Guiding Principles for the Social Dimension of Housing Reconstruction

- The housing assistance scheme should support the objectives established for the reconstruction program in the reconstruction policy.
- Each disaster will require its own housing assistance scheme; there is no “one size fits all” approach.
- Decisions regarding eligibility criteria and housing assistance must be objectively applied and transparently disclosed.
- Post-disaster housing policy must consider the situation of people in all categories of housing tenancy, including squatters, although all members of all categories may not receive assistance.
- Assistance schemes should be tailored to different levels of damage. Avoid incentives to exaggerate damage that then result in overpayment.

Introduction

Pre-disaster housing conditions vary widely, from luxurious to ramshackle, but no type of housing is immune to the effects of disasters. In addition, in a post-disaster environment, households have different kinds and levels of resources to rely on for rebuilding; some can rebuild solely with their own resources, while others are totally dependent on government assistance. It may also be beneficial in a post-disaster environment for government to provide assistance to households that weren’t even affected by the disaster.

When post-disaster housing assistance is being allocated, policy makers have to address the following critical questions:
1. Who is entitled to housing?
2. What type of housing solution are they entitled to receive?
3. How much housing assistance will they receive?

These questions have no “right” answer. While all post-disaster housing assistance is intended to help recipients solve disaster-related housing problems, the approach must be fine-tuned to the circumstances, culture, and available resources. This chapter provides guidance on the factors to consider in making these decisions and discusses some of the consequences. The discussion is focused principally on assistance to help return housing to a safe and livable condition and is meant to address the needs of the affected population, in all tenancy categories, as shown below.

<table>
<thead>
<tr>
<th>Tenancy categories</th>
<th>Party normally responsible for reconstruction</th>
</tr>
</thead>
<tbody>
<tr>
<td>House owner-occupant or house landlord</td>
<td>Owner-occupant or landlord</td>
</tr>
<tr>
<td>House tenant</td>
<td>Landlord</td>
</tr>
<tr>
<td>Apartment owner-occupant or apartment landlord</td>
<td>Owners as a group or landlord</td>
</tr>
<tr>
<td>Apartment tenant</td>
<td>Landlord (public or private)</td>
</tr>
<tr>
<td>Land tenant</td>
<td>Tenant, unless tenure is not secure</td>
</tr>
<tr>
<td>Occupancy with no legal status (squatter)</td>
<td>Squatter, if status remains informal; otherwise moves to another category</td>
</tr>
</tbody>
</table>

This Chapter Is Especially Useful For:
- Housing assistance policy makers
- Project managers
- Agencies involved in reconstruction
- Affected communities

1. A discussion of the delivery of housing assistance is found in Chapter 15, Mobilizing Financial Resources and Other Reconstruction Assistance.
“What Is a House?”
A Critical Question for Assessments and Program Design

How a house is defined in a given culture or location has important implications for post-disaster surveys, such as for the damage and loss assessments, and for program design. Fundamental to defining a house is gaining an understanding of the foundational social, cultural, and economic relationships among the disaster-affected people who live inside houses, i.e., households. This basic socioeconomic unit is the core metric used in designing shelter and settlements interventions in the wake of disasters.

Defining the number and composition of households, and the physical structures they occupy, is often quite difficult, particularly for foreigners, who may be unfamiliar with shelter and settlement patterns in disaster-affected areas. In some areas, for example, multiple generations live together, often necessitating separate living quarters within attached or detached structures. In other areas, one or more related households might live together as a family household, again in attached or detached structures. These and other “extended family” living arrangements might be extended further through such practices as polygamy, still common in many countries.

To the social complexity outlined above can be added economic complexities, for instance where structures such as granaries or workshops are located amidst or within living quarters, thereby combining to create a set of structures—often very similar in appearance—that together constitute a form of shelter called compound housing. This example, and many others, underscore the claim that how various structures defined and are (or are not) counted as houses when assessing damage in the wake of a disaster will largely determine the magnitude of the disaster, as well as the scale of any formal response efforts by civil society, local and national authorities, humanitarian actors, international agencies, and donors.

Source: Charles A. Satchell, Shelter, Settlements, and Hazard Mitigation Advisor; United States Agency for International Development Office of U.S. Foreign Disaster Assistance (USAID/OFDA), personal communication.

Public Policies Related to Housing Assistance and Beneficiary Eligibility

Few public agencies have policies on how to allocate and distribute post-disaster housing assistance. If they do, they will have to be adjusted to the particularities of the emergency at hand. However, there may be existing financial assistance programs related to housing and community development (such as down-payment assistance, low-interest loans, or ongoing community revitalization programs). These programs may have data on families that can be used to facilitate the qualification process. An administrative system that includes identification numbers may be in place that can be adapted to the reconstruction program. If other subsidy programs are already operating, public agencies should calibrate the level of assistance and qualification rules so that the housing assistance program is seen as fair and consistent with existing public policies (not providing disaster assistance in excess of other programs that seek to accomplish a similar goal). The agencies should also be prepared to explain publicly how the terms of the disaster program and other housing assistance programs relate.

Specific laws may apply when the housing assistance is offered to an owner by government in exchange for the property, for instance, to acquire a house in a high-risk area so that the residents relocate. If the owner objects to government taking the property, and government can argue that the property is being taken for a public purpose (risk reduction, in this case), eminent domain law may be applied. Governments will ordinarily avoid using eminent domain in a post-disaster situation because of the time and cost involved. Whether taken by eminent domain or another procedure, local law may stipulate the basis for the housing assistance, usually that the owner is “justly compensated” (often, paid fair market value) for his or her loss. Calculating the assistance on the basis of lost value, however, may not be equitable or politically palatable, since the wealthiest will receive the most assistance.

Technical Issues
Social Risk Management and Disasters

Post-disaster housing assistance by government is an example of a public arrangement for social protection or social risk management. Social risk management arrangements are generally categorized as follows: (1) informal arrangements, such as sale of personal assets or community self-help; (2) market-based arrangements, such as property insurance; and (3) public arrangements, such as assistance grants or other social safety nets. All families will use informal arrangements in their recovery and reconstruction, but they are unlikely to be sufficient. Only a select group will generally have access to market-based arrangements. The expectation after a disaster is that public arrangements, in this case housing assistance, will fill the gap that remains when informal arrangements and market-based arrangements are inadequate. See Annex 1, How to Do It: Considerations in Designing a Social Protection System for Natural Disasters.

Government as Insurer

In many countries, government acts as the principal insurer of housing after a disaster. This is common when there is an inadequate property insurance system, an insurance market that is unavailable to some households, no sanctions against being uninsured or underinsured, or disaster damage exceeds whatever insurance coverage people may have had. But when government plays this role, the “insurance terms” are not defined until after the disaster, which creates uncertainty for those affected, and the expectation that government will provide assistance creates political and economic burdens for government.

2. For an example of an existing program whose criteria were adapted to provide assistance for post-tsunami reconstruction in Orissa, India, see the Indira Awas Yojana housing program of the Ministry of Rural Development, Government of India, http://rural.nic.in/iaygld2.htm.

3. Eminent domain (United States), compulsory purchase (United Kingdom, New Zealand, Ireland), resumption/compulsory acquisition (Australia) or expropriation (South Africa and Canada) is the inherent power of the state to seize or expropriate property or seize rights in property, with due monetary compensation, but without the owner’s consent. The property is taken to devote it to public or civic use. Source: Wikipedia, “eminent domain,” http://en.wikipedia.org/wiki/Eminent_domain.

The assistance policy after one disaster will be interpreted as a signal to property owners about what government will do in future disasters, but these interpretations may be incorrect, or government policy may change over time. Eventually, government may decide that the moral hazard created by repeatedly providing reconstruction funds is too great and that alternatives must be sought. Creating a private insurance market and requiring homeowners to participate is one step in the process of removing government from the role of insurer. Also important are land use restrictions that forbid the occupancy of high-risk areas. There may be situations when government decides not to provide housing assistance after a disaster; for instance, when homeowners have the opportunity to insure their property and do not do it, or have knowingly chosen to live in high-risk areas over other options available to them. These policies should be defined before a disaster so that people have the opportunity to adjust their decision making. But the policy option of not providing assistance at all—or only for some part of the affected population (having an income cutoff, for example, as discussed below)—is one that should be evaluated even after the disaster.

Reconstruction as Opportunity to Resolve Long-Standing Problems
As part of reconstruction policy, government must decide the degree to which reconstruction will be used to accomplish longer-term development objectives. A disaster is often viewed as an opportunity to resolve long-standing development shortcomings, and, with a significant inflow of external assistance, the potential for correcting inadequacies in pre-disaster housing and community services obviously increases. It is clearly sound policy to rebuild houses and infrastructure that is less vulnerable to future disasters ("built back better"). A more complex decision in development terms is whether to move disaster-affected communities "to the "head of the line" of all those waiting to have their basic needs met (e.g., providing sewerage systems or updated road configurations), thereby favoring affected communities with a standard of living higher than that in similar, but unaffected, communities. The savings of taking a comprehensive approach to reconstruction may justify it, even at the risk of political fallout. An example of when the reconstruction period was used as a time to address the vulnerabilities of undamaged housing is discussed in the case study on the Gujarat reconstruction policy in Chapter 2, Assessing Damage and Setting Reconstruction Policy. It explains how strengthening of housing not damaged by the disaster was defined in the reconstruction policy as an integral part of the reconstruction effort.

Reconstruction as Social Policy
A post-disaster housing assistance program will raise questions of equity, both among those affected and between the affected group and unaffected households with similar needs. Poor and vulnerable households are likely to need a disproportionate level of assistance after a disaster because they are otherwise less able to rebuild or reestablish their livelihoods, but they may not receive it. Assistance is likely to arrive from numerous sources—private, public, and official, national and international—and to be channeled through a range of entities. Each organization may define housing needs or rights differently, and an organization’s imperative to establish a foothold in the disaster location can produce unexpected and inequitable outcomes. Government has the right and responsibility to ensure a consistent and equitable allocation of the available resources. The challenge of doing so effectively increases with the number of agencies involved. A useful tool to reach a common understanding of the social impacts of the disaster is social assessment. Annex 2 of this chapter contains a step-by-step explanation of how to conduct a social assessment.

Choice of Criteria
The task of allocating housing assistance can have unintended consequences when applied in real-world situations. Applying criteria in a logical manner is not easy, and the reality of limited resources further complicates the task. Government should develop an assistance strategy that selects among the foundational understanding of the social, cultural, and economic relationships among the disaster-affected people who live inside houses....
## Who Is Entitled?

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Questions</th>
<th>Issues</th>
<th>Recommendations</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Threshold</strong></td>
<td>Should all people who suffered housing losses be entitled to aid or should assistance be targeted only to specific categories of people?</td>
<td>Categories may be economic, geographic, or related to some aspect of pre-disaster housing condition, but any choice can create inequitable outcomes in certain situations. The case study on reconstruction following the 2004 Indian Ocean tsunami in Tamil Nadu, below, demonstrates how persistence may be needed to establish eligibility for assistance.</td>
<td>The implementing agency must have sufficient resources and administrative capacity to carry out the qualification process and the program.</td>
</tr>
<tr>
<td></td>
<td>Is having legal status in the country a requirement?</td>
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<td></td>
<td>Should households not affected by the disaster be assisted if they have housing problems similar to those who were affected?</td>
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<tr>
<td></td>
<td>How will those with a need for housing who have migrated into the disaster region after the disaster be treated?</td>
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<tr>
<td><strong>Unit of assistance</strong></td>
<td>Is the unit of entitlement the house, the family, or the household?</td>
<td>If pre-disaster housing supply was inadequate, multiple households or extended families may be sharing a single house unwillingly. Conversely, a single family may own or live in more than one house.</td>
<td>Make an early decision on the unit of assistance and the extent to which the goal is to address pre-disaster housing shortcomings.</td>
</tr>
<tr>
<td></td>
<td>Is a single-person household treated differently?</td>
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<tr>
<td></td>
<td>How is assistance calculated for a household with multiple families?</td>
<td></td>
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</tr>
<tr>
<td><strong>Economic status</strong></td>
<td>Is income below a certain level a qualification or do all income levels qualify?</td>
<td>Income records may be falsified, destroyed in the disaster, or nonexistent.</td>
<td>Ensure there is a feasible method for qualifying according to income.</td>
</tr>
<tr>
<td><strong>Social characteristics</strong></td>
<td>Do social characteristics, such as gender, caste, or incapacity, override income as a criterion in those cases where there is an income cutoff?</td>
<td>Women and members of other vulnerable groups may need housing assistance even when their income exceeds the cutoff. The case study on reconstruction following Typhoon Durian in the Philippines in 2006, below, describes a multi-step targeting procedure that was used to identify the poorest and most vulnerable.</td>
<td>Consider using community members to help identify those who truly need assistance.</td>
</tr>
<tr>
<td><strong>Renters versus owners</strong></td>
<td>Who gets the assistance? Renters? Owners? Both?</td>
<td>It is equally important for rental housing to be rebuilt, yet during reconstruction renters may need assistance for temporary housing.</td>
<td>Consider requiring owners to let renters return at similar pre-disaster rents as a condition of owners receiving assistance.</td>
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<tr>
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</tr>
<tr>
<td><strong>Informal tenure-holders</strong></td>
<td>Is a squatter or informal settler entitled to the same housing assistance as a property owner?</td>
<td>Squatters may need assistance in addition to housing. This assistance will require planning for a more comprehensive set of services. Squatters often move to a disaster area after a disaster just to obtain housing assistance.</td>
<td>Ensure sufficient resources are available to carry out a full-service relocation program. It may be necessary to exclude families that have migrated post-disaster.</td>
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<tr>
<td></td>
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<td></td>
</tr>
<tr>
<td><strong>Absentee owners versus owner-occupants</strong></td>
<td>Should owners living elsewhere be entitled to housing assistance or only residents of the disaster area?</td>
<td>This issue is related to the question of the unit of assistance. If the primary motivation is to relocate residents, absentee owners may not qualify. If neighborhood stability is a concern, broader eligibility will help prevent the negative effect of abandoned properties. If the owners are migrants, the remittances they are earning elsewhere may be supporting other households in the affected area.</td>
<td>Try to use housing assistance as an incentive for owners to sell or rent.</td>
</tr>
<tr>
<td></td>
<td>Are owners of houses under construction entitled to assistance?</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
What Type of Housing Solution Are People Entitled To?

The questions regarding “type of housing solution” and “amount of assistance” are closely related. The former address issues related to the physical result being sought; the latter address issues related to the resources needed to accomplish the physical result. Neither is related to the reconstruction approach; almost any type of solution can be provided using a range of reconstruction approaches.

<table>
<thead>
<tr>
<th>Issue</th>
<th>Questions</th>
<th>Issues</th>
<th>Recommendations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Use of the assistance</td>
<td>For what purpose is assistance available? Options may include reconstruction, repair, retrofitting, purchase of housing or land, and even rental assistance or transitional shelter.</td>
<td>Important to avoid an incentive for homeowners to exaggerate the extent of damage or to deliberately damage their houses further. Assistance for both land acquisition and housing may be necessary, if current location is not safe. Transitional shelter solutions may allow families to remain on their land, thus saving other temporary housing costs.</td>
<td>Both the level and the purpose of the assistance should be related to the condition of the house. If repairs are feasible and location is suitable, assistance should be geared to that cost, even if the family prefers to relocate. Consider assistance for retrofitting a high priority if those not directly affected by the disaster are to be aided.</td>
</tr>
<tr>
<td>Standard solution</td>
<td>Is it best to give everyone a core house of standard size and features (or resources sufficient to build one) and let them modify it as they see fit?</td>
<td>This is the “core house” model, which has been used in both agency-driven and owner-driven projects. Experience shows owners usually spend their own resources to augment the minimum assistance.</td>
<td>The core house at a minimum should be built for disaster-resilience, although additional rooms may not. This can be a cost-effective reconstruction approach. Consider applying the minimum standards approach for public infrastructure, even if some other approach is used for housing. Consider targeting housing assistance to building a better housing structure only.</td>
</tr>
<tr>
<td>Minimum housing standard</td>
<td>Is it better for government to provide assistance at a level that will ensure a minimum standard of housing for everyone (e.g., persons/bedroom, square footage of common space per occupant) or a minimum level of safety?</td>
<td>Ensuring a minimum solution requires variations in total assistance levels according to household size. Defining an acceptable minimum level will be culturally and even neighborhood specific. Vernacular solutions and non-standard designs and materials may be rejected. Government may provide assistance only to rebuild a strong house structure, leaving it to owners to contribute the rest.</td>
<td>Consider applying the minimum standards approach for public infrastructure, even if some other approach is used for housing. Consider targeting housing assistance to building a better housing structure only.</td>
</tr>
<tr>
<td>Pre-disaster housing situation</td>
<td>Should those whose housing had a higher value qualify for more assistance than those whose housing had a lower value? Conversely, should those whose pre-disaster situation was substandard qualify for more?</td>
<td>This is related to the assessment of damage. Restoring pre-disaster housing status means that government is providing assistance for value—paying more to those who had more, rather than striving for equity. Giving more assistance to those whose pre-disaster housing had shortcomings than to those who had adequate housing means other social objectives are being pursued.</td>
<td>Realize that the assistance scheme may send an unintentional message about future assistance and the type of rebuilding that should be done. Consider conditioning the assistance (see note below on “Conditions on assistance”) and make sure government’s intentions regarding future assistance are clearly articulated and communicated.</td>
</tr>
<tr>
<td>Customized solution</td>
<td>Can the entitlement criteria be weighted to produce a socially and economically optimal allocation of resources based on the characteristics of the family?</td>
<td>Value judgments are required to select and weight the criteria.</td>
<td>Decide whether a single weighting system is acceptable or appropriate for all affected groups. Government should persuade outside agencies to align their assistance criteria with those of government.</td>
</tr>
</tbody>
</table>
What Amount of Housing Assistance Should Be Provided?

Quantifying the amount of assistance may be the policy issue that concerns decision makers even more than what result will come of it. The factors above, such as the types of solutions sought, influence the level of assistance. Below are other critical questions.

<table>
<thead>
<tr>
<th>Options</th>
<th>Questions</th>
<th>Issues</th>
<th>Recommendations</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Need</strong></td>
<td>Should available family resources be considered in setting housing assistance?</td>
<td>Assistance may not be necessary if a qualified household is capable of acquiring the minimum housing solution with its own resources. If only the cost of the solution is considered, it implies no expectation of self-help. Experience with use of credit in reconstruction is limited. It is best to avoid lending by the public sector. Credit was used for reconstruction by all those above the poverty line after the 1999 Orissa Super Cyclone, as described in the case study, below.</td>
<td>Establish a consistent policy about use of family resources in rebuilding and decide whether all households will receive some housing assistance. Decide whether households with capacity to borrow should be encouraged to finance reconstruction with credit.</td>
</tr>
<tr>
<td><strong>Housing assistance for different levels of capacity</strong></td>
<td>How should households be assisted who have additional vulnerabilities or reduced capacity to manage rebuilding and therefore need extra help in acquiring a desirable housing solution?</td>
<td>A support system will assist households in using the housing assistance that they are provided. Providing extra housing assistance to these households to buy services, such as supervision of construction, is another option, but agencies may need to support them in any case to ensure that appropriate services are in fact received.</td>
<td>Ensure that the monitoring system keeps track of outcomes (appropriate housing solutions occupied by different types of households) as well as outputs (funds disbursed).</td>
</tr>
<tr>
<td><strong>Replacement of other assets</strong></td>
<td>Is the housing assistance only for housing? Or should it cover furniture and other household investments, such as equipment for home-based businesses that will permit the restoration of livelihoods?</td>
<td>The house may not be occupied or the household sustainable unless these other assets are replaced.</td>
<td>Funding agencies should understand that the household is not just a house. It's an economic system that needs to be rebuilt and the agencies should provide appropriate forms of funding.</td>
</tr>
</tbody>
</table>

**Additional Considerations**

**Poverty and vulnerability.** People’s capacity to recover from a disaster depends on their socioeconomic status. The majority of the poor are women and children who may be isolated socially and who may have less access to physical, financial, and social capital. Members of vulnerable groups and the poor may not incur high losses in absolute terms simply because they own less, but they tend to be the most severely affected by disasters. These households often do not own the land or shelter they occupy. And their dwellings may be weaker and located in more vulnerable sites. In addition, if the house or land belonged to a husband or brother who has died in the disaster, women may be at risk of displacement and destitution. These issues need to be taken into consideration in designing assistance strategies. The vulnerability of households may be related to the loss of livelihood. The case study on reconstruction following the 1993 Maharashtra earthquake, below, explains how the priority of preserving employment in the affected villages resulted in a decision to provide more assistance to larger land owners.

**Family size and composition.** Housing requirements are a function of, among other things, family size and composition. These characteristics change with time and vary among societies. For instance, an assistance strategy that ignores the requirements of extended families can weaken family ties that support livelihoods and that serve as informal social security systems. This is one problem with providing overly standardized housing solutions that are difficult to customize later.

**Conditions on assistance.** Government may decide to tie housing assistance to a requirement to comply with some condition that accomplishes a public purpose. The most common example is the requirement that the recipient improve the disaster resilience of the reconstructed house (“building back better”). Requirements could also address the reduction of environmental impact, improvement of fire safety, compliance with universal design standards for handicap
accessibility in a multi-family building, co-
ownership by a couple, or conformance with
architectural guidelines in a historic district.
Any of these conditions may be reasonable,
depending on the circumstances. Governments
that condition assistance in this way must have
adequate controls to ensure compliance and even-
handedness in the application of the requirement.

Land and housing tenure. The United Nations
Office for the Coordination of Humanitarian Affairs
(UN OCHA) recognizes six tenancy categories,
shown in the Introduction section of this chapter.\(^5\)
In fact, the number of categories is much larger
in some places. Rural households usually own
the house they occupy and have tenure security
through formal land titles or customary land rights.
Urban and rural residents in the same country
may have different tenure and occupancy options.
Owners of housing may not own their land. In
many reconstruction programs, only homeowners
with clear title to their land have been entitled
to housing assistance. Those designing housing assistance strategies should make sure they
understand all the categories of tenancy relevant to the affected population and craft an assistance
program that considers them all. The United Nations Human Settlements Programme (UN-HABITAT)
identified 31 different tenancy situations in the affected population in Peru following the 2007 Ica/
Pisco earthquake.\(^6\) \(\text{\textparagraph} \) Chapter 7, Land Use and Physical Planning, contains a section on resolving
land tenure issues in reconstruction.

Gender issues. Generally, women spend more time in their homes than men do, and they have
clearer ideas about what they need. Yet women often do not participate in public consultations or
express their views in the presence of men, which can lead to errors in developing the assistance
strategy. (This may be particularly true of female-headed households.) Best practice would be to
place special emphasis on the particular post-disaster situation of women and to organize separate
women-only community consultations. Among the gender-related housing issues to consider in
housing reconstruction are (1) legal (the differential legal status of women), (2) economic (women’s
low economic status and the prevalence of women’s home-based enterprises), (3) security (safety
issues related to housing and access to services and markets), and (4) social (children’s access to
schools).

Disaster-induced mortality and migration. If a disaster causes high rates of mortality or
migration, it may not make sense to estimate housing requirements based on a pre-disaster census
or to adopt a house-for-house assistance policy. More time and professional support may be
required before an appropriate housing assistance policy can be defined.

The importance of social assessments. While the damage and loss assessment estimates
physical damages and needs for reconstruction, a social analysis is required to understand the
social dimension of housing and to design the assistance policy. The social analysis should include
consultations with stakeholders and affected communities. The World Bank has experience and
resources that provide conceptual and methodological guidance on conducting social analysis, as
well as e-learning courses. Although none of these tools focuses specifically on social analysis in
relation to disasters, they can be adapted for this purpose.\(^7\) \(\text{\textparagraph} \) Annex 2 to this chapter contains a
step-by-step explanation of how to conduct a social assessment.

5. United Nations Office for the
Coordination of Humanitarian
Affairs (UN OCHA) and Shelter
Centre, 2010, Shelter After
Disaster: Strategies for Transitional
Settlement and Reconstruction
(Geneva: UN OCHA), http://
www.sheltercentre.org/library/
Shelter+After+Disaster.

6. Department for International
Development and the Ministry
of Housing, Construction and
Sanitation, 2008, “Final Report,
Land Ownership and Housing”
(“Informe Final, Tenencia de la
Tierra y la Vivienda”).

7. World Bank, 2003, Social Analysis
Sourcebook: Incorporating Social
Dimensions into Bank-Supported
Projects (Washington, DC: World
Bank), http://go.worldbank.org/
HRXPCILR30.


**Examples of Recent Housing Assistance Schemes**

<table>
<thead>
<tr>
<th>Country/Region</th>
<th>Disaster Type/Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gujarat India</td>
<td>Earthquake/Tsunami (2001)</td>
</tr>
<tr>
<td>Indonesia</td>
<td>Earthquake/Tsunami (2004)</td>
</tr>
<tr>
<td>United States</td>
<td>Hurricane Katrina (2005)</td>
</tr>
<tr>
<td>Pakistan</td>
<td>Earthquake (2005)</td>
</tr>
</tbody>
</table>

- Not a uniform package, leading to equity issues. Assistance disbursed in three tranches. Compensation ranging from INR 5,000 to INR 90,000 (US$126 to US$2,277).
- Uniform assistance package. Assistance of LKR 100,000 (US$880) disbursed in two tranches for partially damaged houses and LKR 250,000 (US$2,200) disbursed in four tranches for destroyed houses.
- Uniform assistance package. Assistance of IDR 20 million (US$2,000) for repairable damaged house and IDR 42 million (US$4,200) for full reconstruction of destroyed house.
- Not a uniform package. Assistance based on actual value of house and insurance coverage. Assistance of up to US$150,000 available for homeowner.
- Uniform assistance package. Assistance of PKR 75,000 (US$1,250) for partially damaged house disbursed in two tranches and assistance of PKR 175,000 (US$2,917) for destroyed house disbursed in four tranches.


**Risks and Challenges**

- Inappropriate or inequitable housing assistance program designs created by an inaccurate understanding of the social context or of local needs and capacities.
- Social conflicts created by a failure to establish sound and consistent program rules, apply them objectively and predictably, and communicate them clearly to the affected population.
- Creating an incentive for owners to overestimate damage or cause damage to their own house.
- Thinking that it is sufficient to create the assistance scheme and forgetting to monitor its effectiveness, including ease of access by target groups and impact on the ground.

**Recommendations**

1. Rather than borrowing from other disaster responses, develop a housing assistance policy consistent with the specifics of the situation and reflective of public policy and social values.
2. Base assistance policies on sound social analysis.
3. Involve local communities and stakeholders in defining entitlement policies and make a special effort to consult with women, privately if necessary.
4. Develop a policy that contributes to equity, risk reduction, and sustainability. At the operational level, fine-tune it to the needs and capacities of different categories of affected people and their household requirements.
5. A single post-disaster reconstruction program may include various approaches to housing assistance, depending on levels of damage from one location to another, household composition, the institutional context, and other factors. However, even if a range of approaches are employed, government should ensure the available resources are being well allocated overall, promote the use of consistent eligibility criteria among organizations, and establish minimum and maximum levels of assistance.
6. Make the assistance policy easy to understand. Publicize both the policy and any conditions on the access to funds.
7. Avoid paying more than is necessary for the level of damage. Also avoid indiscriminate distribution of free houses to avoid negative socioeconomic consequences.
8. Closely monitor outcomes from application of the assistance policy and communicate them publicly. Evaluate the program and be willing to adjust the policy over time.

**Case Studies**

2006 Typhoon Durian, Bicol, Philippines

**Targeting during Post-Typhoon Reconstruction**

Typhoon Durian hit the Philippines in November 2006, just when the country—especially the Bicol Region in the Luzon Island group—was recovering from a previous typhoon and from the eruption of the Mayon volcano. Durian, categorized as a super typhoon, caused mudslides, floods, and powerful winds that affected almost 650,000 households, displaced more than 19,000 households, and damaged approximately 540,000 houses, of which 214,000 were destroyed. Some 2,360 people were reported injured and 720 deaths were confirmed. Coordinating with government and municipalities, the nongovernmental organization Community Organization of the Philippine
Enterprise Foundation (COPE) decided to focus on relocation and construction of permanent shelter in Daraga and Legazpi City, two cities that were heavily affected by the typhoon. The multiple-step targeting process was designed to identify the poorest of the poor, using information from community associations and local government units. The criteria targeted people without access to any financial assistance for reconstruction, single parents or widows with at least four dependents, vulnerable individuals (orphaned, disabled, or ill), and poor families that had lost their major source of income. Home visits were carried out to validate beneficiary information provided by local governments. Focus groups were held to discuss relocation. Psychosocial therapy was provided to help the families overcome the disaster experience and prepare for reconstruction and relocation. To be selected, beneficiaries had to commit to provide counterpart labor during construction (the value of the labor ranged from US$60 to US$151). During the construction process, constraints included the unavailability of land for permanent shelter close to the original settlement and the constantly increasing prices due to high rates of inflation. Despite these problems, COPE provided 170 typhoon-resilient permanent housing units to the selected families.


2004 Indian Ocean Tsunami, Tamil Nadu, India
Identifying Eligible Families in an Urban Setting
Tamil Nadu was one of the Indian states most affected by the 2004 Indian Ocean tsunami. While a number of agencies were involved in the provision of temporary housing and in reconstruction in Chennai, it was principally the Tamil Nadu Slum Clearance Board (TNSCB) that worked with the fisher community. The city of Chennai had an ongoing initiative, funded by the World Bank, to replace slums with tenement housing and therefore had procedures in place that were helpful in planning the apartments required by the community. The key challenges for the TNSCB were (1) getting the fishers to concur with the design of houses, and (2) developing the list of eligible families. Because the houses were to be given away, many ineligible people tried to be declared eligible (including one person who claimed ownership of 32 structures!). Approximately 11,000 people claimed to be the owners of the 6,000 properties slated for replacement. However, the fishers resisted participating in the field survey that would validate their claims; the survey teams faced physical assault and required a police escort. When eventually the TNSCB completed the field enumeration, each family was surveyed and photographed in front of its property. The TNSCB used an eligibility matrix to award points for current residency on site, residency immediately after the tsunami, and documentary proof of residence (current and immediately after the tsunami). No family could receive more than one housing unit. Based on the scoring, an eligibility list was finalized and presented to the families for their review. Because of the transparent manner in which the survey was conducted, development of the eligibility list—a daunting task—was eventually accomplished and approved by all stakeholders. Although this process delayed the start of reconstruction by more than two years, it produced a detailed tool that could be used to streamline the eligibility process in future disasters.

Source: C. V. Sankar, India National Disaster Management Authority, 2009, personal communication.

Different states in India have adopted entirely different housing assistance policies, each of which reflects an interpretation of an affected community’s socioeconomic conditions and housing needs. The case studies below show how housing assistance policies can exacerbate existing socioeconomic inequalities.

1993 Maharashtra Earthquake, India
Pre-Disaster Landholding as Basis for Assistance in Maharashtra
The 1993 Maharashtra earthquake caused damage in 728 villages, 37 of which were completely destroyed; the collapse of 25,000 houses; and damage to another 200,000 houses. A reconstruction program was executed, largely with resources from the US$221 million World Bank loan—the Maharashtra Emergency Earthquake Rehabilitation Project.

The affected villages were divided into three damage categories. Category B villages (22 villages, 10,000 houses) received financial assistance for reconstruction in-situ. Work was stalled in some cases while people lobbied for relocation. Construction and land purchases for these villages were done largely by nongovernmental organizations. Investment in amenities was modest, but satisfaction levels were high. Category C villages (180,000 houses) used owner-driven reconstruction for repair and retrofitting damaged houses, with materials distribution and extensive
supervision. The work in these villages started late, but went more quickly than the others. Satisfaction levels were high. Cash assistance to beneficiaries in Categories B and C were uniform: Rs 62,000 (US$2,000) for reconstruction, and Rs 17,000 (US$548) and Rs 34,500 (US$1,113) for repairs, depending on the level of damage.

The more complex situation had to do with certain villages that were classified as Category A (52 villages, 28,000 houses), including the Latur villages in Killari. In these villages, houses were relocated and full reconstruction took place. For the Category A beneficiaries, the size of the plots and new houses varied, depending on the original landholdings of the beneficiary. Landless and marginal landholders got a plot of 1,575 sq. ft. and 250 sq. ft. houses. Households owning between 1 and 7 hectares of land got 2,500 sq. ft. plots and 400 sq. ft. houses. Farmers owning more than 7 hectares of land got 5,000 sq. ft. plots and 750 sq. ft. houses. As a result, wealthier households benefitted more than poor households, regardless of their own endowments or requirements.

The justification for this approach had to do with the characteristics of the local economy. The Latur village economy in Killari consisted of a few large Patils who owned major land holdings and lived in the village center in large stone, mud, and wooden frame gaddis. Some had up to 1-acre plots with sprawling structures. Landless dalits who provided farm labor lived on marginal land in mud and thatch huts. However, the gaddis were not only residences, they were effectively agro-processing centers. On these properties, many productive activities took place: produce of the farms was stored, cattle was milked, sugar cane was converted into jaggery, fodder was dried, and grapes were converted into resins. As a result, dozens of landless workers were employed on the gaddis. Originally, the decision was made to give everyone equal housing assistance after the earthquake. But the Patil owners refused to accept this solution, saying that they would move their dwellings out of the village to large farm plots. If they had done so, it would have destroyed the village economy, because each large house employed dozens of landless workers. To find employment, the landless workers would then move to the city or have to move onto the Patil properties. The land owners argued that they lost the most and that to continue to live in the village they needed large houses to store and process the farm produce. Contractors were hired for all work, and amenities, including infrastructure, were extensive. There was limited community participation, which reduced the level of beneficiary satisfaction.

Landless dwellers in small huts, mostly squatters with uncertain titles, not damaged by the earthquake, received fixed houses of 250 sq. ft. on 1,500 sq. ft. plots with full ownership titles. The large gaddi owners received up to 5,000 sq. ft. plots, which were nearly half or one-third of their original household plots. Thus, the gaddi owners had less than what they had before, but, by remaining in the villages, they enabled agro-processing to subsist on, and the landless (who now owned small plots) retained their livelihood. If the large land owners moved to their individual farm lands, the landless small house owners would not have been able to stay in the village as there would have been no employment. The lesson from this experience, according to those involved, is that post disaster reconstruction can improve the lot of many, but cannot resolve all pre-disaster social inequities.

1999 Orissa Super Cyclone, India
Beneficiary Assistance Varies by Poverty Level
The “super cyclone” that hit Orissa, India, in September 1999, affected 13 million people, killed nearly 10,000, and destroyed some 800,000 houses. Immediately after the disaster, all affected people received a minor grant. No comprehensive governmental reconstruction program was organized. Instead, government provided two types of housing assistance: free housing to 200,000 poor families through the Indira Awas Yojana, an ongoing social housing program targeting the scheduled castes and tribes and households below the poverty line, and loans to 175,000 families above the poverty line through the Housing and Urban Development Corporation. This policy reflected a recognition that the type of assistance provided to better-off households who could afford to repay the cost to rebuild should be different from the assistance provided to poor families.


2001 Gujarat Earthquake, India
Funds Allocated According to Damage Level
The earthquake in the state of Gujarat, India, destroyed 344,000 houses and damaged another 888,000. Using World Bank funds from the Gujarat Emergency Earthquake Reconstruction Programme, government offered financial, material, and technical support to all affected families based on the type of house they owned and the level of damage incurred. Families with completely destroyed kuchcha house (built with low-cost materials, such as mud and thatch) received a maximum grant of Rs 30,000 (US$630). Families with a completely destroyed pukka house (built with industrial materials, such as bricks and cement) received a maximum assistance of Rs 90,000 (US$1,900). While poor people received less assistance than rich people, the minimum assistance was sufficient to replace a kuchcha house with a higher-standard house; however, the maximum grant was not sufficient to replace houses of higher-income people. The housing rights of the homeless and tenants were also recognized.


Resources


Natural disasters are external shocks that can have a major impact on the social and economic welfare of populations and households. Social risk management (SRM) refers to the use of a range of social protection mechanisms to prevent and mitigate risk (ex ante strategy) or cope with its impacts after a shock such as a disaster has occurred (ex post coping strategy). In the context of poverty reduction, SRM is a set of tools that improve the management of vulnerability by households, and may even lead to poverty reduction. The focus of SRM in the post-disaster context is on restoring and rebuilding both assets and livelihoods of households and affected communities.

Social safety nets are a type of program within the broader range of social protection. Social safety nets generally refer to non-contributory transfers (in cash or in kind), targeted at both populations at risk of economic destitution and the permanently poor, designed to keep their income above a specified minimum. In a post-disaster situation, social safety nets are almost always publicly funded transfers that help households avoid irreversible losses and decline into poverty by providing basic income and employment support. Social safety net support is often accompanied by other public or private resources provided for reconstruction and recovery. (Other instruments of social protection and social policy include mechanisms as wide-ranging as labor market policies or pension schemes. None of these other mechanisms is addressed in this annex.)

This annex presents some of the issues to consider in designing a disaster-related social safety net program. While social protection and livelihood support have been considered an important part of post-disaster response for years, there has been little ex ante planning of these disaster interventions by government. Yet planning ahead to anticipate post-disaster demands has significant benefits, since trying to create an effective social safety net program from scratch immediately after a disaster is virtually impossible. At least four months is needed to design a quality social safety net program; the special challenges that arise in the aftermath of a disaster may require additional time. The World Bank can provide extensive technical and financial assistance to governments on designing social protection systems.¹

The two best options for putting a post-disaster social safety net system in place are to adapt a system that is already operating or to create a system to provide a short-term response while simultaneously designing a better system to be implemented in the medium term.

### Options for Implementing Safety Nets in the Context of a Disaster

#### Adapt existing systems

- Expand existing safety nets to provide a short-term option for offsetting the immediate effect of a natural disaster with minimum negative impacts on economic incentives.
- Provide immediate productive activities that lead to more sustainable activities in the medium term (phasing out).
- If necessary, temporarily relax standards, but maintain a minimum level of requirements.
- Expand existing monitoring systems to detect immediate impacts and problems in any program design adapted to the disaster.
- Set up response systems for future disaster risks during the reconstruction process.

**Example:** After Hurricane Mitch in 1998, the Honduras Social Investment Fund (Fondo de Inversión Social [FIS]) played a crucial role in rebuilding the country’s infrastructure. Regional offices and technical experts quickly estimated the need to clean up the debris, repair water and sanitation systems, and provide access to roads, bridges, health centers, and schools. To respond to the urgency of the situation, the FIS simplified its subproject requirements while maintaining minimum standards. Within 100 days, more than 2,100 projects were approved for a total value of US$40 million. Labor accounted for 70 percent of the clean-up activities and 25–30 percent of the value of most subprojects. The FIS created 100,000 person-months of employment in the first three months after Hurricane Mitch.²

#### Provide a suboptimal immediate safety net while developing a more optimal longer-term system

- Be aware that time constraints and poor planning for disasters may result in suboptimal programs.
- Begin to build an effective safety net for the medium term.
- Put systems in place to monitor negative impacts of the disaster, such as indebtedness.
- Use rapid surveys and spot-checks to assess if assistance is reaching vulnerable groups.

**Example:** Increased indebtedness was identified in disaster-affected villages in Myanmar six months after the Cyclone Nargis. Villagers worried that they would not be able to meet loan obligations and satisfy consumption needs in the following year. Although relief assistance reached all villages, much more assistance was needed for communities to recover, particularly in the form of cash grants. Without a way for people to manage their indebtedness, there was a risk of a loss of family assets.³
Balancing Speed and Design Quality

It is crucial to evaluate the disaster impact on households while also considering pre-existing vulnerabilities. The impacts of a natural disaster are not uniformly distributed within a population, and the effects on different people—and on their ability to cope—are strongly correlated with their pre-disaster situation. The social protection response depends on the relative intensity of those impacts and needs. At the same time, disasters affect entire communities and tend to destroy the informal safety nets and personal arrangements that traditionally provide “insurance” for poorer households. Since protection is a function of vulnerability, targeted programs are preferable to untargeted ones. The design process should include considerations of equity, cost-effectiveness, incentive compatibility, and sustainability.

<table>
<thead>
<tr>
<th>Consideration</th>
<th>Recommendations</th>
</tr>
</thead>
</table>
| Context and disaster impact | ■ Analyze disaster impact and needs of the population.  
■ Analyze impact of disaster on the economy and employment.  
■ Evaluate markets and access to market.  
■ Evaluate supply availability for key goods and inflation consideration.  
■ Evaluate whether traders can respond to additional demand. |
| Country conditions | ■ Analyze national priorities and needs.  
■ Analyze available safety protection mechanisms, formal and informal, and program design, including targeting.  
■ Identify safety nets structures that are flexible enough to cover the affected areas.  
■ Identify programs that can be quickly scaled up and that can rapidly channel additional resources to vulnerable groups.  
■ Use household-level data on program access, targeting, and benefit incidence. |
| Vulnerabilities of the population | ■ Analyze vulnerabilities such as:  
■ hazardous locations, substandard housing;  
■ availability of ex ante risk management instruments;  
■ loss of jobs and income;  
■ lack of income-generating activities and resources for rebuilding income-generating activities (micro-finance, savings clubs, etc.); and  
■ lack of savings and other assets.  
■ Focus on the chronically poor, the temporary poor, and people living in the affected areas (and, within these groups, children, orphans, the elderly, the disabled, and women). |
| Targeting beneficiaries according to vulnerabilities and defining eligibility criteria | ■ Identify populations already covered by a safety net program and the eligibility criteria for those programs.  
■ Identify targeting methods that can be used (geographic, demographic, community-based) to channel resources to the affected areas.  
■ Identify eligibility criteria for affected populations that can be combined with existing targeting criteria.  
■ Avoid criteria that could create friction between groups and grievances.  
■ Develop criteria that are easy to explain and administer.  
■ Consider criteria such as loss of assets for immediate support, shifting to poverty criteria for medium-term support. |
| Benefit level | ■ Make sure level is adequate for subsistence.  
■ Avoid benefit level that could jeopardize work incentives or distort markets or prices.  
■ Provide larger amounts only as one-off compensation, for example, for loss of house. |
| Duration | ■ May vary by target group and nature of emergency.  
■ Provide cash or in-kind support for a limited period, longer only for the most vulnerable.  
■ Consider large initial transfer to all those affected, followed by a second, smaller transfer for those who still need it (e.g., after three months).  
■ Target later transfers to vulnerable/poor households.  
■ In large emergencies, consider targeting all transfers.  
■ Provide additional social services for the most vulnerable groups (such as orphans and disabled people). |
Social Safety Net Program Options

Social safety net programs can be carried out (1) to support immediate household and livelihood needs following a disaster, (2) as part of a scheme to facilitate housing and community reconstruction, or (3) to provide a combination of the two types of support. The forms of assistance that can be provided are similar in the three cases. Because this handbook focuses on reconstruction, this annex is intended to complement the rest of the handbook by explaining the options for immediate support.

A detailed discussion of criteria to be used in allocating reconstruction assistance is provided above in this chapter. For a discussion of the options for mobilizing and delivering financial resources and other assistance to support reconstruction, see Chapter 15, Mobilizing Financial Resources and Other Reconstruction Assistance.

The table below summarizes the three principle safety net options for providing immediate support to sustain household and livelihoods following a disaster and some considerations to take into account when choosing among them.

<table>
<thead>
<tr>
<th>Program Feature</th>
<th>Cash and Near-Cash Transfers</th>
<th>In-Kind Transfers</th>
<th>Public Works</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Description</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Simplest way to channel resources to the most vulnerable households</td>
<td>In-kind transfers (food, clothing, and temporary housing) preferable if markets are not functioning or supply of basic goods is limited</td>
<td>Generates income in targeted areas while producing desired outcome: removing debris, opening roads, or restoring services</td>
<td></td>
</tr>
<tr>
<td>Increases households’ real income</td>
<td>Normally designed for a limited time until economic activities generate employment</td>
<td>Can be implemented at any time from response and reconstruction</td>
<td></td>
</tr>
<tr>
<td>Normally designed for a limited time until economic activities generate employment</td>
<td></td>
<td>Should not be considered for long-term income support</td>
<td></td>
</tr>
</tbody>
</table>

| **Target** | | | |
| Chronically poor working families | Chronically poor who cannot afford necessary commodities | Unemployed at the margins of the labor market |
| People not expected to work: children, the elderly, the disabled | Highly affected people needing nutritional support, commodities (blankets, clothing) | Temporarily poor, short-term unemployed |
| Those needing temporary assistance | When beneficiary group is limited | Self-targeting is effective when wage is low |
| All affected households or households selected by geographical targeting | | |

| **Pros** | | | |
| Low administrative cost | Effective in life-saving situation | Needed infrastructure built or maintained |
| Transfer can directly meet critical household needs | Compensates for food shortages, alleviates hunger, improves nutrition | Contributes to resumption of basics services (roads, hospitals) |
| Benefits can be tailored according to the level of need and household size | Mitigates temporary shortages of essential goods | Politically popular programs |
| Provides beneficiaries with a greater freedom of choice | Can be used to provide tools to enable families to undertake reconstruction | |

| **Cons** | | | |
| Targeting methods can be information intensive, especially if the affected population is dispersed | High logistical cost in terms of storage, transport, and distribution | Administratively demanding if linked to large-scale infrastructure programs |
| Risk of moving cash | Errors of inclusion, depending on the targeting methods | Tradeoff between infrastructure development and poverty alleviation |
| Transfers are fungible, subject to unintended usage | Beneficiaries have no choice of commodities | Serves vulnerable, able-bodied households, not those in which no one can work (children, elderly, disabled) |

| **Context** | | | |
| Only when markets are functioning and goods are available | In emergency situations for life-saving interventions | When unemployment is high, after a disaster or the collapse of the labor market |
| | When prices are too high and markets are inefficient | |
| | When markets are not accessible (transport, logistics) or affected areas are cut off | |
## Program Features

<table>
<thead>
<tr>
<th>Cash and Near-Cash Transfers</th>
<th>In-Kind Transfers</th>
<th>Public Works</th>
</tr>
</thead>
<tbody>
<tr>
<td>■ Defining benefits levels for different types of beneficiaries</td>
<td>■ Reaching most needy (especially in very remote areas)</td>
<td>■ Setting correct wage rate (lower than alternative employment opportunities)</td>
</tr>
<tr>
<td>■ Reaching intended beneficiaries, including those in temporary shelters or camps</td>
<td>■ Procurement, storage, and avoiding waste, spoilage, and pilferage</td>
<td>■ Setting the right labor intensity to make the program cost-effective</td>
</tr>
<tr>
<td>■ Determining whether approach is needed</td>
<td>■ Maintaining projects if there is no community involvement in the planning and design or sense of local ownership</td>
<td>■ Identifying projects with high labor requirements</td>
</tr>
</tbody>
</table>

## Challenges

- Program should be simple and easy to verify and should use available technology
- Clear implementation arrangements should include eligibility criteria, payment amounts, and duration of payments
- Transaction costs for beneficiaries should be kept to a minimum
- Immediate cash delivery avoids the delays of opening bank accounts
- Use for shortest term possible in order to avoid creating dependency and suppressing the resumption of economic activities
- Target disaster-affected regions and produce infrastructure desired by local communities
- Develop community-driven programs using participatory approach whenever possible
- Ensure community ownership of assets and system for maintenance
- Avoid displacing people from other economic activities (harvest or other employment)
- Ensure participation of women, since their participation produces larger improvements in child welfare and family health

## Recommendations

1. Ensure participation of women, since their participation produces larger improvements in child welfare and family health.
2. Maintain projects if there is no community involvement in the planning and design or when the demand for participation is very large and some form of employment rationing is needed.
3. Develop community-driven programs using participatory approach whenever possible.
4. Ensure community ownership of assets and system for maintenance.
5. Avoid displacing people from other economic activities (harvest or other employment).
6. Use for shortest term possible in order to avoid creating dependency and suppressing the resumption of economic activities.
7. Set the right labor intensity to make the program cost-effective.
8. Identifying projects with high labor requirements.
9. Maintaining projects if there is no community involvement in the planning and design or sense of local ownership.
10. Setting the right labor intensity to make the program cost-effective.

## Experience with cash transfer
After the South Asia earthquake in 2005, the government of Pakistan allocated a monthly cash grant of US$50 to each eligible household. The amount was based on a calculation of needs for an average household of seven persons. A policy decision was made by government that the payment would be uniform for all beneficiary households and would continue for six months.8

## Experiences with in-kind assistance
After Cyclone Nargis in Myanmar in 2008, people monetized some of the in-kind assistance given to them through exchange or sale.9

During the 1998 Bangladesh floods, in-kind food relief operations were aimed at increasing nutrition levels and avoiding starvation of targeted groups.

## Experiences with public works
In Indonesia, some 18,000 participants were involved in public works programs in approximately 60 villages after the 2004 Indian Ocean tsunami.

Following the 2001 earthquakes in El Salvador, Catholic Relief Services and Caritas ran a 2-year program in which communities were organized to build 1,300 houses as well as schools, health centers, and roads in exchange for food.10

Literature review by Iride Ceccacci.

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### Annex 1: Endnotes

The implementation of any post-disaster reconstruction project can have technical, physical, environmental, economic, or social impacts. Some of the impacts are desired and planned, others are unforeseen. These impacts may become obvious immediately during the project implementation or show up months or even years later. While the technical and environmental impacts of projects have long been analyzed in detail during project preparation, only since the 1990s have international organizations such as the World Bank used social assessment (SA) to systematically analyze and adjust for the potential social impacts of projects. Project outcomes improve when potential risks from social impacts are analyzed early while projects are still being designed and the findings are used to fine-tune project design. SA helps all involved understand the social and economic context, incorporate the perspectives and interests of those whom the project is intended to assist, anticipate the project’s social impacts (both positive and negative), and prepare to mitigate them, when necessary.

Objectives of the Social Assessment
The general objective of SA is to improve the long-term social development outcomes of post-disaster reconstruction policies, programs, or projects by analyzing and managing their social impacts and by mitigating risks.

The specific objectives are to (1) analyze the contextual factors of a particular project or sector policy and information on how these socio-cultural, institutional, historical, economic, and political factors may influence development outcomes; (2) identify the project’s social impacts on all relevant stakeholders, including beneficiaries and other populations affected, and their corresponding strengths, vulnerabilities, and risks; (3) analyze implementing institutions and the institutional framework; (4) identify opportunities and specific constraints the project may encounter; and (5) make concrete recommendations of actions that will mitigate any adverse social impacts or improve social outcomes during implementation and monitoring of the project or policy. The process of social assessment can itself enhance project equity and strengthen social inclusion and cohesion, by facilitating the participation of relevant stakeholders, including the poor and socially excluded, in project analysis, design, and/or implementation.

Methodology for Preparing a Social Assessment
The success of SA depends on the ability and capacity of the expert team to capture the multiple dimensions of the community social reality and to use this information to estimate social impacts and possible mitigation measures. It is fundamental that the team have sufficient experience in both the qualitative and quantitative aspects of social analysis, ideally in a post-disaster or similarly volatile context, and is comfortable working under time pressure. Below is a list of recommendations for conducting SA.

- Specialists should be hired to carry out this assessment, due to the complexity of the issues and the need to organize and interpret a wide range of information. The team should consist largely of experts in the social sciences, such as sociologists, anthropologists, geographers, social psychologists, or other persons experienced in social data collection and analysis of complex socio-cultural structures, as well as experts in political science and law. The composition of the team will vary, depending on the nature of the disaster and the project being analyzed.

- A suitable counterpart in government should be appointed who understands the importance of the work and who can facilitate contacts and access to information.

- This government official should be supported by a technical committee that includes representation from the affected population, key government agencies, and the sponsoring agency.

Sources of Information
SA is not a single method but can incorporate various approaches and tools to obtain, verify, and analyze data. Validating data in the post-disaster situation may be a challenge but should not be neglected. Data-gathering issues include the following.

- The socio-cultural, historical, and political context of the project will influence the data that is gathered, and the tools used, as will the complexity of social structures and perspectives that need to be incorporated.

- The strengths and limitations of data-gathering tools should be evaluated with respect to their validity, efficiency, and social acceptability during the planning of the assessment.

- While the affected population is the principal subject of the SA, it may also be engaged in data-gathering, analysis, mapping, focus groups, or other activities, and should be represented in the technical committee.

- Given the difficulty of data gathering in post-disaster situations, the technical committee should strongly consider requesting that the consultant team (1) collect data in such a way that it can be used as the baseline for later project monitoring and evaluation, and (2) propose concrete indicators and benchmarks to be used in monitoring and evaluating the project.

- In addition to the initial SA (described here), ongoing SAs should be carried out simultaneously with the execution of the project.

Scope of the Social Assessment
After reaching agreement on the principal objectives and methodology, the consultants should familiarize themselves with the most current version of the post-disaster reconstruction policy, program, or project under consideration, if one has already been proposed, or otherwise with the broad goals of the reconstruction program. Based on this, the team will gather and analyze information on (1) the socio-cultural, institutional, historical, and political context where the project takes place; (2), the legal and regulatory context; and (3) the key social issues,
including economic factors and income distribution, diversity and
gender, the roles and behavior of community groups and affected
stakeholders, the types of social participation, and any potential
social risks. A detailed list of topics to be analyzed is shown in the
table below. The relative weighting of these issues in the analysis
depends on the project being considered and the context.

**Further Guidance on the Social Assessment**

**Institutions, roles, and behavior:** This component of the
analysis should consider both formal and informal institutions,
the political and administrative apparatus, and “rules of the
game” at various levels of government, as well as the influence
of private sector institutions, community, kin, and solidarity
rules. Macro-institutional issues may also be relevant to the
project, as well as an analysis of obstacles to equitable access to
and benefit from institutions and their resources. The reasons
for exclusions can include local customs, intergroup relations,
formal and customary laws, or information and communication
systems, and may be intentional or unintentional.

**Social and economic diversity and gender:** The information
and analysis presented should be disaggregated by gender and
income level, and vulnerabilities and their causes for each group
should be identified. A special focus should be put on social
equity impacts and on the distribution of impacts across the
different identified social groups. Quantitative analysis should
be accompanied by confidence intervals and significance levels.
The following concepts should be kept in mind.

<table>
<thead>
<tr>
<th>Topic</th>
<th>Elements to analyze</th>
</tr>
</thead>
</table>
| A. Institutions, roles, and behavior | 1. Examine social groups’ characteristics, intragroup and intergroup relationships, and the relationships of those groups with public and private institutions.  
2. Describe formal and informal behaviors, norms, and values that have been institutionalized through these relationships and how they affect the implementation of the project.  
3. Describe possible opportunities to influence behavior of such groups.  
4. Point out constraints or potentials among these institutions for the project’s implementation.  
5. Summarize historical facts that are directly linked with the project framework and outcome range.  
6. Describe the political framework relevant to the project. |
| B. Legal and regulatory considerations | 1. Review and summarize all national, local, and intermediate legislation and regulations pertinent to the project.  
2. Highlight in particular legislation and regulations that provide social assistance to poor and excluded groups. |
| C. Social and economic diversity and gender | 1. Describe the most significant social and cultural features that differentiate social groups in the project area.  
2. Examine how people are organized into different social groups, based on the ascribed status (ethnicity, clan, gender, locality, age, language, class, or other marker), achieved status, or chosen identity (ideology, education, citizen, political affiliation).  
3. Analyze the economic structure of the community and other factors that may influence local political decision making related to reconstruction, such as the allocation of assistance and public expenditures.  
4. Describe the assets and capabilities of diverse social groups.  
5. Analyze dynamic social and political power relations and their implications for the realization of the project.  
6. Explore current visible or underlying conflicts among the groups.  
7. Describe their different interests in the project and their level of influence. |
| D. Stakeholders | 1. Identify and characterize the various stakeholders.  
2. Explore the different stakeholder’s interests, motivations, and incentives in the project.  
3. Describe the impacts the project will have on the different groups of stakeholders.  
4. Analyze their existing and lacking assets and capabilities, both material and intangible, and present them in a table. |
| E. Participation | 1. Describe the local traditional systems of participation and its mechanisms of inclusion and exclusion, and evaluate its legitimacy to serve as project participation from.  
2. Based on the asset and capability table (see D, Stakeholders), explore opportunities and conditions for participation by stakeholders, particularly the poor and vulnerable, in the project process.  
3. Develop mechanisms to enhance marginalized groups’ skills and encourage them to participate in the project.  
4. Develop communication strategies to inform stakeholders and a feedback mechanism to include stakeholder’s reactions. The communication of information is a basic asset to be able to participate. |
| F. Social risks and vulnerability | 1. Analyze all economic and social effects the project may have on the poor and excluded.  
2. Examine specific social risks according to the different social groups identified, especially on vulnerable groups.  
3. Analyze the perceptions of the affected groups regarding vulnerability and social risk and compare this data with results from other activities.  
4. Identify the country risks caused by political instability; conflict; ethnic, religious, or social tensions; endemic corruption; etc. |
Practical gender needs vs. strategic gender needs. "Practical gender needs" are based on local traditional gender roles and responsibilities and focus on immediate practical needs, such as water, food, shelter, and health. In contrast, "strategic gender needs" analyze systemic factors that limit women’s access to resources and benefits compared to men’s. The analysis and comparison of these two types of needs may help facilitate a sustainable, long-term mitigation response.

Intrahousehold dynamics and relations. It may be helpful to picture the household as a system that allocates resources among individuals, each of whom is supported by her or his own internal and external relations. In such a system, the modification of one part can affect the whole. Hence, a holistic understanding of the system is fundamental to estimate multiple social impacts of an external intervention.

Stakeholders. The stakeholder analysis should include the characteristics, interests, incentives, and mode of influence over the project, particularly elements that adversely affect the allocation of resources and control over the quality of design and implementation. Note that the degree of organization often affects the degree of visibility and the ability of groups to express and defend their interests. Vulnerable social groups are often not organized and for this reason need more support to be heard and included.

Participation. The development of communication strategies to share information and ensure the continuous flow of information contributes to participation. See Chapter 3, Communication in Post-Disaster Reconstruction. Beside a communication strategy that reaches all stakeholders, the skills of vulnerable and marginalized groups may need to be enhanced to ensure their participation in the project. Procedures to involve stakeholders in monitoring and evaluation are important. Be aware that participation, while a fundamental element for project planning, implementation, and evaluation, does not guarantee the desired results.

Social risks and vulnerability. Make sure that the particularly vulnerable groups are identified, defining vulnerability beyond the traditional so that it includes groups that are socially stigmatized (such as battered women) or marginalized (people infected with HIV or suffering from AIDS). The analysis should examine the nature and roots of these vulnerabilities in the context of socioeconomic trends in the country or region.

Presentation of Findings and Recommendations

For each topic in the table above (and others the consultants may identify during the assessment), the consultants should provide a systematic summary of (1) their findings as they relate to the housing reconstruction policy, program, or project under consideration; and (2) the significant corresponding social impacts they have identified. The team should present short- and medium-term recommendations for improving the social outcomes or mitigating any adverse social impacts of the project. The recommendations should be grouped in the way that the consultants believe will make them the most understandable during the review process and, in the final report, most useful for implementation. After an initial review by the technical committee and other stakeholders, as directed by the technical committee, the recommendations should be presented in a final report as a work plan that identifies both the sequence of activities and the party or parties responsible for carrying them out, focusing particularly on modifications in project design or social risk mitigation activities.

Expected Results and Outputs of the Social Assessment

The principal output is an in-depth SA for the policy, program, or project that will permit government and/or other agencies to mitigate any adverse social impacts or improve social outcomes by making adjustments in project design and designing a system for project monitoring. In the initial report, the consultants will present a strategy, plan, and schedule for the consultancy. The assessment itself should be presented in draft and final forms.

Time will usually be of the essence in carrying out this consultancy. The following schedule allows an SA to be completed in approximately 2 months. The following time intervals are ambitious, and, if necessary, can be adjusted, depending on the particular situation. Outputs will include:

1. an initial report, in which the consultants any recommendations for modification of the scope of work as well as a work plan and schedule for the presentation of outputs, presented within 7 days of the contract signing;
2. a draft report, presented within approximately 21 days of the acceptance of the initial report;
3. a final report, presented within 21 days of the receipt of comments on the draft report from the party or parties responsible for overseeing the assessment or 30 days of the presentation of the draft report, whichever is earlier.

The draft and final reports should be presented along with an executive summary or abbreviated version that can be widely circulated, in language(s) and a format that stakeholders can easily understand.

An effective review process will help guarantee the acceptance of the SA, and the consultants should take an active role in carrying it out, with assistance from government and the sponsor of the assessment. This may entail various meetings with government, the community, and other stakeholders; use of information technology; and/or other means to ensure wide distribution of the draft report and collection of feedback. Meetings may also be required once the report is finalized, to more widely disseminate the findings and recommendations.

Annex 2 Endnotes

2. According to the World Health Organization (WHO), "gender" refers to the socially constructed roles, behaviors, activities, and attributes that a given society considers appropriate for men and women. Gender is an important consideration in SA.
3. The term “stakeholder” includes the people affected by the project (beneficiaries, affected population) and people able to influence it (organizations, institutions). See also Chapter 12, Community Organizing and Participation, for a discussion of this topic.
4. “Social risks” include country risks, political economy risks, institutional risks, exogenous risks, and vulnerability risks, among others.