran	3	2	0	5	6%
LCR	Chile	1	1	0	2	1%	MNA	Iraq	0	2	0	2	3%
LCR	Colombia	6	9	3	18	10%	MNA	Jordan	1	8	0	9	11%
LCR	Costa Rica	0	1	0	1	1%	MNA	Lebanon	2	5	2	9	11%
LCR	Dominican Rep.	1	1	0	2	1%	MNA	Morocco	2	5	5	12	15%
LCR	Ecuador	2	0	0	2	1%	MNA	Tunisia	2	5	2	9	11%
LCR	El Salvador	0	2	1	3	2%	MNA	West Bank and	3	2	0	5	6%
LCR	Guatemala	1	1	0	2	1%	MNA	Yemen	1	9	3	13	16%
LCR	Guyana	0	0	1	1	1%	<b>MNA</b>	<b>TOTAL MNA</b>	<b>18</b>	<b>44</b>	<b>18</b>	<b>80</b>	<b>100%</b>
LCR	Haiti	0	4	1	5	3%	SAR	Afghanistan	1	6	0	7	4%
LCR	Honduras	2	6	1	9	5%	SAR	Bangladesh	12	9	6	27	17%
LCR	Jamaica	1	2	0	3	2%	SAR	Bhutan	2	2	1	5	3%
LCR	Mexico	3	4	1	8	4%	SAR	India	33	35	14	82	50%
LCR	Nicaragua	4	2	1	7	4%	SAR	Maldives	0	0	0	0	0%
LCR	Panama	1	2	2	5	3%	SAR	Nepal	3	9	3	15	9%
LCR	Paraguay	1	2	1	4	2%	SAR	Pakistan	5	7	4	16	10%
LCR	Peru	1	8	4	13	7%	SAR	Sri Lanka	1	8	1	10	6%
LCR	St. Kitts and N.	0	0	0	0	0%	SAR	Multi-Country	0	0	1	1	1%
LCR	St. Lucia	0	2	0	2	1%	<b>SAR</b>	<b>TOTAL SAR</b>	<b>57</b>	<b>76</b>	<b>30</b>	<b>163</b>	<b>100%</b>
LCR	Uruguay	1	1	1	3	2%	<b>TOTAL - All Regions</b>	<b>431</b>	<b>747</b>	<b>245</b>	<b>1423</b>		
LCR	Venezuela	1	0	0	1	1%							
LCR	Multi-Country	1	2	1	4	2%							
<b>LCR</b>	<b>TOTAL LCR</b>	<b>53</b>	<b>97</b>	<b>39</b>	<b>189</b>	<b>100%</b>							

## **Annex 5. Projects in Closed Project Sample with Information in ICR on Monitoring and Grievance Redress Mechanisms**

### **Monitoring**

#### **1. Pakistan (P088994)**

The PMO played a very rigorous role in the RAP implementation. The PMO head took the RAP implementation directly under his responsibility and continuous presence of PMO staff was maintained at the site and in the resettlement villages, including on environmental specialist and two sociologists to monitor and supervise the RAP implementation.

A sociologist of the supervision consultants, in the later stages, was stationed permanently at the Taunsa Barrage to do internal monitoring. A resettlement consultant was engaged externally to monitor RAP implementation. The PMO prepared a final resettlement implementation evaluation report in December 2009.

The PMO engaged an independent consultant to carry out an evaluation of the RAP implementation. On the basis of the regular monitoring data, the evaluation was conducted through a community survey, group meetings, and interviews of key informants. The evaluation concludes that the RAP program has managed to mitigate the adverse impacts of the project and has improved the living conditions of the affected households through better residential housing, improved and new community infrastructure and facilities, better social services and a brighter prospect for development at the rehabilitated barrage, and an enhancement of social prestige as a new community.

#### **2. Vietnam (P004845)**

*Monitoring and Evaluation Design.* Key elements of a practical M&E system were identified at appraisal, and consisted of (a) six-monthly periodic monitoring and reporting of the project's physical and financial progress by the SIOs and PCERWAS, consolidated by the CPO; (b) the project M&E system, designed with consultant support, selected a large number of indicators to track key project outputs and outcomes, to be monitored by SIOs and PCERWAS and consolidated by the CPO; (c) implementation units established at different levels, with adequate staffing, training and supervision; and (d) the external monitoring for RAP implementation and environmental impacts were put in place to monitor the compliances and adverse impacts. The baseline survey was carried out and regularly updated. Overall, the M&E system was adequately designed and implemented and related information was generated and put to use.

*M&E Implementation.* At an early stage of project implementation, a management information system (MIS) system was set up at CPO, SIO, and PCERWAS to monitor the progress of design works, costs, procurement, disbursement, construction, RAP implementation, technical assistance and environmental studies. Technical experts were hired to assist in procurement and the monitoring of construction quality.

An external RAP monitoring contract (2000 to 2007) concentrated on monitoring compensation rates paid by the provincial governments to ensure that all resettlement work was carried out in accordance with the project's RAP policy statement and the approved RAPs. The final monitoring report concluded that the RAP objectives were reached and that PAFs living standards were restored to their pre-project

levels or better. An additional benefit noted was that project staff had now acquired much valuable experience in the implementation of resettlement policy.

An external contract for environmental monitoring under the project was designed and implemented throughout the project. The monitoring network comprised 46 stations for monitoring water quality (33 stations for surface water and 13 for groundwater). The program measured water level, flow, and quality (both surface and groundwater). Water quality parameters included physio-chemical, salinity, pH, coliform, heavy metals, pesticides, and arsenic. The findings and recommendations from the monitoring report for environmental mitigation measures were fully reflected in the revised technical designs.

### ***3. India (035158)***

The strategy of having an independent unit of R&R had the desired impact. The resettlement activities under the AP-III Project did not involve physical displacement of families. However, a vast majority of the PAPs and their major children displaced under AP-II were supported under this project. They enjoyed higher income and improved standard of living, on account of the productive utilization of the grant provided under the program. The studies conducted by the external monitoring agencies have also indicated that the PAPs under the program experienced a significant improvement in their economic status. The completion of infrastructure facilities works in resettlement villages also resulted in improvement in the basic amenities such as road connectivity, water supply, schools, electricity, etc.

### ***4. India (P071244)***

The Bank closely monitored the various safeguards measures, and compliance ratings were frequently adjusted (ranging from S to U and back again) in response to observed conditions, particularly for involuntary resettlement, environmental management, and occasionally natural habitat issues. Identified issues were normally resolved quickly, and the Bank's persistent surveillance on these issues should be credited with substantial improvements that otherwise almost surely would not have taken place.

### ***5. China (P003518)***

The annual resettlement report and social independent monitoring reports submitted to the Bank during years 1993–98 and many site visits made by the Bank supervision missions indicated that the implementation of these RAPs has generally improved the living standards of the project-affected people, or at least restored them.

### ***6. Philippines (P004571)***

The employment of a third party for monitoring the implementation Relocation Action Plan (RAP), proved to be beneficial because of the following:

- They served to post-evaluate the implementation of the relocation activities for the projects.
- It provided the opportunity to improve the policies and guidelines affecting the lives of PAPs.
- It serves as the venue whereby the affected persons/families redress their grievances.

- Issues/concerns could be addressed readily, minimizing possible delays in project implementation.
- It has established a comprehensive reporting system detailing cases with and without problems.

## **Grievance Redress Mechanism**

### ***Pakistan (P088994)***

The grievance redress cell (GRC) was established, comprising a resettlement/supervision consultant, a subengineer stationed at Taunsa Barrage, and a PAP representative. An open register was available at the site Public Information Centre where all grievances, both oral and in writing, were registered. The grievances were reviewed and decisions were made at the GRC. A Second Tier Grievance Committee was later established at the Planning and Development Department level to further review grievances that were not resolved at the GRC. This system worked very well.

All grievances and requests as well as resolution decisions were disclosed to the community members. The project office kept its continuous presence in the villages through its staff and experts from the supervising consultants. This provided direct access to the community members over project progress and grievance resolution.

In addition, a project in India (P035173) also mentioned grievance redress in its ICR:

An Expert Committee on social aspects consisting of eminent social experts constituted by POWERGRID to oversee implementation of social management plans serves as one level of redressing grievances faced by PAPs and local people. The visit of this committee helps to improve implementation of RAP and CDP at the subproject level.