Guiding Principles for Relocation

- An effective relocation plan is one that the affected population helps develop and views positively.
- Relocation is not an "either/or" decision; risk may be sufficiently reduced simply by reducing the population of a settlement, rather than by relocating it entirely.
- Relocation is not only about rehousing people, but also about reviving livelihoods and rebuilding the community, the environment, and social capital.
- It is better to create incentives that encourage people to relocate than to force them to leave.
- Relocation should take place as close to the original community as possible.
- The host community is part of the affected population and should be involved in planning.

Introduction

Relocation is defined as a process whereby a community’s housing, assets, and public infrastructure are rebuilt in another location. Relocation is sometimes perceived to be the best option after a disaster for one or more of the following reasons: (1) people have already been displaced by the disaster; (2) their current location is judged to be uninhabitable, or (3) relocation is considered the best option to reduce vulnerability to the risk of future disasters. In fact, relocation may be appropriate when the disaster is the result of site-specific vulnerabilities. Informal settlements in urban areas, for instance, are often located on sites where topography makes the site’s vulnerabilities impossible to mitigate. In rural areas, settlements on fault lines or in flood zones have vulnerabilities that may also be impossible to address.

However, relocation is often not the right solution: not all risks are site-specific and relocation itself entails numerous risks. Finding adequate sites for relocating disaster-affected communities can be an enormous challenge. Unsuitable new sites can lead to lost livelihoods, lost sense of community and social capital, cultural alienation, poverty, and people abandoning the new sites and returning to the location of their original community. The economic, social, and environmental costs of relocation should be carefully assessed before the decision to relocate is finalized, and other mitigation options should be considered. For instance, sometimes relocating only a portion of an at-risk community may be sufficient.

This chapter discusses the reasons for and against relocation of disaster-affected communities following a disaster, as well as the risks and risk mitigation strategies that can be used if relocation is necessary. It warns against choosing relocation out of organizational convenience without taking into consideration its potentially dramatic negative social consequences. This chapter is not about “resettlement” as defined by the World Bank and other international financial institutions (IFIs), nor is it a summary of IFI resettlement policies (which are discussed below). However, the approach recommended in this chapter is consistent in many ways with these policies.

Key Decisions

1. The lead disaster agency should coordinate with appropriate government agencies, including local government, to initiate an inclusive in-depth comparative analysis of disaster risk management (DRM) options that includes mitigation at the existing site.
2. As soon as relocation is raised as a serious post-disaster risk mitigation strategy, the lead disaster agency should initiate a process for defining the policy framework for relocation, the financing plan, the assistance strategy for those relocated, and the criteria for household selection and relocation site selection.
3. The lead disaster agency, in coordination with local government, should quantify the population subject to relocation through their joint participation in assessments that will provide these estimates.
4. Local government should carefully identify relocation sites, in the context of the post-disaster land use planning process, that offer the best potential to provide sustainable living and livelihood conditions to the relocated population.
5. **Agencies involved in reconstruction** should decide how to collaborate with government to establish common policies and criteria for relocation, and on the common procedures for applying them.

6. **Agencies involved in reconstruction** should decide and plan how their relocation projects will ensure the full restoration of livelihood and social conditions in the relocation site, including special attention to squatters and vulnerable groups.

7. **Populations subject to relocation** and **receiving communities** should demand that **agencies involved in reconstruction** give them a lead role in identifying sites and organizing relocation.

8. **Agencies involved in reconstruction** should decide how to organize and finance joint monitoring of relocation projects, and how to ensure that findings will be incorporated into ongoing projects.

### Public Policies Related to Relocation

Public agencies at the national and local government levels in disaster-affected countries may have relocation or involuntary resettlement policies that apply in post-disaster situations or that can easily be adapted. Using them helps ensure that post-disaster relocation criteria and assistance schemes are consistent with other instances of relocation in the same country or state. If policies were established in connection with infrastructure projects, such as highway widening when squatters needed to be relocated from a public right-of-way, policy implementation may fall within the jurisdiction of the Ministry of Public Works or the Social Investment Fund.

At the local government level, resettlement or relocation policy may be established in connection with slum upgrading, local infrastructure projects, city development master plans, or DRM plans. The local agency with jurisdiction may be the planning department, the public works agency, or the agency responsible for environmental management. Policies intended to guide relocation from high-risk areas or to disperse illegal settlements may be readily applicable or may need to be modified to apply in a post-disaster situation. Such policies may include useful methodologies for selecting among mitigation options.

The World Bank safeguard policy on involuntary resettlement (Operational Policy 4.01), as well as those of many international and bilateral agencies and regional development banks, is designed to assist displaced persons in their efforts to improve or at least restore their income and standard of living after displacement; however, it may not apply in a post-disaster situation. (See *Chapter 21, Safeguard Policies for World Bank Reconstruction Projects,* for a description of how safeguard policies are applied in emergency [disaster] operations.) Resettlement policies are discussed later in this chapter.

International frameworks should be taken into consideration when the possibility of relocation arises, including the Pinheiro Principles on Housing and Property Restitution for Refugees and Displaced Persons.1

Whatever policy framework or frameworks are used to define the relocation policy, the policy and related procedures should be transparently and publicly reviewed with and communicated to the affected population throughout planning and implementation. See *Chapter 3, Communication in Post-Disaster Reconstruction.*

### Technical Issues

#### The Typology of Reasons for Displacement

Disasters are only one cause of displacement, whether economic or physical. Others reasons for displacement that countries experience, and that countries may have policies and know-how to address, include the following:

- **Development-induced involuntary resettlement,** including:
  - Relocation or loss of shelter
  - Loss of assets or access to assets
  - Loss of income sources or means of livelihood, whether or not the affected persons must move to another location

- **Disaster-induced relocation**
  - Voluntary
  - Involuntary
  - Cyclical relocation, due to seasonal flooding, drought, or other factors
  - Refugees from conflict

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2. World Bank OP/Bank Procedure (BP) 4.12, “Involuntary Resettlement,” apply principally to these instances of resettlement.
This chapter focuses on disaster-induced relocation, whether voluntary and involuntary. Development-induced involuntary resettlement is discussed below.

**Who Lives in Disaster-Prone Sites and Why**
The urban poor in particular often inhabit hazardous areas because they can’t afford to live elsewhere. The primary concern of people living in poverty is their immediate survival, which requires them to find affordable housing in close proximity to livelihood opportunities. For people with marginal incomes, even minor additional costs of rent, utilities, or transportation that might result from living in a safer location may be unaffordable. Safe and affordable sites are hard to find in areas where jobs are located, where land is likely to be scarce and prices higher. Poor urban dwellers often settle informally on public lands not suitable for development because of their inherent risk factors and then remain there for financial or political reasons until a disaster strikes.

**Why Relocation Is Sometimes Necessary**
Disasters will continue to displace people, often leaving no alternative but relocation. Relocation of vulnerable communities to physically safer places is often the best way to protect them from future disasters. Some locations are inherently unsafe, e.g., floodplains, unstable hillsides, and areas where soil is likely to liquefy as a result of seismic tremors. In particular, informal settlements of the urban poor are often located on highly vulnerable sites. In some cases, a disaster may have changed the topography, making a community’s original site unsuitable for habitation. Finally, it may be too costly to provide safety to communities located in areas likely to be subject to future disasters. Risk-mapping is a tool that can provide data on the degree, probability, and characteristics of these risks. However, a relocation process that incorporates international lessons learned can prevent avoidable human suffering. In Aceh, Indonesia, following the 2004 Indian Ocean tsunami, changes in topography greatly complicated site selection for new housing, as described in the case study, below.

**Why Relocation Is Often Unsuccessful**

- **Inadequacy of new sites.** One of the chief reasons for relocation failure is underweighting the welfare of the population as a criterion for the selection of the relocation site. Inappropriate land may be chosen for a relocation project because it can be acquired quickly, is owned or controlled by government, or is easily accessible with topography that favors rapid construction. For similar reasons, people resettled to protect them from one risk (e.g., tsunamis) may find themselves exposed to new ones (e.g., risks to livelihood, high crime, lack of services). The Disaster Risk Management section in Part 4, Technical References, describes the process for comparing risk mitigation options.

- **Distance from livelihoods and social networks.** A lack of affordable land in areas close to sources of employment often necessitates relocation to peripheral areas where land is less expensive. Yet a key cause for unsustainable relocation solutions is the distance of the new site from vital resources (grazing land, food sources), relatives, social networks, livelihoods, and markets. In addition, bringing infrastructure and services to these remote areas may be extremely expensive, even when the land is cheap. The full cost analysis of new sites should include both infrastructure investment and the provision of services, such as public transportation. The case study on the 2004 Indian Ocean tsunami in Sri Lanka, below, reveals how livelihoods can be affected when vendors relocate further away from markets.

- **Socio-culturally inappropriate settlement layouts.** Housing design, layouts, and construction are often to blame for the rejection or failure of post-disaster relocation projects, in particular in rural areas. The following are frequently cited reasons for the abandonment of a new site by a resettled community.
  - Settlements are designed using unfamiliar land use patterns that do not permit the clustering of kin and neighborhood groups vital to social cohesion in rural areas.
There is insufficient space for tool sheds, livestock, and other agricultural needs, as well as poor soil conditions, along with lack of irrigation, tools, agricultural inputs, and livestock, making it difficult to reestablish farm-based livelihoods in agricultural areas.

Faulty house design and construction (such as the lack of thermal protection), limited plot dimensions, difficulty of extending and upgrading houses, and lack of space for domestic and livelihood activities.

Poor access and lack of public transportation, particularly to markets and social facilities.

Conflicts and competition with host or adjacent communities that do not receive any benefit from the relocation and lack structures for the governance of resources.

Social conflicts caused by moving communities with different ethnic, religious, or social backgrounds into close proximity.

Widows and female-headed households exposed to sexual and physical abuse.

Most of these risks also apply to reconstruction in-situ if the reconstruction plan entails land consolidation, changes in settlement layout, or introduction of new house designs and building technologies. A relocation plan (albeit abbreviated) may be needed even in these situations.

**Lack of community participation.** Consulting the people of a community, involving them in the selection and planning of a site, understanding their needs and values, and gaining insight from local experience and knowledge of the local environment can help reduce relocation risks. Importing outside labor to construct new settlements discourages community participation and deprives members of the community of employment opportunities. A lack of community participation can also hinder the development of a personal sense of ownership or responsibility for the home and settlement, which may lead to feelings of alienation and a prolonged dependency on external aid. The case study on the 2004 Indian Ocean tsunami reconstruction in India, below, describes a time-consuming, but successful, instance where communities took responsibility for selecting relocation sites.

**Underbudgeting of relocation costs.** Underestimating the cost of relocation is common and can undermine the entire process. Both hard costs (infrastructure, housing construction) and soft costs (facilitation, training, social assistance, temporary public services) should be estimated using conservative assumptions, and funded over a period of years, until communities fully adapt to their new location and livelihoods are reestablished. The estimates should include adequate provision for costs associated with assisting squatters or those without proof of land ownership and other land tenure issues. See the discussion of land tenure challenges in reconstruction in Chapter 7, Land Use and Physical Planning.

**What Contributes to Successful Relocation?**

Relocation of communities requires risk mitigation through well-planned and adequately financed programs that include such elements as land-for-land exchange, employment generation, ensured food security, improved access to health services, transportation to jobs, restoration of common properties, and support for community and economic development.

Relocation is more likely to be successful when:

- affected communities participate in critical relocation and implementation decisions (site selection, identification of basic needs, settlement planning, housing designs, and implementation);
- livelihoods are not site-specific and so are not disrupted;
- water, public transport, health services, markets, and schools are accessible and affordable;
- people are able to bring with them items of high emotional, spiritual, or cultural value (religious objects, salvaged building parts, statuary or other local landmarks);
- people belonging to the same community are resettled together to a new site;
- emotional, spiritual, and cultural attachment to the old site is not excessively high;
- housing designs, settlement layouts, natural habitat, and community facilities conform to a community’s way of life;
- social, environmental, and hazard risk assessments confirm that risk cannot be mitigated in the old location, while the community can be assured of the suitability of the relocation site;
- communication with target groups is frequent and transparent, and mechanisms to resolve grievances are effective; and
- relocation and assistance to mitigate its economic impacts are adequately funded over a reasonable period of time.
Unjustified Relocation

Relocation to new sites is often decided for "practical reasons" that ignore risk management considerations and result in a massive waste of financial and natural resources. Examples include:

- Relocation to avoid rubble removal, simplify land tenure issues, or minimize the number of stakeholders "interfering" in the reconstruction project
- Relocation to reduce construction costs, without accounting for the cost of basic infrastructure and services, which can result in the building of houses or entire settlements that are later abandoned, sold by beneficiaries, or left unoccupied, due to the lack of services or costs to acquire them

Involuntary Resettlement Policies

Definition of involuntary resettlement. Resettlement is a term used to describe direct economic and social losses resulting from displacement caused by land taking or restriction of access to land, together with the consequent compensatory and remedial measures. Resettlement activities in World Bank loans and projects are governed by the Safeguards Policy on Involuntary Resettlement, including Operational Policy (OP) and Bank Procedure (BP) 4.12. The policy promotes the participation of displaced people in resettlement planning and implementation and prescribes compensation and other resettlement measures. Countries that borrow from the Bank often prepare resettlement plans; therefore, numerous examples are available. For guidance on preparing a resettlement plan, see the annex to this chapter, How to Do It: Developing a Post-Disaster Resettlement Plan. Other international institutions, such as the Asian Development Bank (ADB) and the Inter-American Development Bank, have policies similar to OP/BP 4.12.

Resettlement policies may not apply following a disaster, because time does not allow for it or because the situation may not trigger the policy. Chapter 21, Safeguard Policies for World Bank Reconstruction Projects, describes how the World Bank’s safeguard policies are applied in emergency (disaster) operations.

In resettlement policies, relocation is identified as one of several strategies to consider when either economic or physical displacement is taking place, generally as the result of public investment projects or other changes in land use. The ADB Involuntary Resettlement Policy includes the following matrix of types of losses from displacement and the mitigation measures that should be evaluated in resettlement plans to compensate for them.

<table>
<thead>
<tr>
<th>Type of loss</th>
<th>Mitigation measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loss of productive assets, including land, income, and livelihood</td>
<td>Compensation at replacement rates</td>
</tr>
<tr>
<td></td>
<td>Replacement for lost incomes and livelihoods</td>
</tr>
<tr>
<td></td>
<td>Income substitution and transfer costs during reestablishment plus income restoration measures in the case of lost livelihoods</td>
</tr>
<tr>
<td>Loss of housing, possibly entire community structures, systems, and services</td>
<td>Compensation for lost housing and associated assets at replacement rates</td>
</tr>
<tr>
<td></td>
<td>Relocation options, including relocation site development</td>
</tr>
<tr>
<td></td>
<td>Measures to restore living standards</td>
</tr>
<tr>
<td>Loss of other assets</td>
<td>Compensation at replacement rates</td>
</tr>
<tr>
<td></td>
<td>Replacement</td>
</tr>
<tr>
<td>Loss of community resources, habitat, cultural sites, and goods</td>
<td>Replacement</td>
</tr>
<tr>
<td></td>
<td>Compensation at replacement rates</td>
</tr>
<tr>
<td></td>
<td>Restoration measures</td>
</tr>
</tbody>
</table>

Comparing development-related and disaster-related displacement. Post-disaster relocation, like resettlement, may also be involuntary, and the same strategies used to reduce or avoid involuntary resettlement impacts can sometimes be applied in relocation. These include (1) mitigating the risks that are causing relocation to be evaluated as an option, using physical preventative or physical coping and adaptive measure (see Part 4, Technical References, Disaster

Risk Management in Reconstruction, for more on disaster risk reduction options); (2) redesigning or replanning the physical site to accommodate all residents (internal relocation); and (3) providing incentives for residents to relocate themselves (voluntary relocation).

At the same time, the situation that confronts government, agencies, and households involved in infrastructure-related relocation is different from that encountered in a disaster-related resettlement, for a number of reasons that may affect the quality of the outcomes. In the case of a disaster, for instance, the land that is taken is often left vacant, rather than being transformed into something else, e.g., a roadway overpass, as it is with development-related resettlement, making it possible for the displaced population to return and making it necessary for local jurisdictions to prevent this from happening. There is ordinarily less time available to plan and implement a disaster-related relocation than there is a development-related resettlement program, which creates the risk that the full range of options may not be evaluated. If the property market has been affected by the disaster, voluntary resettlement may not be realistic, without the affected household moving a significant distance away from the area affected by the disaster. Properly planned resettlement may be a requirement of IFI financing for development projects, and, if so, technical and financial support are likely to be provided to assist in carrying it out, in contrast with post-disaster relocation, where neither of these factors may be present. Last, the population affected by a disaster may have been dispersed, making it more difficult to develop an approach to relocation that satisfies the entire community and keeps it intact, in contrast to a development-related resettlement project where there is time for participatory resettlement planning.

**Risks and Challenges**

1. Underestimation by decision makers of the social consequences of post-disaster relocation, in spite of the growing body of research that shows that it is rarely successful.
2. Loss of livelihoods, impoverishment, social and cultural alienation, loss of social coherence, increased morbidity, and loss of access to common property for the relocated community.
3. Conflicts and competition with hosting communities over scarce resources, such as land, food, fuel, water, and fodder for livestock.
4. Abandonment of relocation sites by relocated populations and return to areas where there may be inadequate provision for them or unsafe conditions. Failure of local officials to anticipate this event.
5. Insufficient consideration of the option of providing incentives to encourage voluntary relocation.
6. Government inaccurately reporting that relocation has taken place voluntarily in order to avoid the preparation of social and environmental impact assessments and relocation action plans.
7. Failure to recognize and mitigate risks of reconstruction projects in the same location that entail land consolidation, major demolition, and development of new settlement layouts.
### Recommendations

1. Avoid relocation if at all possible. Especially avoid relocation to distant sites. Work hard to keep communities together.

2. If relocation is being considered, carry out a detailed participatory assessment of the environmental, social, and economic risks of relocation and of the cost of risk mitigation strategies for alternative sites.

3. Governments should not only avoid relocation in their own housing programs but should also regulate relocation in the reconstruction projects of nongovernmental agencies (private corporations and nongovernmental organizations [NGOs]), which often opt for relocation to gain visibility and for managerial convenience.

4. If relocation is unavoidable, involve the community in the decision-making processes by creating a community relocation committee, among other means.

5. Agencies should engage the services of qualified and experienced relocation specialists to design and implement relocation plans.

6. The technical, financial, and institutional feasibility of providing basic services such as water, electricity, health services, schools, markets, policing, and public transport in the relocation site must be demonstrated during project planning, and all arrangements put in place in advance of the relocation.

7. Use the relocation plan to carefully define, with the assistance of experts, how people will be assisted to restore their livelihood activities or develop alternative livelihoods in the relocation site.

8. Plan for the relocation of individual or collective cultural properties.

9. Assess and mitigate the impact of relocation on the hosting community, and be prepared to prevent social conflicts and problems of crime, delinquency, and secondary displacement.

10. Design, budget for, and implement measures to prevent the return of the relocated community or others to the site from which the relocation took place.

11. Be conservative when estimating the time a relocation program will take and the costs entailed.

### Case Studies

#### 1998 Hurricane Mitch, Honduras

**The Consequences of Relocation without Prior Infrastructure Planning**

As a camp-exit strategy, families living in temporary shelter camps in Tegucigalpa, Honduras, after Hurricane Mitch, were assisted with a voucher program that provided US$600 for the acquisition of a new house. This voucher program was to be combined with generous subsidies being offered by local and international NGOs in new relocation projects that they were building. The only affordable land available for the relocation projects was located in the Amarateca Valley, 35 kilometers from the center of Tegucigalpa. NGOs developed housing projects for more than 1,200 families who could contribute the voucher amount, and provided them with varying amounts of additional subsidies. However, these efforts were uncoordinated and poorly planned. The lack of planning was evident in the fact that at many of the sites there had been no arrangement with government and public utilities to provide infrastructure services (e.g., water, sewerage, electricity, and solid waste collection) and social services (e.g., schools, transportation, and health clinics) on a timely basis. Under pressure from the relocating families and from government (which was pushing to get families out of the shelters), relocation took place with improvised, temporary solutions (e.g., pit latrines and water supplied by tanker trucks). In some cases, individual housing projects included internal piped networks for water supply and sanitary sewerage, but the deep wells required for water supply and the facilities for wastewater treatment were not completed until years after the families had occupied the projects. As a result, there were sanitation and health hazards, defaults on house payments, loss of livelihood opportunities, disruption of social networks, and even social unrest and insecurity in the new settlements, all of which represented obstacles to developing a real sense of community. Ten years after the emergency, however, the Valley of Amarateca had attracted new employment opportunities ranging from textile factories, grain processors, and automobile parts assembly, attributed partly to the concentration of population in this location.

2004 Indian Ocean Tsunami, Sri Lanka

The Impact of Post-Tsunami Relocation on People’s Livelihoods and Housing Choices

After the 2004 Indian Ocean tsunami, the government of Sri Lanka announced that no reconstruction would be allowed within a buffer zone, which varies from 100 to 200 meters, along the water. As a result, thousands of households had to be resettled. Research conducted in 2008 using a random sample of 211 households selected from 17 relocation sites in the Hambantota district of the country found that, while 96 percent of the households in the sample considered their new houses similar or superior in quality to their pre-tsunami houses, relocation generally had had an impact on their livelihoods. This was due to several factors, among them that in their pre-tsunami homes, many of the families had goats, cattle, and poultry; homestead gardens; and coconut trees (a staple food in Sri Lanka). They also enjoyed access to free fish. Livestock and poultry provided food security and constituted critical assets in case of financial emergencies. This changed in the relocation sites, where people were not able to keep the same number of animals. The number of animals owned by the sample households decreased from more than 6,400 before the tsunami to only 107 after the tsunami. People reported that they were consuming less fish, vegetables, and fruits than before the tsunami.

Second, relocation led to a reduction in earning opportunities, in particular for women and the poor. The distance to markets from the relocation sites meant that the small incomes generated from micro-businesses in their homes, such as food processing, were now not sufficient to cover the transport expenses from their new homes to the market. As a result, there was a 59 percent decrease in the number of family members who were earning anything among the 211 households in the sample.

Reconstruction in Hambantota was unusual in that it produced more houses than were needed for the disaster-affected population, for several reasons. Being the home constituency of the country’s president, it attracted generous resources from national and international NGOs; some families were not willing to relocate to new sites for reasons not picked up in the needs assessments; and delays in developing relocation sites led some families to purchase lands and construct their own houses using the housing grants before the abolition of the buffer zone policy. Also, because some people had not relinquished their pre-tsunami property, they were able to move back to their original housing sites after the buffer zone was reduced. For these reasons, some houses that were built outside the buffer zone by international NGOs for tsunami-affected communities in Hambantota were later given to non-affected households, for example, to people displaced by the construction of a new port. As of mid-2009, 63 percent of houses in the 17 relocation sites analyzed were occupied by people affected by the tsunami.

Officials involved in this reconstruction program in Sri Lanka have pointed out the importance of addressing the following issues in reconstruction: (1) the need to engage NGOs and to align their priorities with larger reconstruction program objectives; (2) the importance of clarity in public policies regarding relocation and occupation of environmentally sensitive areas, such as the buffer zone; and (3) how to simultaneously weigh and address the livelihood and housing reconstruction requirements of the same population.


2004 Indian Ocean Tsunami, Nagapattinam, India

Finding Land for Relocation through Community Participation

More than 30,000 families being suddenly rendered homeless is a nightmare under any circumstances. But in a backward district like Nagapattinam, India, it is a disaster—even worse when diverse cultures and livelihood systems are thrown into the mix. Although relocation from vulnerable coastal areas was deemed necessary after the 2004 Indian Ocean tsunami, moving fishing communities whose livelihood was the waterfront was not so easy. Relocation decisions needed to factor in safety, proximity to traditional livelihoods, and safeguarding the community cohesion that remains strong in traditional communities like fishers. The basic tenet of relocation decisions in Nagapattinam was that a hamlet—usually consisting of the same community—would be treated as an indivisible unit. While the decision to proceed in this manner was unanimous, two-thirds of Nagapattinam is below sea level and much available vacant land was considered inappropriate for housing, so the identification of suitable land took nearly six months. Ten teams of local administration officials searched geographically demarcated areas for appropriate land and initiated negotiations. However, no agreement could be finalized by the local administration until the community approved the land. On some occasions, as many as eight rounds of negotiations with
the community were necessary before final approval was won. There were also cases where land
was rejected by the community. In one case, where the land was away from the sea front, the local
administration agreed to widen the backwater channel to allow boats to be brought to the site. In
another case, the community objected to the proximity of the land to a cremation site, so a wall
was built to separate the two. In a third case, prime property that had earlier belonged to Tata Steel
Rolling Mills was handed over to the community when it was the only property the community could
agree on. In all, 364 hectares were bought by the government of Tamil Nadu through negotiation
with the land owners at a cost of US$5 million. The local administration’s willingness to be sensitive
to the communities’ needs may have delayed relocation, but it ensured that citizens were satisfied
with their decisions, and their basic right to a dignified life was preserved.

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

2008 Typhoon Frank, Iloilo City, Philippines

NGO Support for Relocation of Vulnerable People Using Low-Interest Loans

The flooding that resulted after Typhoon Frank lashed the Western Visayas region of the Philippines
in June 2008 covered 80 percent of Iloilo City, a city of more than 400,000 people. The typhoon killed
24 people, damaged more than 6,000 houses, and affected 53,000 families.

While Typhoon Frank was obviously an extreme event, the urban poor located on Iloilo’s river banks
actually face flooding every year during the monsoon period. The Homeless People’s Federation
Philippines (HPFP), one of the biggest NGOs collaborating with the urban poor in the Philippines,
had previously organized a city-wide network, the Iloilo City Urban Poor Network (ICUPN),
consisting of three major Iloilo NGOs (HPFP; Iloilo City Urban Poor Federation, Inc. [ICUPFI]; and the
Iloilo Federation of Community Associations). ICUPN had been working with local government units
(LGUs) for some time to develop a flood control plan to address the exposure of poor households
to the flooding problem. When implementation of the plan began after Typhoon Frank, land for
relocation originally acquired by the LGUs in early 2000 was assigned to the Typhoon Frank-affected
families. The land covered 16.2 hectares and was both in the city and within 6 km of where people
had originally lived. Various organizations received land for reconstruction: HPFP received 1.5
hectares and constructed 172 housing units. The affected
families, selected by HPFP and ICUPN in collaboration
with the communities, could choose from among three
housing models, with prices between US$1,770 and
US$3,650. The houses were purchased using low-interest
loans (between 3 percent and 6 percent) from the Urban
Poor Development Fund. A key factor in the success of the
program was that, before the typhoon, the community
had been organized into saving groups. These groups are
now purchasing the land, and each family will receive
its individual land title only after the loan is paid back.
Families who cannot manage the loan payments can
provide “sweat equity” during construction. While this
approach has many positive aspects, one issue was the lack
of infrastructure on the relocation sites when first settled.
The aim is to complete the infrastructure incrementally
over the next 3–5 years.

Source: Sonia Cadornigara, 2009, “Thinking City-Wide in Iloilo City, Philippines,
Notes on a Visit to Iloilo City,” HPFP (unpublished).
2004 Indian Ocean Tsunami, Aceh, Indonesia

Unsustainable In-Situ Reconstruction due to Topographic Changes

Aware of the undesirable social consequences of relocation, the Indonesian NGO Urban Poor Linkage Indonesia (UPLINK) successfully advocated against government’s resettlement plan and for people’s right to return to their native villages in Aceh, Indonesia, after the 2004 Indian Ocean tsunami. Yet the tsunami had caused significant changes in local topography that made in-situ reconstruction inadvisable in some cases. In several villages, houses were uninhabitable due to water intrusion, and significant land areas had also been lost to the sea. As a result, people returning to their villages were forced to build houses in former paddy fields, despite the fact that the land was too low for homebuilding before the tsunami and was even more so after the topographic changes. The Rehabilitation and Reconstruction Agency of Aceh and Nias (Badan Rehabilitasi dan Rekonstruksi [BRR]) took some measures to mitigate this problem, but they often did not have the desired effect. For example, in Lam Awe, BRR built an embankment that ended up impeding the runoff of both storm water and sewage, due to the lack of drainage outlets or sluices. In other villages, land-filling activities carried by the BRR actually increased the vulnerability of some houses previously built by UPLINK. The photo, above, shows some results from these missteps. They illustrate the risks associated with the lack of land use planning and demonstrate that there are cases when post-disaster in-situ reconstruction is not the most appropriate approach, since the consequences can be as devastating as the disaster itself.


Resources


Systematic early planning should be used to identify the potential adverse impacts of resettlement and to mitigate them. The resettlement plan (also called a resettlement action plan) is a useful tool used by both the World Bank and the International Finance Corporation for planning resettlement. Rebuilding houses is a priority in resettlement. But a community is made not only of physical structures; it has social, economic, and cultural dimensions that are fundamental for its well-being and functioning. The resettlement plan can assist in addressing the entire scope of the resettlement impact. A summary of all World Bank safeguard policies is found in Chapter 21, Safeguard Policies for World Bank Reconstruction Projects.

Objectives of a Resettlement Plan
Resettlement can have its benefits and its costs. The resettlement plan is used to identify ways to maximize improvements in the quality of life of the resettled community and to minimize and compensate for the costs. The general objective of the resettlement plan is to plan a resettlement process so that can be effectively carried out in a way that supports of the long-term development objectives of the affected population.  

The specific objectives of a resettlement plan are to operationalize resettlement by outlining eligibility criteria for the affected parties, analyzing and proposing appropriate levels of assistance, and helping program and schedule the activities that will take place during the resettlement process, as well as to detect and minimize possible adverse impacts and involve the population in designing and implementing the resettlement program.

Methodology for Preparing a Resettlement Plan
The resettlement plan process can use multiple tools and techniques, and can incorporate new and innovative techniques, as desired. Some recommendations on organizing the process follow.

- The development of a resettlement plan can take several months and should be overseen at the senior level by the manager of the reconstruction program or, preferably, a resettlement manager.
- To oversee development and implementation, it is useful that a resettlement unit be established, managed by the resettlement manager. The resettlement manager supervises staff and any consultants, oversees activities of the task force involved with planning resettlement activities, and ensures involvement of the community and coordination among all parties.
- Consultants with relevant expertise are often needed to help the task force conduct surveys and examine the complex social, environmental, economic, and physical dimensions of resettlement. Consultants can provide objective input to a process that may become conflictive.
- A resettlement task force should be created and may assist directly in the preparation of the plan (see Resettlement Preparation Activities and Potential Agencies Responsible, below, for a proposed breakdown of tasks). The task force should include representatives of the project sponsor, relevant government line and administrative departments, local governments, community organizations, and NGOs involved in support of resettlement, as well as representatives of the affected communities. The importance of direct involvement of implementing agencies in the development of the plan cannot be underestimated.
- A community resettlement committee should be created to articulate the interests and needs of the affected population and to facilitate the communication among the community, the consultants, and the resettlement task force.

Sources of Information
A combination of qualitative and quantitative methods should be used to obtain diverse information reflecting the complexity and multi-dimensionality of the relocation experience. Suggested tools include surveys, census, interviews, mapping, photographic documentation, and participatory data gathering, among others.
### Resettlement Preparation Activities and Agencies Involved

<table>
<thead>
<tr>
<th>Activity</th>
<th>Actions</th>
<th>Agency involved</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Relocation policy</td>
<td>Develop resettlement policy and minimum standards by considering national law, international agreements, and donor requirements.</td>
<td>National government&lt;br&gt;Resettlement unit&lt;br&gt;International humanitarian and financial institutions&lt;br&gt;Local governments&lt;br&gt;International and local NGOs&lt;br&gt;Affected population</td>
</tr>
<tr>
<td>2. Census and socioeconomic surveys</td>
<td>Conduct detailed survey and data analysis.</td>
<td>Resettlement unit&lt;br&gt;Local government officials&lt;br&gt;NGOs&lt;br&gt;Consultants for design of survey and analysis of survey data</td>
</tr>
<tr>
<td>3. Land acquisition assessment</td>
<td>Conduct detailed land survey of plots to be acquired and confirm ownership.</td>
<td>Resettlement unit&lt;br&gt;Land registry office&lt;br&gt;NGO (field verification)</td>
</tr>
<tr>
<td>4. Determination of eligibility criteria and resettlement entitlements</td>
<td>Determine legal obligations for compensation and resettlement. Agree on additional assistance for compensation and resettlement.</td>
<td>Project agency or resettlement unit&lt;br&gt;Government agencies (legal, financial, technical, and administrative)</td>
</tr>
<tr>
<td>5. Consultations</td>
<td>Inform DP population. Discuss project area or route and extent of land acquisition. Discuss valuation and grievance procedures. Establish committees.</td>
<td>Resettlement unit&lt;br&gt;NGOs</td>
</tr>
<tr>
<td>6. Feasibility study of resettlement sites</td>
<td>Determine viability of residential, commercial, and agricultural relocation sites.</td>
<td>Resettlement unit&lt;br&gt;NGOs&lt;br&gt;Relevant government agencies (land use planning, soils, urban development, water and sanitation, and so forth)</td>
</tr>
<tr>
<td>7. Feasibility of livelihood restoration measures</td>
<td>Determine the technical, economic, and financial feasibility of each proposed livelihood restoration strategy before it is included as an option to be made available to affected people.</td>
<td>Resettlement unit&lt;br&gt;Relevant government agencies for livelihood restoration (planning, social departments)&lt;br&gt;Labor agency&lt;br&gt;Employment agency&lt;br&gt;Welfare agencies&lt;br&gt;Finance and microfinance organizations&lt;br&gt;Consultants to conduct the economic feasibility studies of proposed strategies&lt;br&gt;NGOs</td>
</tr>
</tbody>
</table>
Various elements of the resettlement plan will require careful analysis, often by experts with experience in post-disaster resettlement. Some of the most important technical inputs are described in the following table. These descriptions can also be used in the development of consultant terms of reference.

### Technical Inputs Needed for Resettlement Plan

<table>
<thead>
<tr>
<th>Topic</th>
<th>Technical input</th>
</tr>
</thead>
</table>
| A. Identification of affected population and project impacts | 1. Census that enumerates all affected people (including seasonal, migrant, and host populations) and registers them according to location. This census will be used to determine eligibility for resettlement assistance and to exclude the ineligible.  
2. Thematic maps that identify population settlements, infrastructure, soil composition, natural vegetation areas, water resources, and land use patterns.  
3. Inventory of lost and affected household, enterprise, and community assets, including land use/land capability, houses and associated structures, other private physical assets, private enterprises, common property resources, infrastructure, and cultural property.  
4. Socioeconomic analysis of income sources and livelihood strategies to serve as the basis for developing livelihoods restoration program. |
| B. Resettlement policy development | 1. Identification and analysis of minimum standards to be applied as required by government or funding sources.  
2. Summary of local laws, decrees, policies, and regulations as they apply to resettlement and comparison with the minimum standards.  
3. Development of policy and standards, and consultation with affected groups and stakeholders. |
| C. Determination of eligibility criteria and resettlement entitlements | 1. Analysis of any compensation guidelines announced by government or project sponsors, and development of alternatives, including estimates of eligibility numbers, estimated cost, and delivery mechanisms. Common forms of compensation are land-for-land and cash. However, the post-disaster reconstruction assistance program may substitute for any resettlement compensation scheme.  
2. Analysis and strategy for addressing difficulties in applying eligibility criteria, such as absence of legal title to land. An entitlement matrix can identify the losses classified according to land tenure situation (owner, renter, squatter, etc.) and the scope of any difficulties. Include disadvantaged groups, such as women, the elderly, the handicapped, or ethnic minorities, in this analysis.  
| D. Land acquisition assessment | 1. Preparation of criteria for identification and analysis of sites that covers:  
- Quantity of land required  
- Location of land required  
- Use of land required  
- Estimated number of residential  
- Tenure status of present users  
- Presence of public or community infrastructure |
| E. Feasibility study of resettlement sites | 1. Methodology for technical feasibility studies for resettlement sites (topographical, soil, irrigation, groundwater, land use planning, and public services issues).  
2. Methodology to reach agreement on social acceptability of sites, which may require direct work with community to clarify criteria and establish decision-making processes. |
### Technical Input

#### F. Design of livelihood restoration program

1. Analysis of any livelihood restoration strategies announced by government or project sponsors, or proposed by economic groups (such as farmers, fishers, tradespeople) and development of alternatives, if necessary, including estimates of eligibility numbers and estimated cost, and delivery mechanisms.

2. Development of livelihood restoration plans, by subgroups, for major types of livelihood:
   - Land-based livelihoods
   - Wage-based livelihoods
   - Enterprise-based livelihoods

3. Analysis of need for special assistance for vulnerable and socially marginalized groups and those whose livelihood is especially affected by relocation.

4. Identification of assistance that can be provided by specialized organizations (professional, trade, marketing chains) and means of coordination.

5. Identification of livelihood assistance that may be needed in addition to compensation for lost assets (financial support, technical assistance, retraining). This may be combined with long-term efforts to overcome deep-rooted problems with economic ramifications, such as poverty or social discrimination.

#### G. Participation, consultation, and communication

1. Design of participation strategy for all phases of relocation program.

2. Identification of stakeholders and process for consultation with them.

3. Development of two-way communication strategy, to inform the affected population and to involve them in monitoring and providing feedback to executing agencies.

#### H. Grievance redress

1. Development of registration process.

2. Establishment of policy and operational procedures to address grievances. This may include provision for civil courts procedures if other options fail.

3. Communication plan for familiarizing population with grievance procedures.

#### I. Resettlement implementation

1. Identification of roles and responsibilities of public and private entities involved in implementation, including funding agencies of individual projects, local governments, NGOs, the affected population, and the task force and advisory group.

2. Identification of needs for training, technical assistance, or institutional strengthening to improve the implementation of the resettlement plan.

3. Development of and agreement on work plans for each group or entity, using the resettlement plan as the overall frame of reference.

4. Agreement on coordination mechanisms to be used during project implementation.

5. Identification of needs, funding, and terms of reference for consulting services needed during implementation, including those necessary to implement the monitoring plan.

#### J. Monitoring, evaluation, and completion audit

1. Development of a monitoring plan that covers inputs, process, outputs, and impacts. (See Note 1, below.)

2. The following aspects of the resettlement plan should be monitored:
   - The physical progress of resettlement activities
   - The disbursement of compensation
   - The effectiveness of public consultation and participation activities
   - The sustainability of income restoration and development efforts

3. Using census data and other information, development of the project baseline before implementation begins.

4. Assurance that sufficient resources have been budgeted to monitor the affected population for an extended period post-resettlement and to carry out an ex post audit.

5. Design of mechanisms to involve the affected population in monitoring and evaluation activities.

#### K. Project budget and financial procedures

1. Development of a program budget based on realistic assumptions about eligible population, per household assistance costs, program administration costs, and time to implement.

2. Analysis of options for indexing financial assistance to mitigate effects of local currency fluctuation and price inflation.

3. Establishment of a system that links project budget with the implementation schedule and that can monitor disbursements and disbursement patterns.

4. Design and implementation of financial procedures to disburse funds to implementing agencies, communities, and/or households, depending on financial assistance strategy.
Monitoring Resettlement
Permanent monitoring identifies problems or potential conflicts early and allows adjustments on time. Monitoring should be carried out by an independent entity for a number of years beyond the completion of the resettlement plan to evaluate the long-term impacts. Three suggested components of the monitoring system are (1) performance monitoring—an internal management function to measure input indicators against proposed timetable (or milestones) and budget; (2) impact monitoring—to gauge the effectiveness of the resettlement plan and its implementation in responding to the affected communities needs; and (3) completion audit—to measure output indicators, such as productivity, gains, livelihood restoration, and development impact against baseline. This is undertaken when all resettlement plan activities are completed. Suggested information sources and indicators are shown below. For more guidance on post-disaster reconstruction monitoring and evaluation, see Chapter 18, Monitoring and Evaluation.

Sources of Resettlement Monitoring Information

<table>
<thead>
<tr>
<th>Activity</th>
<th>Source of information</th>
<th>Examples of indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance monitoring (inputs,</td>
<td>Information from monthly or quarterly narrative</td>
<td>Public meetings held</td>
</tr>
<tr>
<td>process, and outputs)</td>
<td></td>
<td>Census, inventories, assessment, interviews completed</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Grievance redress procedures in place and functioning</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Compensation payments disbursed</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Housing lots allocated, infrastructure completed</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Income restoration and development activities initiated</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Monitoring and evaluation reports submitted</td>
</tr>
<tr>
<td>Impact monitoring</td>
<td>Quarterly or semiannual quantitative and qualitative surveys</td>
<td>Quantitative</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Education: primary school attendance</td>
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<tr>
<td></td>
<td></td>
<td>Agriculture: average land/household, production</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Work: employment, wage, income</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Health: birth and death rate, infant mortality, incidence of diseases</td>
</tr>
<tr>
<td></td>
<td>Consultation of affected population regarding experiences,</td>
<td>Qualitative</td>
</tr>
<tr>
<td></td>
<td>if possible, to develop baseline indicators</td>
<td>Interviews</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Focus group discussions</td>
</tr>
<tr>
<td>Completion audit</td>
<td>External assessment based on performance and impact</td>
<td>The same indicators are used as during the performance monitoring and impact monitoring,</td>
</tr>
<tr>
<td></td>
<td>monitoring reports, independent surveys, and consultation</td>
<td>with a particular focus on surveys and consultations.</td>
</tr>
<tr>
<td></td>
<td>with affected persons</td>
<td></td>
</tr>
</tbody>
</table>

Expected Outputs
The principal output of the resettlement planning process is a resettlement plan that is viewed positively by the affected population and is acceptable to other stakeholders. Acceptability by both groups will be a function of the level and quality of participation that has taken place during the development of the plan. The resettlement plan then serves as a guide during implementation. The resettlement plan must reflect the unique features of the project context, disaster scale, and institutional capacity, and must be open to modifications during implementation, as needs and priorities emerge.

Annex Endnote
1. If the World Bank safeguards policy on resettlement (OP 4.12) applies in a post-disaster reconstruction project, a Policy Framework and a Process Framework will need to be prepared, in addition to a Resettlement Plan. This annex uses World Bank and IFC frameworks for resettlement to provide general guidance on good practice. Refer to World Bank, 2004, Involuntary Resettlement Sourcebook: Planning and Implementation in Development Projects (Washington, DC: World Bank), for extensive guidance on World Bank requirements.