Appendix 3: SAMPLE OUTLINE FOR A RESETTLEMENT POLICY FRAMEWORK (RPF)

1. **A BRIEF DESCRIPTION OF THE PROJECT AND COMPONENTS FOR WHICH LAND ACQUISITION AND RESETTLEMENT ARE REQUIRED, AND AN EXPLANATION OF WHY A RESETTLEMENT POLICY FRAMEWORK RATHER THAN A RESETTLEMENT ACTION PLAN IS BEING PREPARED**. Where the likely nature or magnitude of the land acquisition or restrictions on land use related to a project with potential to cause physical and/or economic displacement is unknown during project preparation, the Borrower will develop an RPF establishing general principles and procedures compatible with ESS 5. The RPF should provide a brief description of the project, taking into consideration readers of the RPF who may not see other project documentation. It should summarize all project components and be somewhat more specific with components and activities for which land acquisition and and economic and/or physical displacement may be required. Once the individual project components are defined and the necessary information becomes available, such a framework will be expanded into one or more specific plans proportionate to potential risks and impacts. No physical and/or economic displacement will occur until plans required by this ESS have been finalized and approved by the Bank.

- *Example: The Government of The Republic of Afnia has asked for a credit from the IDA for support of its agriculture project. The goals of the project are to (a, b, c, d…), which will be accomplished within three major components of the project (1, 2, and 3…). Component 3 will involve funding of works, namely the construction, reconstruction or upgrading of irrigation channels, totaling 200 km. Six of these will involve the reconstruction and upgrading of primary channels, with some alterations of alignments. Six others will be new secondary channels, with the specific segments to be chosen during the second year of the project. The balance will be priority irrigation infrastructure after consultation with local authorities in the provincial capitals.*

2. **PRINCIPLES AND OBJECTIVES GOVERNING RESETTLEMENT PREPARATION AND IMPLEMENTATION.** Set out the objectives of the task of preparing the RPF. State the basic conditions for the work, and the basic steps in producing the eventual product.

3. Key principles in preparing the RPF must include:

- Avoiding involuntary resettlement or, when unavoidable, minimize involuntary resettlement by exploring project design alternatives.
- Avoiding forced eviction.[1]
- Mitigating unavoidable adverse social and economic impacts from land acquisition or restrictions on land use by: (a) providing timely compensation for loss of assets at replacement cost[2] and (b) assisting displaced

[1] Where the likely nature or magnitude of the land acquisition or restrictions on land use related to a project with potential to cause physical and/or economic displacement is unknown during project preparation, the Borrower will develop a framework establishing general principles and procedures. Once the individual project components are defined and the necessary information becomes available, such a framework will be expanded into one or more specific plans proportionate to potential risks and impacts. No physical and/or economic displacement will occur until RAPs have been finalized and approved by the Bank.

[2] "Replacement cost" is defined as a method of valuation yielding compensation sufficient to replace assets, plus necessary transaction costs associated with asset replacement. Where functioning markets exist, replacement cost is the market value as established through independent and competent real estate valuation, plus transaction costs. Where functioning markets do not exist, replacement cost may be determined through alternative means, such as calculation of output value for land or productive assets, or the undepreciated value of replacement material and labor for construction of structures or other fixed assets, plus transaction costs. In all instances where physical displacement results in loss of shelter, replacement cost must at least be sufficient to enable purchase or construction of housing that meets acceptable minimum community standards of quality and safety. The valuation method for determining replacement cost should be documented and included in relevant resettlement planning documents. Transaction costs include administrative charges, registration or title fees, reasonable moving expenses, and

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persons in their efforts to improve, or at least restore, their livelihoods and living standards, in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher.

• Improving living conditions of poor or vulnerable persons who are physically displaced, through provision of adequate housing, access to services and facilities, and security of tenure.[3]

• Conceiving and executing resettlement activities as sustainable development programs, providing sufficient investment resources to enable displaced persons to benefit directly from the project, as the nature of the project may warrant.

• Ensuring that resettlement activities are planned and implemented with appropriate disclosure of information, meaningful consultation, and the informed participation of those affected.

- *Partial example: The dislocation that will occur is taking place in the context of the changing economic landscape of the district. In particular, the growth of eco-tourism is providing jobs for a growing number of people, and the provision of perishable crops to the tourism enterprises is a new sub-industry. The commitment of the district government and business round-table is to give first preference for jobs to those who will lose their lands to the project. Because the jobs will materialize after some lag, construction contractors for the project will be obliged to show preference for employing displaced people.*

4. **A DESCRIPTION OF THE PROCESS FOR PREPARING AND APPROVING RESETTLEMENT PLANS.** The purpose of the resettlement framework is to clarify resettlement principles, organizational arrangements, and design criteria to be applied to subprojects or project components to be prepared during project implementation.

5. The RPF should explain that, where land acquisition or restrictions on land use are unavoidable, the Borrower will, as part of the environmental and social assessment, conduct a census to identify the persons who will be affected by the project, to establish an inventory of land and assets to be affected,[4] to determine who will be eligible for compensation and assistance,[5] and to discourage ineligible persons, such as opportunistic settlers, from claiming benefits. The social assessment will also address the claims of communities or groups who, for valid reasons, may not be present in the project area during the time of the census, such as seasonal resource users. In conjunction with the census, the Borrower will establish a cut-off date for eligibility. Information regarding the cut-off date will be well documented and will be disseminated throughout the project area at regular intervals in written and (as appropriate) nonwritten forms and in relevant local languages. This will include posted warnings that persons settling in the project area after the cutoff date may be subject to removal.

6. When land acquisition or restrictions on land use (whether permanent or temporary) cannot be avoided, the Borrower will offer affected persons compensation at replacement cost, and other assistance as may be

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any similar costs imposed on affected persons. To ensure compensation at replacement cost, planned compensation rates may require updating in project areas where inflation is high or the period of time between calculation of compensation rates and delivery of compensation is extensive.

[3] "Security of tenure" means that resettled individuals or communities are resettled to a site that they can legally occupy, where they are protected from the risk of eviction and where the tenure rights provided to them are socially and culturally appropriate. In no event will resettled persons be provided tenure rights that are in effect weaker than the rights they had to the land or assets from which they have been displaced.

[4] Such inventory should include a detailed account, derived through a consultative, impartial and transparent process, of the full range of rights held or asserted by affected people, including those based on custom or practice, secondary rights such as rights of access or use for livelihoods purposes, rights held in common, etc.

[5] Documentation of ownership or occupancy and compensation payments should be issued in the names of both spouses or single heads of households as relevant, and other resettlement assistance, such as skills training, access to credit, and job opportunities, should be equally available to women and adapted to their needs. Where national law and tenure systemsdo not recognize the rights of women to hold or contract in property, measures should be considered to provide women as much protection as possible with the objective to achieve equity with men.

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necessary to help them improve or at least restore their standards of living or livelihoods, subject to the provisions below regarding physical and economic displacement.[6]

7. Compensation standards for categories of land and fixed assets should be disclosed and applied consistently, and they may be subject to upward adjustment where negotiation strategies are employed. In all cases, a clear basis for calculation of compensation will be documented, and compensation distributed in accordance with transparent procedures.

8. The RPF should explain that where livelihoods of displaced persons are land-based,[7] or where land is collectively owned, the Borrower will offer the displaced persons an option for replacement land, unless it can be demonstrated to the Bank's satisfaction that equivalent replacement land is unavailable. As the nature and objectives of the project may allow, the Borrower will also provide opportunities to displaced communities and persons to derive appropriate development benefits from the project. In the case of project-affected persons who have no recognizable legal right or claim to the land or assets they occupy or use.

9. The Borrower would take possession of acquired land and related assets only after compensation in accordance with ESS 5 has been made available and, where applicable, displaced people have been resettled and moving allowances have been provided to the displaced persons in addition to compensation. In addition, livelihood restoration and improvement programs will commence in a timely fashion in order to ensure that affected persons are sufficiently prepared to take advantage of alternative livelihood opportunities as the need to do so arises.

10. In certain cases there may be significant difficulties related to the payment of compensation to particular affected persons, for example, where repeated efforts to contact absentee owners have failed, where project-affected persons have rejected compensation that has been offered to them in accordance with the approved plan, or where competing claims to the ownership of lands or assets are subject to lengthy legal proceedings. On an exceptional basis, with prior agreement of the Bank, and where the Borrower demonstrates that all reasonable efforts to resolve such matters have been taken, the Borrower may deposit compensation funds as required by the plan (plus a reasonable additional amount for contingencies) into an interest-bearing escrow or other deposit account and proceed with the relevant project activities. Compensation placed in escrow will be made available to eligible persons in a timely manner as issues are resolved.

11. The RPF should further explain that, to address the issues identified in the environmental and social assessment, the Borrower will prepare RAPs proportionate to the risks and impacts associated with the project:

(a) For projects with minor land acquisition orrestrictions on land use, as a result of which there will be no significant impact on incomes or livelihoods, the RAP would establish eligibility criteria for affected persons, set out procedures and standards for compensation, and incorporate arrangements for consultations, monitoring and addressing grievances;

(b) For projects causing physical displacement, the RAP would set out the additional measures relevant to relocation of affected persons;

(c) For projects involving economic displacement with significant impacts on livelihoods or income generation, the RAP would set out the additional measures relating to livelihood improvement or restoration; and

(d) For projects that may impose changes in land use that restrict access to resources in legally designated parks or protected areas or other common property resources on which local people may depend for livelihood purposes, the RAP would establish a participatory process for determining

[6] At the request of project-affected persons, it may be necessary to acquire entire land parcels if partial acquisition would render the remainder economically unviable, or make the remaining parcel unsafe or inaccessible for human use or occupancy.

[7] The term "land-based" includes livelihood activities such as rotational cropping and grazing of livestock as well as the harvesting of natural resources.

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appropriate restrictions on use and set out the mitigation measures to address adverse impacts on livelihoods that may result from such restrictions.

12. Once the subproject or individual project components are defined and the necessary information becomes available, such a framework will be expanded into a specific RAP proportionate to potential risks and impacts. Project activities that will cause physical and/or economic displacement will not commence until such specific plans have been finalized and approved by the Bank.

- *Example: As part of the preparation of the project, the Government of Senechari requires a Resettlement Policy Framework (RPF) to address the needs of up to 8000 people who may be affected by the project. This is because the project sites and works have not yet been determined. The RPF will be written to the standards of the Government's own policy on Resettlement and ESS 5 of the World Bank's ESF. The task team for the RPF will also be required to write the resettlement action plans (RAPs) for the first three subprojects of the main project. The objective of the RPF is to set out the policies, principles, institutional arrangements, schedules and indicative budgets for the resettlement to take place in the project. Working with other elements of the project design team, including the project engineers and the planning unit of the Ministry, it will design and write the RPF. It will consult with all stakeholders during the preparation of the RPF. It will present drafts to the project team at two stages of its work, and a draft final RPF will be presented to Ministry managers. The RPF team will make itself available to the Ministry to respond to successive reviews of the draft RPF by Government and by the World Bank, and will present a final draft, incorporating the comments made and the agreements reached, for formal transmission by Government to the Bank. Once cleared by the Bank, the RPF will be disclosed in-country and at the World Bank's external website.*

13. **ESTIMATED DISPLACEMENT IMPACTS AND ESTIMATED NUMBERS AND CATEGORIES OF DISPLACED PERSONS, TO THE EXTENT FEASIBLE.** The RPF should state that the preparation of the RPF is to follow the requirements of ESS 5, which is to be referred to in the document to be drafted, to meet the legal requirements of the government, and where there are gaps between Bank and government requirements, to set these out clearly and generate, with other stakeholders, decisions as to how to handle such gaps, bearing in mind that the higher standard prevails in the RPF. Where possible, the RPF should estimate the numbers and categories of project-affected people who are physically or economically displaced due to land acquisition or restrictions of access undertaken by the project. There may be some projects for which it is impossible to estimate eventual displacement, but every effort should be made, in part to estimate budgets, but also to evaluate consultation requirements and potential challenges to the project staff. Different categories of those displaced may include, for example, those losing legal title and those without it, those losing lands or those losing housing or those losing both, those losing temporary access or those losing permanent rights, business or residential property. It is important for the RPF to: (a) Discuss the unit of analysis, whether "cases" (such as properties or fields), or households or individuals and (b) Discuss whether uniform approaches will be taken across all subprojects, and how records will be kept.

14. There are two types of displacement that need to be addressed in an RPF:

Physical displacement

15. If people living in the project area are expected to move to another location, the RPF should explain that the Borrower will: (a) offer displaced persons choices among feasible resettlement options, including adequate replacement housing or cash compensation; and (b) provide relocation assistance suited to the needs of each group of displaced persons. New resettlement sites will offer living conditions at least equivalent to those previously enjoyed, or consistent with prevailing minimum codes or standards, whichever set of standards is higher. If new resettlement sites are to be prepared, host communities will be consulted regarding planning options, and RAPs will ensure continued access, at least at existing levels or

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standards, for host communities to facilities and services. The displaced persons' preferences with respect to relocating in preexisting communities and groups will be respected wherever possible. Existing social and cultural institutions of the displaced persons and any host communities will be respected.

16. In the case of physically displaced persons (a) who have formal legal rights to land or assets; or (b) who do not have formal legal rights to land or assets but have a claim to land or assets that is recognized or recognizable under national law, the Borrower will offer the choice of replacement property of equal or higher value, with security of tenure, equivalent or better characteristics, and advantages of location, or cash compensation at replacement cost. Compensation in kind should be considered in lieu of cash.[8]

17. In the case of physically displaced persons who have no recognizable legal right or claim to the land or assets they occupy or use, the Borrower will provide arrangements to allow them to obtain adequate housing with security of tenure. Where these displaced persons own structures, the Borrower will compensate them for the loss of assets other than land, such as dwellings and other improvements to the land, at replacement cost.[9] Based on consultation with such displaced persons, the Borrower will provide relocation assistance in lieu of compensation for land sufficient for them to restore their standards of living at an adequate alternative site.[10]

18. The RPF should state that the Borrower is not required to compensate or assist those who encroach on the project area after the cut-off date for eligibility, provided the cut-off date has been clearly established and made public.

19. The RPF should state that the Borrower will not resort to forced evictions of affected persons. "Forced eviction" is defined as the permanent or temporary removal against the will of individuals, families, and/or communities from the homes and/or land which they occupy without the provision of, and access to, appropriate forms of legal and other protection, including all applicable procedures and principles in ESS 5. The exercise of eminent domain, compulsory acquisition or similar powers by a Borrower will not be considered to be forced eviction providing it complies with the requirements of national law and the provisions of ESS 5, and is conducted in a manner consistent with basic principles of due process (including provision of adequate advance notice,meaningful opportunities to lodge grievances and appeals, and avoidance of the use of unnecessary, disproportionate or excessive force).

20. As an alternative to displacement, the Borrower may consider negotiating *in situ* land development arrangements by which those to be affected may elect to accept a partial loss of land or localized relocation in return for improvements that will increase the value of their property after development. Any person not wishing to participate will be allowed to opt instead for full compensation and other assistance as required in ESS 5.

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[8] Payment of cash compensation for lost land and other assets may be appropriate where: (a) livelihoods are not land-based; (b) livelihoods are land-based but the land taken for the project is a small fraction of the affected asset and the residual land is economically viable; or (c) active markets for land, housing, and labor exist, displaced persons use such markets, there is sufficient supply of land and housing, and the Borrower has demonstrated to the satisfaction of the Bank that insufficient replacement land is available.

[9] Where the Borrower demonstrates that an affected person derives substantial income from multiple illegal rental units, the compensation and other assistance that would otherwise be available to such person for non-land assets and livelihood restoration under this paragraph may be reduced with the prior agreement of the Bank, to better reflect the objectives of ESS 5.

[10] Relocation of informal settlers in urban areas may involve trade-offs. For example, the relocated families may gain security of tenure, but they may lose locational advantages that may be essential to livelihoods, especially among the poor or vulnerable. Changes in location that may affect livelihood opportunities should be addressed in accordance with the relevant provisions of ESS 5.

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Economic displacement

21. The RPF should explain that economically displaced persons who face loss of assets or access to assets will be compensated for such loss at replacement cost: (a) In cases where land acquisition or restrictions on land use affect commercial enterprises,[11] affected business owners will be compensated for the cost of identifying a viable alternative location; for lost net income during the period of transition; for the cost of the transfer and reinstallation of the plant, machinery, or other equipment; and for reestablishing commercial activities. Affected employees will receive assistance for temporary loss of wages and, if necessary, assistance in identifying alternative employment opportunities; (b) In cases affecting persons with legal rights or claims to land that are recognized or recognizable under national law, replacement property (e.g., agricultural or commercial sites) of equal or greater value will be provided, or, where appropriate, cash compensation at replacement cost; and (c) Economically displaced persons who are without legally recognizable claims to land will be compensated for lost assets other than land (such as crops, irrigation infrastructure and other improvements made to the land), at replacement cost. Additionally, the Borrower will provide assistance in lieu of land compensation sufficient to provide such persons with an opportunity to reestablish livelihoods elsewhere. The Borrower is not required to compensate or assist persons who encroach on the project area after the cut-off date for eligibility.

22. Economically displaced persons must be provided opportunities to improve, or at least restore, their means of income-earning capacity, production levels, and standards of living: (a) For persons whose livelihoods are land-based, replacement land that has a combination of productive potential, locational advantages, and other factors at least equivalent to that being lost will be offered where feasible; (b) For persons whose livelihoods are natural resource-based and where project-related restrictions on access apply, measures will be implemented to either allow continued access to affected resources or to provide access to alternative resources with equivalent livelihood-earning potential and accessibility. Where common property resources are affected, benefits and compensation associated with restrictions on natural resource usage may be collective in nature; and (c) If it is demonstrated that replacement land or resources are unavailable, the Borrower will offer economically displaced persons options for alternative income earning opportunities, such as credit facilities, skills training, business start-up assistance, employment opportunities, or cash assistance additional to compensation for assets. Cash assistance alone, however, frequently fails to provide affected persons with the productive means or skills to restore livelihoods.

23. The RPF should add that transitional support will be provided as necessary to all economically displaced persons, based on a reasonable estimate of the time required to restore their income-earning capacity, production levels, and standards of living.

- *Example: This power grid extension project will affect mainly farmlands in the six eastern states of the country. Substations will be built outside all the towns over 20,000 people, so that only distribution lines will be erected in towns. Permanent rights of way for the main lines will be 40 meters wide; these rights of way will be taken permanently by the utility. However, owners will be able to enter to cultivate the right of way other than a 10 meter wide operations and maintenance corridor which will remain clear. As well, access roads for construction, storage sites for materials, borrow pits for gravel will be taken either temporarily or permanently. Because the routings of only the first three lines have been chosen, an RPF is needed to provide the policy agreements, principles, institutional arrangements, schedules, and indicative budgets for the resettlement work of the project.*

[11] This includes shops, restaurants, services, manufacturing facilities and other enterprises, regardless of size and whether licensed or unlicensed.

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24. **ELIGIBILITY CRITERIA FOR DEFINING VARIOUS CATEGORIES OF DISPLACED PERSONS.** Project-affected persons may be classified as persons: (a) Who have formal legal rights to land or assets; (b) Who do not have formal legal rights to land or assets, but have a claim to land or assets that is recognized or recognizable under national law; or (c) Who have no recognizable legal right or claim to the land or assets they occupy or use. The census described in paragraph 5 above would establish the status of the affected persons.

25. The RPF should explain: (i) the method for setting a cut-off date for eligibility for compensation; and (ii) set out the different categories of people affected by the project, and show the types of losses such people may suffer, whether to land, income, rights of access, housing, water sources, proximity to work, and others, and including combinations (house and land, for example). It should also define the criteria that are to be used to identify the eligibility for compensatory measures for each category of affected people, whether losses are partial or total, whether people have their own land or also rent land, what happens when buildings are occupied by more than one business tenant or household, for example. The criteria should be user-friendly, so that those applying the principles to subprojects "on the ground" will be able quickly to identify whether people affected there are eligible for compensatory measures, and how. The RPF should also describe who will judge eligibility in difficult cases, for example by the use of neighborhood or village committees, or outside experts, and how such processes will work.

- *Important note: For projects with multiple subprojects to be carried out over a long period of time, it is important to establish a method for cutting-off eligibility for compensation. Demonstrating that compensation will be paid to all those established in an area, or with certain kinds of assets, early in the project may cause a "rush" into areas that may come into the project list of sub-projects later. Such opportunistic invasions of possible subproject sites constitutes a major risk to projects, especially where subprojects may be chosen from a very limited set of alternatives that become known publicly. Therefore, depending on the number, sequencing, and magnitude of subprojects, one or several rolling cut-off dates may be advisable. The RPF must determine how this will be accomplished with minimum risk to the project.*

- *Tip: It may be necessary for country approval to define categories of people eligible under national law, and, separately, any others who must be compensated because of the requirements of World Bank policy. The unit of compensation may also need to be defined – individuals, families, collectivities (or all three, because some losses may be sustained by individuals, others by the community as a whole or by associations within it (e.g. farmers' groups). Some impacts may be defined as non-compensable, or as compensable with a generic payment – minor strips of land of a meter or two along a road to be widened in a non-farmed area, for example. Finally, cash payments may be more acceptable where losses constitute a very small fraction of incomes, than when the income source [or residence plot] is so compromised that the entire holding or structure should be replaced. Defining the treatment to be applied to the major variations of all the main types of impacts in the RPF eliminates the need to negotiate these issues in multiple subprojects.*

26. **A LEGAL FRAMEWORK REVIEWING THE FIT BETWEEN BORROWER LAWS AND REGULATIONS AND BANK POLICY REQUIREMENTS AND MEASURES PROPOSED TO BRIDGE ANY GAPS BETWEEN THEM**. The RPF should provide an analysis of the legal framework, covering: (a) the scope of the power of compulsory acquisition and imposition of land use restriction and the nature of compensation associated with it, in terms of both the valuation methodology and the timing of payment; (b) the applicable legal and administrative procedures, including a description of the remedies available to displaced persons in the judicial process and the normal timeframe for such procedures, and any available grievance redress mechanisms that may be relevant to the project; (c) laws and regulations relating to the agencies responsible for implementing resettlement activities; and (d) gaps, if any, between local laws and practices covering compulsory acquisition, imposition of land use restrictions and provision of resettlement measures and ESS 5, and the mechanisms to bridge such gaps.

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- *Example: "Kalerian law pays compensation for housing based on the depreciated value of the overall structure, as is reflected in the prices of houses in the project areas today. The World Bank requires payment at replacement cost, which would be higher than local market prices because building materials and labor are increasingly scarce. The difference between market cost and the true cost of replacement will be compensated for by the payment of a separate "compensatory top-up" that will be added to the formulas used by local officials. Besides that, people without Western legal title in urban areas of Kaleria are not entitled to any form of compensation, but the Bank holds that all affected people get compensation. It has been agreed between the Ministry and the Kalerian authorities that all those affected will get compensated for lost houses, but those without legal tenure will not get cash for the land they occupy, but rather the right to a plot of land in one of the new government housing areas."*

27. **METHODS OF VALUING AFFECTED ASSETS**. The RPF should set out the methodology to be used in valuing losses to determine their replacement cost; and a description of the proposed types and levels of compensation for land, natural resources and other assets under local law and such supplementary measures as are necessary to achieve replacement cost for them.

- *Example: "A committee including elders, a government representative, a project staff member, and two villagers will visit the affected area. Each asset will be enumerated and inscribed on a register. Values for each types of asset will be pre-printed, shown to the affected person, and set against the type and number of such losses that the individual will sustain. The total compensation for that category of loss will be shown, and the total of all losses shown as well. The inventory and evaluation will be signed and a copy given on the spot to the affected person. The form will say, and the affected person will be notified, that the inventory will not be official until a second signed copy, verified by project supervisory staff, is returned to the affected person. At that time, a copy of the grievance procedure will also be given to the affected person."*

28. **ORGANIZATIONAL ELEMENTS AND PROCEDURES FOR DELIVERY OF ENTITLEMENTS, INCLUDING THE RESPONSIBILITIES OF THE GOVERNMENT AND OF THE PRIVATE DEVELOPER, WHERE APPLICABLE.** The RPF should describe the process by which individual RAPs for subprojects will be submitted to project authorities, considered and approved, and how entitlements will be delivered. It should state who in the overall project organization will be responsible for resettlement, and what facilities the overall resettlement officials will have available to them. It should also describe how subprojects will be reviewed for resettlement, how implementation will be carried out once a subproject is accepted, and how the delivery of compensatory activities will actually take place.

29. When planned relocation sites are to be prepared, the RPF should explain:

(a) institutional and technical arrangements for identifying and preparing relocation sites,whether rural or urban, for which a combination of productive potential, locational advantages, and other factors is better or at least comparable to the advantages of the old sites, with an estimate of the time needed to acquire and transfer land and ancillary resources;

(b) identification and consideration of opportunities to improve local living standards by supplemental investment (or through establishment of project benefit-sharing arrangements) in infrastructure, facilities or services;

(c) any measures necessary to prevent land speculation or influx of ineligible persons at the selected sites;

(d) procedures for physical relocation under the project, including timetables for site preparation and transfer; and

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(e) legal arrangements for regularizing tenure and transferring titles to those resettled, including provision of security of tenure for those previously lacking full legal rights to land or structures.

30. The RPF could also provide guidance on plans to provide (or to finance local community provision of) housing, infrastructure (e.g., water supply, feeder roads), and social services (e.g., schools, health services); plans to maintain or provide a comparable level of services to host populations; any necessary site development, engineering, and architectural designs for these facilities. It could also provide guidance on describing the boundaries of the planned relocation sites; and an assessment of the environmental impacts of the proposed resettlement and measures to mitigate and manage these impacts (coordinated as appropriate with the environmental assessment of the main investment requiring the resettlement).

31. Finally, the RPF should explain how the Borrower would establish means of collaboration between the agency or entity responsible for project implementation and any other governmental agencies, subnational jurisdictions or entities that are responsible for any aspects of land acquisition, resettlement planning, or provision of necessary assistance. In addition, where the capacity of other responsible agencies is limited, the Borrower would actively support resettlement planning, implementation, and monitoring. If the procedures or standards of other responsible agencies do not meet the relevant requirements of ESS 5, the Borrower would prepare supplemental arrangements or provisions for inclusion in the RAP to address identified shortcomings. The eventual RAP would also specify financial responsibilities for each of the agencies involved, appropriate timing and sequencing for implementation steps, and coordination arrangements for addressing financial contingencies or responding to unforeseen circumstances.

- *Partial example: "Once the subproject is approved, compensation in kind or in cash must be completed before an affected party is required to move or give up ownership of or access to the asset in question. Where cash is to be paid, the affected person will be given a check provided he/she already has a bank account; if not, cash will be delivered at the district office of the project."*

32. **A DESCRIPTION OF THE IMPLEMENTATION PROCESS SCHEDULE, INCLUDING HOW RESETTLEMENT WILL BE LINKED TO THE CIVIL WORKS**. The RPF should set out the implementation schedule providing anticipated dates for displacement, and estimated initiation and completion dates for all resettlement plan activities. The schedule should indicate how the resettlement activities are linked to the implementation of the overall project.

- *Example: By effectiveness: project resettlement coordinator recruited. Month 6, resettlement oversight coordinator and staff in place, effective. Months 4-8, lower level staff trained in use of screening and evaluation tools, and in community consultation methods. By end of month 12, report on subprojects with resettlement for year One sent to Bank. For each subproject, resettlement items to be integrated into subproject calendar. Demonstration that no subproject to be accepted without completed land acquisition information and either RAP or statement that no RAP is needed. Schedule to show that no construction will take place where there is resettlement without entitlements paid.*

33. **A DESCRIPTION OF THE GRIEVANCE REDRESS MECHANISMS**. The RPF should explain that the Borrower will ensure that a grievance mechanism for the project is in place, in accordance with ESS 10 as early as possible in project development to address specific concerns about compensation, relocation or livelihood restoration measures raised by displaced persons (or others) in a timely fashion. Where possible, such grievance mechanisms will utilize existing formal or informal grievance mechanisms suitable for project purposes, supplemented as needed with project-specific arrangements designed to resolve disputes in an impartial manner.

- *Tip: Most projects find it useful to have a local mechanism which includes the peers and local leaders of affected people. Such mechanisms usually assure some equity across cases, they eliminate nuisance claims, and they satisfy legitimate claimants at low cost. Nonetheless, an ability*

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to appeal such decisions to project authorities and/or courts is also valuable, and in most cases prescribed by law.

34. **A DESCRIPTION OF THE ARRANGEMENTS FOR FUNDING RESETTLEMENT, INCLUDING THE PRPEARATION AND REVIEW OF COST ESTIMATES, THE FLOW OF FUNDS AND CONTINEGENCY ARRANGEMENTS**. The RPF should describe the arrangements and sources for funding resettlement. Where possible, it should include tables showing categorized cost estimates for all resettlement activities, including allowances for inflation, population growth, and other contingencies; timetables for expenditures; sources of funds; and arrangements for timely flow of funds, and funding for resettlement, if any, in areas outside the jurisdiction of the implementing agencies.

- *Partial example: It should not be difficult to estimate the budget required for "typical" subproject resettlement in relatively uniform sector investments, for example if all subprojects will be drainage schemes, or transmission lines. For projects where different types of subprojects (all forms of urban upgrading, for example) may be selected with no prior knowledge of probable choices, or where only some fraction of subprojects may entail involuntary resettlement, estimating total costs may be more difficult. Nonetheless, a budget must be constructed, so that it can be included in the overall project budget.*

35. **A DESCRIPTION OF MECHANISMS FOR CONSULTATIONS WITH, AND PARTICIPATION OF, DISPLACED PERSONS IN PLANNING, IMPLEMENTATION AND MONITORING.** Consultations need to be done for both the Resettlement Policy Framework, which sets many of the parameters by which resettlement will be carried out, and the individual RAPs which will be done for each subproject. The Borrower has to engage with project-affected communities, including host communities, through the process of stakeholder engagement described in ESS 10. Decision-making processes related to resettlement and livelihood restoration will include options and alternatives from which project-affected persons may choose. Disclosure of relevant information and meaningful participation of affected communities and persons will take place during the consideration of alternative project designs and thereafter throughout the planning, implementation, monitoring, and evaluation of the compensation process, livelihood restoration activities, and relocation process.

36. The consultation process should ensure that women's perspectives are obtained and their interests factored into all aspects of resettlement planning and implementation. Addressing livelihood impacts may require intra-household analysis in cases where women's and men's livelihoods are affected differently. Women's and men's preferences in terms of compensation mechanisms, such as replacement land or alternative access to natural resources rather than in cash, should be explored.

37. The RPF should include: (a) a description of the strategy for consultation with, and participation of, displaced persons in the design and implementation of the resettlement activities; (b) a summary of the views expressed and how these views were taken into account in preparing the resettlement plan; (c) a review of the resettlement alternatives presented and the choices made by displaced persons regarding options available to them; and (d) institutionalized arrangements by which displaced people can communicate their concerns to project authorities throughout planning and implementation, and measures to ensure that such vulnerable groups as the landless, children, youth elderly and women are adequately represented.

- *Tip: If the first year's work program is presented at the same time as the project overall, then consultations with those affected by the first year's civil works may serve as appropriate consultations.*

38. **ARRANGEMENTS FOR MONITORING BY THE IMPLEMENTING AGENCY AND, IF REQUIRED, BY THIRD-PARTY MONITORS.** The RPF should set out arrangements for monitoring of displacement and resettlement activities by the implementing agency, supplemented by third-party monitors as considered appropriate by the Bank, to ensure complete and objective information; performance monitoring indicators to measure inputs, outputs, and outcomes for resettlement activities; involvement of

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the displaced persons in the monitoring process; evaluation of results for a reasonable period after all resettlement activities have been completed; using the results of resettlement monitoring to guide subsequent implementation.

39. The RPF should explain that the Borrower should establish procedures to monitor and evaluate the implementation of the eventual RAPs and take corrective action as necessary during implementation. The extent of monitoring activities would be proportionate to the project's risks and impacts. For all projects with significant involuntary resettlement impacts, the Borrower would retain competent resettlement professionals to monitor the implementation of resettlement plans, design corrective actions as necessary, provide advice on compliance with ESS 5 and produce periodic monitoring reports. Project-affected persons would be consulted during the monitoring process. Periodic monitoring reports would be prepared and project-affected persons will be informed about monitoring results in a timely manner.

- *Partial example: "NGO XY has agreed to serve as the resettlement and social benefit monitor for all subprojects in Province A. For resettlement, each six months the NGO will select a random sample of subprojects with resettlement, visit each, and report on the progress of resettlement using the tool provided in the Implementation Manual. The results will be summarized in a report to the project managers and the Bank which uses key performance indicators selected by the project as reporting topics. Qualitative comments on resettlement progress will also be provided."*

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