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Guidance Note
UNDP Social and Environmental Standards

Standard 5: Displacement and Resettlement

UNDP Guidance Notes on the Social and Environmental Standards (SES)

This Guidance Note is part of a package of operational guidance material related to the UNDP Social and Environmental Standards (SES). Each of the guidance notes follows a similar structure to facilitate the ease in which users can find the information or guidance they are seeking. The package of guidance notes will develop over time and will include specific guidance on each of the SES Overarching Principles, Project-Level Standards, and elements of the Project Delivery Process (see key SES elements below).

How to Use This Guidance Note

The target users for the SES guidance notes are staff, consultants, stakeholders and partners who are involved developing and implementing projects that invoke UNDP's SES. To facilitate use of the overall package of SES guidance, users should understand that the guidance notes:

- Are structured around the process of **screening, assessment, and management**.
- Provide assistance in determining the applicability of relevant SES requirements in the screening process for all projects.
- Provide additional guidance related to assessment and management for projects with potential Moderate or High Risks related to a certain Principle or Standard.
- Provide a practical resource for addressing implementation of SES requirements within the context of a project. Users do not necessarily need to read them in full but rather may select information that is specific to their needs.
- Complement the SES which must be read in conjunction with the guidance notes (SES language is generally not repeated in the notes).
- Will continue to be developed as lessons are derived from implementation. Feedback is always welcome and can be sent to info.ses@undp.org.
- The package of Guidance Notes will be available online through the SES Toolkit: https://intranet.undp.org/unit/bpps/DI/SES_Toolkit/default.aspx.

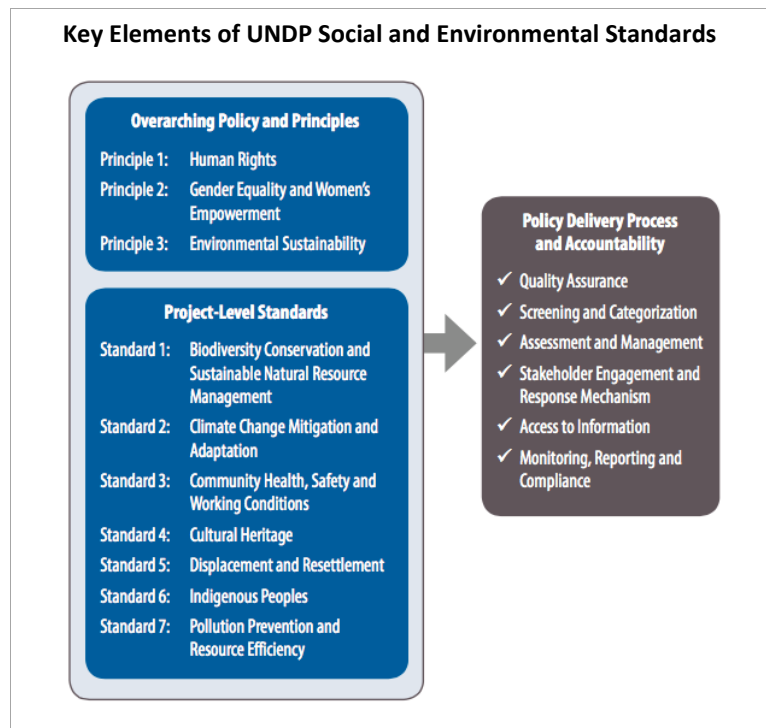


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1. Introduction

1.1 Purpose and Organization of this Guidance Note

This Guidance Note provides operational guidelines for addressing the requirements of Standard 5 Displacement and Resettlement during the development and implementation of UNDP Projects. Figure 1 outlines key considerations of Standard 5 during the process of screening, assessment, and development of management measures.

This Guidance Note begins with an introduction to the objectives, key concepts and an overview of the requirements of Standard 5 (**Section 2**).

Section 3 discusses how to determine if the Standard is relevant by applying the Social and Environmental Screening Procedure. It also discusses the assignment of a risk category to the project.

Section 4 addresses the integration of the requirements of Standard 5 into the social and environmental assessment process.

Section 5 addresses the development of measures to avoid, mitigate, and manage risks and impacts. It must be emphasized that all Moderate and High Risk projects require a management plan for PAC consideration – either a complete or initial plan depending on the timing of the assessment.

Figure 2 provides a general overview of SES implementation in UNDP’s project cycle. It should be noted that screening, assessment, and management may occur at different stages of the cycle.

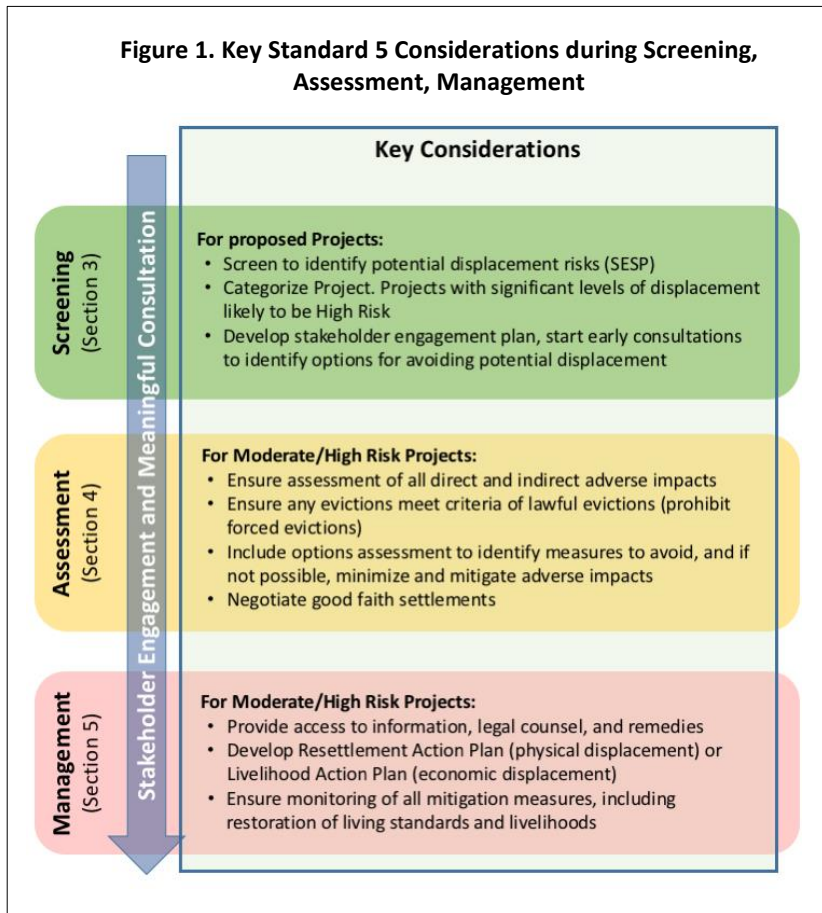
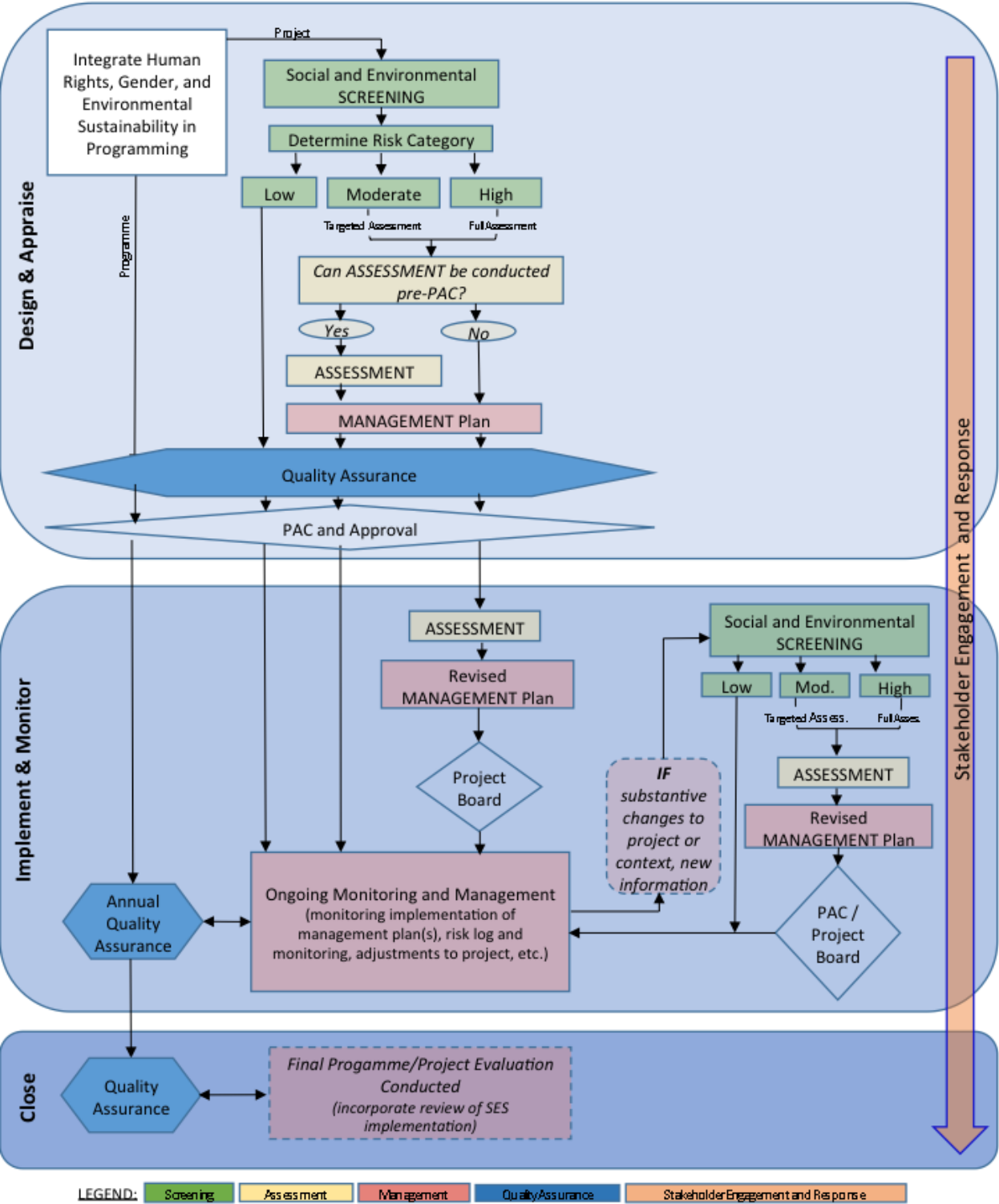


Figure 2. SES Implementation – Screening, Assessment and Management in the Programming Cycle



2. Understanding the Basics of Standard 5

2.1 Background

To accomplish necessary public interest objectives, including, for example, renovating building infrastructure, constructing a health clinic, building a road, establishing a protected area, reducing disaster risk, among other objectives, UNDP-supported activities may sometimes involve physical or economic displacement of individuals or communities. Physical displacement occurs when individuals or communities are fully or partially no longer able to occupy an area and must relocate to a new location. Economic displacement occurs when individuals or communities are fully or partially restricted in their access to land or resources that are important to their livelihoods and economic well-being. These activities may require permanent or short-term resettlement of individuals or communities to new locations (physical displacement), or permanent or short-term restrictions in access to land or resources (economic displacement).

Standard 5 recognizes that restrictions in access can be caused not only by physical and legal barriers, but also by the diminishment in quality or quantity of natural resources, i.e., through environmental destruction or degradation. The standard also recognizes that when displacement cannot be avoided, it must be done in a way that does not increase risk or otherwise negatively impact a community.

Mismanaged displacement can exacerbate poverty and/or heighten risk for the individuals and communities displaced, and adversely impact the enjoyment of their rights, livelihoods, housing security, food security, emotional and mental wellbeing, community cohesion, etc. When displacement significantly impacts individuals or communities, it can foster social and political unrest and instability, threaten project success, and otherwise

undermine efforts of UNDP to advance human and sustainable development. Standard 5 spotlights that individuals and communities who are marginalized, dependent on local natural resources, and/or lack tenure security, may be particularly vulnerable to impacts in the context of displacement.

The Displacement and Resettlement Standard ensures that displacement is avoided whenever possible. When displacement has been identified as necessary, it must be pursued and performed in a manner that is consistent with international and national standards (see Box 1). These standards require full justification and other forms of legal protection, and prescribe that displacement occurs only in exceptional circumstances, and then supported

Box 1. Normative Basis for Standard 5 (partial listing)

- UNDP's commitment to a [human rights-based approach to development](#) - Displacement activities may impact a wide range of rights, including rights to adequate housing, food, water, health, education, work, security of the person, security of the home, freedom from cruel, inhuman and degrading treatment, freedom of movement, and access to sites of spiritual and cultural concern, among others.
- *International legal instruments that prohibit forced evictions*, including the [Universal Declaration of Human Rights](#); [International Covenant on Economic, Social and Cultural Rights](#); [Convention on the Rights of the Child](#); [Convention on the Elimination of All Forms of Discrimination against Women](#); [International Convention on the Elimination of All Forms of Racial Discrimination](#).
- *The UN Basic Principles and Guidelines on Development-based Evictions and Displacement*, which reflect human rights norms related to evictions and displacement. See also the [UN Guiding Principles on Internal Displacement](#).
- *Food Agriculture Organization's Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security*.

with relief, relocation and full and fair compensation.¹ Risks related to potential displacement are to be systematically assessed.

Displacement not performed in a manner consistent with international and national legal standards is considered a 'forced eviction.' A key objective of the Standard is to prohibit forced evictions in the context of UNDP-supported activities. The former UN Commission on Human Rights (now Human Rights Council) stated, "the practice of forced eviction constitutes a gross violation of human rights, in particular the right to adequate housing."²

The prohibition against forced evictions is found in several international legal instruments.³ The UN Basic Principles and Guidelines on Development-Based Evictions and Displacement, cited in the SES, recognize that forced evictions are often linked to the absence of legally secure tenure.⁴ Standard 5 reflects that UNDP's approach to land tenure in the context of displacement activities is based on FAO's 'Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security.'⁵ These guidelines notably reflect that legitimate tenure rights include not only rights that have already been formally recorded, but also rights of indigenous peoples and other communities with strong ties to land and resources and customary tenure systems that have not been recorded, titled, and/or are not receiving protections. The guidelines urge appropriate recognition and protection of these tenure rights consistent with existing obligations under national and international law.

Finally, Standard 5 recognizes that Projects involving displacement (see Box 2) can, and should, improve the standards of living of the displaced. Standards can be improved, for example, by increasing economic opportunities, enhancing tenure security, increasing access to needed natural resources, and other measures.

Efforts by UNDP to create and/or pursue opportunities to progressively realize human rights in the context of projects involving potential displacement and resettlement can significantly assist efforts to improve living standards. Standard 5 details measures that support realization of such rights, including, for example, the rights to adequate housing, food, adequate standard of living, and related rights.

Note that if indigenous peoples are potentially displaced, Standard 6 Indigenous Peoples also applies.

¹ The UN Basic Principles and Guidelines on Development-based Evictions and Displacement note, in para. 37, for example, 'Urban or rural planning and development processes should involve all those likely to be affected and should include the following elements: (a) appropriate notice to all potentially affected persons that eviction is being considered and that there will be public hearings on the proposed plans and alternatives; (b) effective dissemination by the authorities of relevant information in advance, including land records and proposed comprehensive resettlement plans specifically addressing efforts to protect vulnerable groups; (c) a reasonable time period for public review of, comment on, and/or objection to the proposed plan; (d) opportunities and efforts to facilitate the provision of legal, technical and other advice to affected persons about their rights and options; and (e) holding of public hearing(s) that provide(s) affected persons and their advocates with opportunities to challenge the eviction decision and/or to present alternative proposals and to articulate their demands and development priorities. This document was prepared by the UN Special Rapporteur on Adequate Housing, and acknowledged by the Human Rights Council in 2007. As reflected in [Strengthening the United Nations Human Rights Treaty Body](#), produced by the Office of the UN High Commissioner for Human Rights in June 2012, it provides authoritative guidance for UNDP staff.

² Resolution 1993/77

³ Additionally, the UN Committee on Economic, Social, and Cultural Rights (ICESCR) provides authoritative guidance related to forced evictions in General Comment No. 7 (as described in greater detail below). General Comment No. 4 by ICESCR interprets the right to adequate housing.

⁴ See footnote 2.

⁵ Available at <http://www.fao.org/docrep/016/i2801e/i2801e.pdf>.

Box 2. Situations that can lead to evictions, as identified by the Office of the High Commissioner on Human Rights⁶

<ol style="list-style-type: none"> 1. Urban and rural development projects, such as dams or roads 2. Mining, extractive and other industrial activities 3. City beautification, urban renewal/transformation, including disaster prevention 4. Zoning, urban and spatial planning 5. “Mega” events, such as major international and sporting events 6. Large-scale land acquisitions and leases 7. Privatization and/or speculation in housing and land 8. Lack of legal security of tenure, protective legislation or implementation 9. Changes related to housing and land in countries in transition to a market economy 10. Non-deliverance or non-recognition of titles to land and housing, including unsettled land claims 11. Slum clearance and criminalization of poverty 12. Corruption and collusion between public and private interests 13. Real estate and private business actions, including real estate mobbing and fraudulent lending 	<ol style="list-style-type: none"> 14. Land grabbing, including by armed groups and paramilitaries 15. Discriminatory laws and practices, including in relation to inheritance 16. Living in informal settlements because of poverty or because of displacement owing to natural or human causes, rural-urban migration or other causes 17. Unaffordability and gentrification 18. Defaulting on rent or mortgage payments/foreclosures 19. Domestic violence or abuse 20. Housing tenure linked to employment permits (for instance, in the case of domestic or seasonal workers) 21. Political and ethnic conflicts using eviction, housing demolition and displacement as a weapon of war, for ethnic cleansing and population transfers 22. International and non-international armed conflicts and the targeting of civilian homes, including for collective punishment 23. So-called counter-terrorism measures 24. Punitive and retaliatory “law and order” actions.
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2.2 Objectives and Requirements

The objective of Standard 5 is to ensure that UNDP does not support forced evictions, seeks to avoid other physical and economic displacement, and supports such displacement only in exceptional circumstances and in a manner consistent with national and international standards and informed risk management.

More specifically, objectives listed in Standard 5 include:

- To recognize and respect the prohibition on forced evictions
- To anticipate and avoid, or, when avoidance is not possible, minimize adverse social and economic impacts from land or resource acquisition or restrictions on land or resource use
- To enhance or at least restore the livelihoods of all displaced persons and to improve the standards of living of the displaced poor and other displaced groups and to support efforts to progressively realize the rights to adequate housing and adequate standards of living for displaced populations.

The requirements contained in Standard 5 seek to further these objectives and should be carefully reviewed in order to inform Project screening and development. Box 3 contains a high-level overview of Standard 5 requirements:

⁶ UN Office of the High Commissioner for Human Rights, UN Habitat, Factsheet No. 25, *Forced Evictions*, 2014, p. 9. <http://www.ohchr.org/Documents/Publications/FS25.Rev.1.pdf>.

Box 3. Summary of Requirements of Standard 5 Displacement and Resettlement Indigenous Peoples (refer to full text of Standard 5)

- **Prohibit forced evictions, allowing evictions in exceptional circumstances only**, ensuring such evictions are consistent with national law and international human rights standards, including the following:
 - Pursued only after a robust, transparent, informed, and participatory consultation process
 - Necessary for the general welfare
 - Likely to achieve project objectives
 - Not more restrictive than necessary
 - Disadvantages, i.e., impacts to rights, do not exceed advantages
 - Pursued only when full and fair compensation is provided
- **Avoid and mitigate physical and economic displacement:** Identify, discuss and choose options that avoid and mitigate impacts (para. 7)
 - Make good faith effort to secure negotiated settlements (7)
 - Provide access to information, legal counsel, and remedies (7)
- **Develop plans for displacement** (para. 8) including **Resettlement Action Plan** (para. 9) for physical displacement or **Livelihood Action Plan** (para. 10) for economic displacement. Ensure plans address the following:
 - Participation of individuals and communities in displacement decisions
 - Risk management considerations (for example, communities should not be relocated to places of equal or higher risk (landslides, floods, conflict, etc.))
 - Adequate compensation and rehabilitation assistance
 - Livelihoods of displaced are at least as good as prior to displacement
 - Livelihoods of the poor and marginalized are improved
 - Secure access by all to necessary services, shelter, food, water, energy, and sanitation
 - Clarification of and secure tenure rights consistent with Applicable Law
 - Independent monitoring
 - Progressive realization of rights
- **Address prior displacement:** When displacement has occurred in anticipation of a UNDP Project, requirements of Standard 5 apply (para. 11)

2.3 Key Concepts and Definitions of Standard 5

Forced Evictions: Forced evictions involve “the permanent or temporary removal against their will of individuals, families and/or communities from the homes and/or land which they occupy, without the provision of, and access to, appropriate forms of legal or other protection.”⁷ Forced evictions do not include all involuntary evictions, but rather those that fail to ensure and implement legal protections for evicted individuals and communities, including protections provided by national and international law (whichever is the higher standard) and full and fair compensation.⁸ Forced evictions include both physical and economic displacement activities that are not consistent with these standards. More information can be found in the 2014 Factsheet on Forced Evictions from the Office of the High Commissioner on Human Rights and UN Habitat: <http://www.ohchr.org/Documents/Publications/FS25.Rev.1.pdf>. Page 35 of this document details the responsibilities of UN agencies with respect to forced evictions.

⁷ UN Office of the High Commissioner on Human Rights and UN Habitat, Forced Evictions, Fact Sheet No. 25/Rev. 1, 2014, p. 3, available at <http://www.ohchr.org/Documents/Publications/FS25.Rev.1.pdf>.

⁸ See, particularly, UN Basic Principles and Guidelines on Development-based Evictions and Displacement, A/HRC/4/18.

Physical Displacement: Displacement, whether full or partial and permanent or temporary, that occurs when individuals or communities are no longer able to physically occupy an area and must relocate to a new location. Physical displacement often is involuntary whereby people are obliged to leave their homes or places of habitual residence, but may also involve voluntary relocation.

Economic Displacement: Displacement that occurs when individuals or communities are restricted, partially or fully, in their access to land or resources that are important to their means of livelihood or economic well-being and, as a result, more limited in their ability to reside or work in a given location.

Livelihood: The full range of means that individuals, families, and communities utilize to secure necessities of life – food, water, shelter, clothing, medicine – and includes, for example, wage-based income, agriculture, fishing, foraging, other natural resource-based livelihoods, petty trade, and bartering.

3. Screening for Potential Adverse Impacts and Risks

3.1 Identifying Potential Risk of Displacement

UNDP’s Social and Environmental Screening Procedure (SESP) should be utilized early in Project design to help identify potential social and environmental risks and impacts. A full reading of the requirements of Standard 5 will help in the risk identification process and improve the quality of Project screening. The screening process helps UNDP staff and other stakeholders to identify (1) activities that involve displacement-related issues, (2) the potential risks and impacts related to such activities, (3) the potential significance of these impacts and risks, and (4) requirements of Standard 5 that need to be addressed in Project Design and Implementation, including as part of overall **impact assessment, management and mitigation, stakeholder engagement and monitoring activities**. The UNDP Social and Environmental Screening Procedure provides more specific guidance on the process of determining when a given standard, such as Standard 5, applies.

The Social and Environmental Risk Screening Checklist (attachment 1 of the SESP) provides a range of questions specific to displacement risks and impacts. Table 1 below provides additional guidance on these screening questions related to Standard 5.⁹

When screening for potential displacement risks and impacts, it is important to recall that: (i) **all activities** outlined in the Project Document (e.g. in Results and Resources Framework) are screened and reviewed for potential direct and indirect impacts in the Project’s area of influence, and (ii) Project activities are screened for potential social and environmental risks **prior to the application of planned mitigation and management measures** in order to form a clear picture of potential risks in the event that mitigation measures are not implemented or fail. Risks should be identified and quantified as if no mitigation or management measures were to be put in place.

Table 1. Guidance for Responding to Standard 5 Risk Based Questions in SESP

(numbers refer to displacement-related screening questions in SESP)

Question 5.1. Would the Project potentially involve temporary or permanent, and full or partial physical displacement?

Guidance: The first SESP question highlights the risk of individuals or communities being removed from areas they currently occupy. Such removal may be short-term, long-term, partial (from only part of the area occupied), or full (from the entire area). Although the rights of individuals and communities occupying a given area may vary between individuals and communities, and eligibility for compensation and assistance may not be the same, all individuals and communities are entitled to due process and other protections to determine their relationship to the area before they are displaced. As noted in the UN’s *Forced Evictions* Factsheet, ‘respect for human rights is independent from a particular status, including ownership.’¹⁰ Such protections are reflected in the SES.

Examples: A road rehabilitation and expansion project may require the physical displacement and resettlement of communities living in the area in which rehabilitated and new road segments will be built.

⁹ In developing and screening projects, it is important to also consider whether project activities would incentivize communities to remain in high-risk areas and thus increase their vulnerability and exposure to higher levels of risk (e.g. disasters such as flooding, landslides, etc.) This issue is addressed in the SESP under climate change issues (question 2.3 of the screening template). Assessment of such project risks should be identified and options considered, which potentially may include relocation.

¹⁰ See footnote 6.

Question 5.2. Would the Project possibly result in economic displacement (e.g. loss of assets or access to resources due to land acquisition or access restrictions – even in the absence of physical relocation)?

Guidance: The second SESP question highlights the risk of individuals or communities losing or having reduced access to natural resources on which they depend, including water, forests, clean air, etc. Reduced access can occur through laws, policies, or regulations, and/or physical barriers to entry or access. Physical barriers to access may include not only walls, gates, armed personnel, etc., but also pollution or degradation of the resource. This reduction in access may be temporary or permanent. Again, rights of displaced individuals and communities may vary, but all are entitled to due process and this can be facilitated through application of the SES.

Examples: A project to establish a protected area may involve restrictions on access to natural resources such as wood, and result in the economic displacement of individuals and communities that rely on use of that wood.

Question 5.3. Is there a risk that the Project would lead to forced evictions?

Guidance: The third question requires consideration of whether the proposed displacement activity is poised to occur without the provision of, and access to, appropriate forms of legal or other protection. Displacement that is involuntary or coerced and not carried out in accordance with national law and in conformity with the provisions of international human rights treaties is considered a ‘forced eviction’ that is strictly prohibited under international law, and requires particular attention under Standard 5.

Examples: A project that would physically displace individuals or communities without adequate notice, consultation, access to legal support, or compensation, e.g., a project to lay pipeline without due process, would pose significant risks of forced evictions.

Question 5.4. Would the proposed Project possibly affect land tenure arrangements and/or community based property rights/customary rights to land, territories and/or resources?

Guidance: The fourth SESP question assists consideration of perhaps a more subtle form of displacement that may otherwise be overlooked but can receive much attention from affected individuals and communities and from civil society organizations when it occurs. More specifically, this question prompts consideration of whether activities relating to or impacting tenure rights are displacement activities to which Standard 5 would apply. Legitimate tenure rights here include not only those formally recognized but also those not formally recognized but which nevertheless exist for indigenous communities and other communities with customary tenure systems. Notable activities in this regard include ‘land reform’ and ‘land mapping’ activities. The Voluntary Guidelines on the Responsible Governance of Tenure provide more information about the need to address the potential impacts of such activities and how this can be done. Displacement in the context of these questions includes not only displacement from project areas, but also displacement that significantly relates to the project and occurring or occurred in other areas e.g., that occurred to support the project (i.e. in the Project’s area of influence, including associated facilities). For example, displacement of communities may occur to facilitate the building/upgrading of a road that is necessary for the Project but not funded by the Project. Impacts to the rights of these communities should be considered and addressed. Similarly, displacement from the Project area may have occurred prior to the Project, in anticipation of the Project. Requirements of the standard, and attention to human rights, are no less important in this context, and must be considered and addressed.

Examples: A project to support titling of indigenous lands would affect land tenure and community-based property rights.

3.2 Determining the Applicability of Standard 5

Standard 5 notes that the requirements of the Standard apply to all UNDP activities that may involve physical displacement (i.e., relocation or loss of shelter), whether full or partial and permanent or temporary, or economic and occupational displacement (i.e., loss of assets or access to assets that leads to loss of income sources or means of livelihood) as a result of Project-related land or resource acquisition or restrictions on land use or access to

resources (including through Project externalities such as pollution and impacts to biodiversity or ecosystem services) that people depend on for physical, economic, social, cultural, or spiritual well-being.

This Standard also applies to displacement activities occurring for associated facilities (i.e., components that are not funded as part of the Project but whose viability and existence depend on the Project), displacement activities significantly related to the Project, and displacement activities that have occurred in anticipation of a UNDP Project.

Any “yes” responses to the screening questions related to Standard 5 indicate the potential for social and environmental risks that need to be summarized in the SESP template with a determination of significance based on Probability and Impact. When the significance of a potential risk is judged to be Moderate or High, the related Standard is considered applicable and is then recorded in the template.

Projects involving physical resettlement and/or economic displacement are generally considered High Risk. However where potential displacement and/or resettlement may be minimal, UNDP may determine that its requirements could be met with application of standard best practice and mitigation measures without the need for a full ESIA. Displacement and resettlement may be minimal, for example, when only a few individuals or communities are impacted, the displacement and/or resettlement is short-term and not permanent, and the impact is easily remediated, e.g., through the provision of alternative lands and/or resources. Such situations are likely to involve moderate risks – requiring an assessment of impacts, but not necessarily a full ESIA. See Table 2 for examples of Low, Moderate, and High risks related to Standard 5.

Risk Significance	Example
Low	Projects with activities that do not pose a potential risk for resettlement or economic displacement, such as training and capacity development. In cases where there is a very low probability of small-scale displacement or resettlement, then the project would be categorized as Low but the screening and risk profile would need to be updated if displacement became more likely and further assessment and management planning would be required.
Moderate	UNDP support for efforts to rehabilitate a school, requiring very temporary (a few months) restriction of access to forested areas normally utilized by, but not critically important to the physical or cultural wellbeing, of several families – and alternative forested areas/resources are available to meet needs of these families. Although the probability of impact is high, the potential significance of impact is moderate. The impacts are temporary and rather easily remediated.
High	UNDP support for a project to establish a protected area in an area claimed as indigenous lands, but not yet titled to indigenous peoples.

3.3 Categorization of the Project

As noted above, the screening process also leads to an overall risk categorization of the project, which is based on the highest level of significance of any one risk. For example, if five different risks were identified, one with a high level of significance and the other four with a moderate level of significance, the project would be categorized as “High Risk.” The Project Risk categorization determines the nature of assessment that will be required. The overall project risk categorization does not have relevance on the applicability of the requirements of Standard 5.

4. Assessment of Adverse Impacts and Risks

If Standard 5 is determined to be applicable, the requirements need to be met in Project Design and Implementation, including through impact assessment, application of management and mitigation measures, stakeholder engagement and monitoring activities. The assessment and management measures must respond to relevant requirements of all applicable SES Principle(s) and/or Standard(s). The general steps and requirements for assessing the potential social and environmental impacts of Moderate and High Risk Projects are outlined in the UNDP Guidance Note on Social and Environmental Assessment [currently being developed]. Moderate Risk Projects require focused or limited forms of social and environmental assessment while High Risk Projects require comprehensive assessment, i.e. Environmental and Social Impact Assessment (ESIA) or Strategic Social and Environmental Assessment (SESA).

4.1 Address Standard 5 Requirements in the Social and Environmental Assessment Process

Standard 5 contains a range of requirements that need to be addressed during the social and environmental assessment process. Not all requirements may be relevant to a particular Project (e.g. provisions related to physical resettlement may not be relevant if the Project only involves risks of economic displacement). The impact assessment process identifies specific potential risks and impacts and the relevant UNDP requirements to be addressed.

The paragraphs below provide additional guidance on how to address various Standard 5 requirements in the social and environmental assessment process, where relevant:

Analyze whether any proposed evictions meet the criteria of “lawful evictions,” ensuring forced evictions are prohibited: Standard 5, para. 6 stipulates that forced evictions are prohibited in all circumstances (see Section 2.3). Lawful evictions are those meeting all of the following criteria:

- i. authorized by national law;
- ii. carried out in accordance with international human rights law
- iii. undertaken solely for the purpose of promoting the general welfare
- iv. reasonable and proportional; and
- v. follow due process standards and are regulated so as to ensure full and fair compensation and rehabilitation.

The protection provided by these requirements must apply to all affected persons and groups, irrespective of whether they hold title to home and property under domestic law. National law usually includes requirements that the activity be in the ‘public interest’ or for the ‘general welfare’, and requirements for adequate notice to affected parties, hearings, compensation, and access to justice when rights are denied. These requirements are necessary for consistency with international human rights standards, and must be met to ensure ‘accordance with international human rights law.’ ‘General welfare’ and ‘public interest’ is often broadly defined by national and international courts, and includes a broad range of activities. Mere declarations that activities are for the general welfare or in the public interest are, however, inadequate.

The requirement that the eviction be ‘reasonable and proportional’ is an effort to ensure that the eviction is ‘suitable’ – likely to achieve the clearly defined purpose being pursued; ‘necessary’ – the least impactful way to achieve this purpose; and absent ‘disproportionate impact’ – ensuring that benefits outweigh the disadvantages. In the context of a project to establish protected areas to protect biodiversity, for example, it would be necessary to show that displacing individuals from the area is likely to achieve the purpose being pursued; that displacing individuals is necessary – that there is no other way to achieve the biodiversity protection objective; and, then, finally, even if the displacement is suitable and necessary, that the biodiversity protection benefits outweigh the impacts to the communities and others, e.g., impacts to their rights, their culture, their wellbeing, and impacts to

the broader public that might result from such impacts, etc. Determining if a proposed eviction is ‘reasonable and proportional’ requires engaging potentially affected parties in a participatory transparent discussion process. To ensure that the process is participatory, transparent, and robust, potentially affected communities and individuals must be informed of the process, provided necessary information in an understandable language and form, and have an ability to access fora in which discussions are occurring.¹¹ Although not all affected individuals/communities are eligible for compensation (see below), all affected individuals or communities are entitled to certain due process and other protections.

Identify, discuss, and choose options that avoid and mitigate impacts: Given the potential adverse impacts to communities from displacement, UNDP must *first seek to avoid displacement* in activities it supports. To accomplish this, UNDP must identify and consider options that avoid displacement, including the ‘no action’ option. When displacement cannot be avoided, UNDP must identify, evaluate, and pursue options that are least impactful and/or most beneficial (such as when physical relocation might be considered a potential option to avoid or reduce exposure of communities to disaster risks). Identifying options is an important focus of the assessment process. The analysis of alternatives should not only consider how to avoid and mitigate impacts, but also how to advance fulfillment and protection of human rights in the context of activities that may involve displacement.

Identifying and evaluating options first requires an understanding of relationships of potentially affected populations to lands and resources that may be impacted by the Project. These relationships can be ascertained through studies, informal and formal surveys and discussions with communities and other stakeholders and experts. These relationships usually fall into the categories outlined in Box 4.

Evaluating options additionally requires consideration of the full range of potential adverse impacts to these potentially displaced populations.

Considering impacts and selecting a preferred alternative must occur through robust consultations with these populations the social and environmental assessment process. It is critical to note that displacement can have non-anticipated adverse impacts that will need to be identified, monitored and remedied.

Where physical relocation is considered a potential option – which may include initiatives to avoid or reduce community exposure to disaster risks – risk-assessments of potential relocation sites should ensure that such locations are not prone to equal or higher levels of risk from floods, landslides, earthquakes, etc. Assessments should address whether sites can fulfill adequate housing criteria (see section 5.1).

Box 4. Categories of individuals/communities in relation to land/resources

1. Individuals and communities with government-issued title or other formal government recognition of rights to land and resources
2. Individuals and communities without formal government recognition of rights but with rights to property recognized under international law, including, for example, indigenous communities and other communities with customary tenure systems.
3. Individuals and communities without government-issued title and without rights to property under national or international law – also known as informal settlers.
4. Individuals who have occupied an area in anticipation of the activity, primarily intending to receive compensation or other benefits related to resettlement.

Note: It is important to presume that all who occupy the area are eligible for some form of assistance and/or compensation until evidence rebutting the presumption is provided or otherwise secured during the Project Developer’s due diligence. Such a presumption helps avoid violation of rights.

¹¹ See UN Basic Principles, ‘Prior to Eviction’ paras 37-44, and ‘Compensation’ paras. 60 – 63.

As described in greater detail below, mitigating impacts to affected populations involves not only identifying and incorporating the least impactful option into project design, but also implementing a robust process through which these populations have opportunities and capacities to participate effectively in decisions related to displacement, ensuring that robust mechanisms exist for redress for impacts to rights, establishing risk-informed plans for displacement, and ensuring adequate compensation, incentives and rehabilitation assistance.

Negotiate in good faith to secure negotiated settlements: UNDP should seek to ensure negotiated settlements are secured instead of expropriation, when possible, in an attempt to respond to local community and individual needs in the context of the project and to increase the likelihood of support for the project (Standard 5, para. 7). Again, access to legal counsel to understand rights and options is fundamental to a fairly negotiated agreement. Communities must be allowed to choose their representatives to the negotiations, and information provided must be understandable to these representatives and other community members. More information related to negotiations with Indigenous Peoples is provided in the Standard 6 Indigenous Peoples and its accompanying Guidance Note. UNDP staff should ensure documentation, in writing, of efforts to seek such settlement, including, for example, meetings held with potentially impacted communities, offers discussed, information provided, people participating, etc.

Assess legal framework and institutional capacity to provide protections and benefits: A key component of conducting an Environmental and Social Impact Assessment (ESIA) – which would be required for projects that may lead to significant physical and/or economic displacement – is a review of the policy, legal, and regulatory framework (see Guidance Note on Social and Environmental Assessment, Annex 1). It is critical that not only the adequacy of the applicable legal framework regarding displacement be examined, but also the institutional capacity to provide required protections and benefits to potentially displaced persons (e.g. effective legal process, titles, compensation). In many cases the capacity to deliver on well-designed resettlement plans has been weak and displaced persons may wind up stuck in a legal limbo. The RAP/LAP would include summaries regarding legal framework, institutional capacity, and steps to address identified issue areas.

Timing of assessments: Every effort should be undertaken to ensure that the assessment is conducted and shared with potentially affected peoples and other stakeholders prior to Project approval. However, as noted in the SESP (see para. 45) and in the Guidance Note on Social and Environmental Assessment, in certain circumstances, completion of a social and environmental assessment (and the scoping process) may need to be financed through the Project budget (hence, conducted during Project implementation). In such cases, the Project Document needs to incorporate an initial management plan and budget to conduct appropriate assessment during project implementation. However:

- ***In all cases the required social and environmental assessment and adoption of appropriate mitigation and management measures must be completed, disclosed, and discussed with stakeholders (via applicable consultation processes) prior to implementation of any activities that may cause adverse social and environmental impacts, and in particular physical or economic displacement. Activities that cannot proceed until completion of the analysis, assessment, and adoption of mitigation measures should be clearly identified in the Project Document prior to appraisal.***

5. Development of Management and Monitoring Measures

Mitigation and management measures need to be developed and implemented for each impact and risk identified in the social and environmental assessment. In developing such measures, a mitigation hierarchy is followed, starting with avoiding adverse impacts, and if avoidance is not possible followed by impact minimization, then mitigation, and lastly compensatory measures to offset significant residual impacts. Mitigation and management measures need to meet (and ideally exceed) not only Applicable Law (i.e. national law and obligations under international law) but also the requirements specified in Standard 5 and UNDP's SES.

5.1 Address Standard 6 Requirements in Action Plans and Management Measures

Projects that involve resettlement require development of a Resettlement Action Plan (RAP) that specifies the mitigation and management measures, including compensation, that are to be integrated into the project. Similarly, projects that may lead to economic displacement require development of a Livelihood Action Plan (LAP). Annexes 1 and 2 provide indicative outlines of the substantive aspects that are to be addressed in RAPs/LAPs. The section below provides further guidance on addressing certain Standard 5 requirements in the development of these action plans and other management measures.

Address prior displacement: To discourage displacement activities that occur prior to Project development and fail to provide necessary protections for affected people, the Standard applies to displacement that occurs in anticipation of the Project (Standard 5, para. 11). It may not always be easy to determine if displacement has occurred for the Project, but a review of documentation, interviews, and other evidence may assist this determination. Given the impacts to rights of affected people associated with displacement and the potential disruption to project activities when impacts are not addressed, it may be useful to assume that displacement occurring within two years prior to Project design is displacement occurring in anticipation of the Project.

If a determination is made that displacement has occurred in anticipation of the Project, UNDP will assess whether the process and outcomes were consistent with the requirements of this standard, and identify gaps. UNDP will make good faith efforts to ensure that procedural shortcomings that can still be addressed and would contribute to a more just and desired outcome for affected individuals and communities are addressed. UNDP will ensure that substantive outcomes, including compensation outcomes, are satisfied, e.g., funding, land, and resources are provided to affected individuals and communities as indicated in the Standard.

Provide access to information, legal counsel, and remedies: Impacted communities must be provided access to project documents, impact assessments as well as other pertinent information in an appropriate form and language prior to discussion of options regarding their potential displacement. Consultations with affected persons must be participatory and transparent, and take place in a location convenient for the community. The project stakeholder engagement plan should include indicators/benchmarks regarding participation, and include measures for verification. After an informed discussion of options with potentially impacted communities, and the choice to avoid displacement or proceed with the least impactful option, written justification for any displacement must be provided to local individuals and communities who might be displaced (see Standard 5, para. 7). This justification must be accessible to these communities and in an understandable language and culturally appropriate form. It must be provided at least 90 days prior to the date of displacement. Such timely notification allows affected individuals and communities an opportunity to comment, identify alternative less-impactful approaches, and ensure redress. Complementing notification for communities is access to effective remedies and legal counsel to understand rights and options consistent with national and international law – whichever is higher. Communities must be provided the financial and/or other resources necessary to secure legal advisors of their choosing.

Develop plans for displacement: Development plans must be developed for all displacement activities. These plans seek to ensure attention to human rights principles in the context of such activities. Although two types of plans exist – 'Resettlement Plans' for physical displacement activities, and 'Livelihood Action Plans' for economic displacement activities – all plans must achieve the aims identified in Standard 5, para. 8, in addition to satisfying

the specific elements for each type of plan (see below). These plans must be risk-informed and disclosed in a location accessible to the public and affected communities at least 90 days prior to the initiation of displacement. Potentially affected individuals must have the means to access these plans, i.e., if the plans are at a Project office that is a significantly long distance from the Project area, individuals must be provided free transportation to the office, or the plans must be made available closer to the Project area.

The plans must ensure that baseline data describing conditions existing at the time of project proposal is obtained. This baseline data should include the identification of persons potentially displaced by the Project, and the category into which each person falls (note the list of categories in Box 4 above). The plans should identify compensation, rehabilitation assistance, and other support for each individual/community. Paragraphs 9 and 10 of the Standard provide additional guidance for this determination (note Tables 3 and 4 below describing compensation and rehabilitation assistance by category for physical and economic displacement).

The plans should ensure ‘full and fair compensation and rehabilitation,’¹² including minimum living conditions for evicted persons or groups. The plans must describe how and when fair and just compensation is provided – it must be provided prior to displacement for any losses of personal, real or other property or goods, including rights or interests in property recognized by Applicable Law. Examples of such property include land, buildings, crops, cattle, etc. Note, again, that property rights for which compensation is provided include not only property rights for which formal title exists, but also other rights to property, including collective rights of indigenous peoples, tribal communities, and other groups under international law. When compensation is in cash and not in land and common property resources, it should ensure ‘full replacement value,’ which is the market value of the assets plus transaction costs.¹³ Communities living in areas to which individuals or communities are moved – so-called ‘host communities’ – may also need compensation if they are adversely impacted by the influx of the displaced.

The plans should identify, and create, opportunities to clarify and enhance tenure when displacement occurs. For example, individuals and communities who are resettled should be issued formal title to property to which they are located. Women and men must be provided equal access to formal title, i.e., titles should be issued to both men and women. Where resettlement is to take place, the plan should specify if there is a right to return, when it can be exercised, and whether lands from which communities were moved will be restored prior to return.

To meet the Standard’s objectives to protect and enhance the well-being of displaced individuals and communities, the plans must ensure that adequate financial support exists to support actual resettlement measures, new economic opportunities, and access to necessary services, shelter, food, water, energy, and sanitation.

To avoid concerns about the adequacy of the actual resettlement process and whether rights have been met, the plans should specify that individuals and communities may elect to have independent and/or community monitoring of the resettlement process. UNDP may choose to have independent experts monitor the process if significant potential risks exist. Development of the plans provides an opportunity to identify and incorporate measures to progressively realize rights, consistent with the SES Human Rights Principle. Guidance for this principle can support this effort.

¹² UN Basic Principles and Guidelines on Development-Based Evictions. Note, also: To ensure that compensation is full, fair, and just, it should be calculated in terms of ‘full replacement cost.’ Replacement cost is the market value of the assets plus transaction costs. In applying this method of valuation, depreciation of structures and assets should not be taken into account. Market value is defined as the value required to allow Affected Communities and persons to replace lost assets with assets of similar value.

¹³ IFC Guidance Note 5, Land Acquisition and Involuntary Resettlement, p 9.

Address elements of Resettlement Action Plan for physical displacement: The Resettlement Action Plan (RAP) includes elements specific to physical resettlement, including issues related to participation of individuals and communities in resettlement-related decisions potentially impacting them, resettlement compensation and rehabilitation assistance, and non-discrimination and attention to collective rights (see Box 5). Annex 1 provides a detailed outline for addressing these elements.

Box 5. Elements of Resettlement Action Plan

Standard 5, para. 9 stipulates that prior to physical displacement, a Resettlement Action Plan is required that includes the following elements:

- a. Resettlement option chosen by displaced persons, including compensation at full replacement cost for any economically assessable damage, as appropriate and proportional to the gravity of the violation and the circumstances of each case. Where appropriate, benefits and compensation may be collective in nature.
- b. Compensation for the loss, salvage and transport of affected properties of all those displaced, irrespective of whether they hold title, including the original dwelling (unless adequate replacement housing is chosen as an alternative to cash compensation) and lost or damaged land (based on damage and loss analysis)
- c. Where land is taken from those with rights to it under Applicable Law, replacement land commensurate in quality, size and value or better. In these circumstances, cash compensation does not replace real compensation in the form of land and common property resources.
- d. Where the dwellings or land provide a source of livelihood for the displaced inhabitants, loss assessment to account for the value of business losses, equipment/inventory, livestock, land, trees/crops, and lost/decreased wages/income. Where relocation affects commercial structures, affected business owners are compensated for the cost of reestablishing commercial activities elsewhere, for lost net income during the period of transition, and for the costs of the transfer and reinstallation of the plant, machinery, or other equipment.
- e. Where livelihoods or income levels are adversely affected, adequate opportunities to improve means of income-earning capacity, production levels, and standards of living are provided, and confirmed by independent review considering assessment baseline data. Where these livelihoods are natural resource-based, measures will either allow continued access to affected resources or provide access to alternative resources with equivalent livelihood-earning potential and accessibility.
- f. Transitional support is provided as necessary, based on a reasonable estimate of the time required to restore income-earning capacity, production levels, and standards of living.
- g. Women and men with equal rights to resources and land under international law are co-beneficiaries of all compensation packages, and land-owning women, single women, and widows are provided their own compensation.
- h. Relocation assistance is provided.

All transactions to acquire land rights, provide compensation and relocate are documented.

The first fundamental consideration for the RAP relates to individual and community choice; options related to resettlement – where to resettle, how and for what to compensate individuals and communities, what additional support to provide - must be provided and discussed to ensure responsiveness to concerns and needs. For indigenous, tribal, and other communities, these options may include collective benefits while ensuring due consultation with all groups within the community, including women and young people.

The second relates to minimum living conditions, compensation, and rehabilitation assistance. Table 3 describes these requirements by category of displaced individual/community. It is important to consider baseline conditions that have been identified and documented during the assessment, and to have independent confirmation of the adequacy of compensation and rehabilitation assistance. Where alternative housing is provided, adequate housing criteria need to be addressed.¹⁴ Resettlement sites should be fully equipped and functional prior to the arrival of the displaced.

One approach to identifying the category of people who moved to the area primarily to benefit from the project, i.e., to secure compensation or assistance related to the project, is to create a 'cut-off date' for recognizing individuals or communities entitled to compensation. Generally, a reasonable cut-off date is the date of completion of the census and assets inventory of persons affected by the project. Persons occupying the area after the cut-off date are not eligible for compensation or resettlement assistance.

When individuals or communities with rights to land they occupy face physical displacement and require relocation, they must be provided replacement land that is commensurate, or better, in quality, size, and value. The UN Basic Principles and Guidelines on Development-Based Evictions and Displacement indicate, "Cash compensation should under no circumstances replace real compensation in the form of land and common property resources." Evidence of mutual agreement with displaced communities can help establish the adequacy of the land and resources since 'quality' can be a relatively subjective determination. The agreement must reflect that affected people had access to legal counsel/representatives of their choice, understood their rights and options, and freely agreed.

¹⁴ The UN Committee on Economic, Social and Cultural Rights General Comment 4 The Right to Adequate Housing outlines key criteria, including legal security of tenure; availability of services, materials, facilities and infrastructure; affordability; habitability; accessibility; location; cultural adequacy.

Table 3. Resettlement-related Compensation, Rehabilitation Assistance, and Minimum Living Conditions

	Government-issued title/ formal recognition of rights	No government-issued title but with rights to property recognized under international law	No government-issued title or rights to property under int'l law, but occupying area/using resources (informal settlers)*	Occupied in anticipation of Project activities, intending to benefit from Project
Full replacement cost (see footnote 9) for any economically assessable damage – appropriate and proportional to the gravity of the violation and the circumstances of each case**	✓	✓		
Compensation for loss, salvage and/or transport of affected properties, including original dwelling	✓	✓	✓	✓
Replacement land commensurate in quality, size and value or better and security of tenure (providing a sense of permanence and stability to groups and individuals and protection from forced eviction)	✓	✓		
Where the dwellings or land provide a source of livelihood, loss assessment to account for the value of business losses, equipment/inventory, livestock, land, trees/crops, and lost/decreased wages/income	✓	✓	✓	
Where relocation affects commercial structures, compensation for the cost of reestablishing commercial activities elsewhere, for lost net income during the period of transition, and for the costs of the transfer and reinstallation of the plant, machinery, or other equipment	✓	✓	Depends on relationship to land/resources, as determined by baseline data	
Transitional support is provided as necessary, based on a reasonable estimate of the time required to restore income-earning capacity, production levels, and standards of living	✓	✓	✓	
Relocation assistance, including relocation sites with basic services, materials, facilities infrastructure such as potable water, energy for cooking, heating and lighting, sanitation and washing facilities, means of storage, refuse disposal, site drainage and emergency services, and access to natural and common resources, where appropriate; affordable housing; habitable housing providing inhabitants adequate space, protection from cold, damp, heat, rain, wind or other threats to health, structural hazards and disease vectors, and ensuring the physical safety; accessibility for disadvantaged groups; access to employment options, health-care services,	✓	✓	✓	

schools, childcare and other social facilities, whether in urban or rural areas; and culturally appropriate housing***				
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* UN Basic Principles and Guidelines on Development-Based Evictions reflects these categories. Additionally, para. 61. states, 'All those evicted, irrespective of whether they hold title to their property, should be entitled to compensation for the loss, salvage and transport of their properties affected, including the original dwelling and land lost or damaged in the process. Consideration of the circumstances of each case shall allow for the provision of compensation for losses related to informal property, such as slum dwellings.'

** UN Basic Principles and Guidelines on Development-Based Evictions, para. 60. When eviction is unavoidable, and necessary for the promotion of the general welfare, the State must provide or ensure fair and just compensation for any losses of personal, real or other property or goods, including rights or interests in property. Compensation should be provided for any economically assessable damage, as appropriate and proportional to the gravity of the violation and the circumstances of each case, such as: loss of life or limb; physical or mental harm; lost opportunities, including employment, education and social benefits; material damages and loss of earnings, including loss of earning potential; moral damage; and costs required for legal or expert assistance, medicine and medical services, and psychological and social services. Cash compensation should under no circumstances replace real compensation in the form of land and common property resources. Where land has been taken, the evicted should be compensated with land commensurate in quality, size and value, or better. See, also, para. 63. To the extent not covered by assistance for relocation, the assessment of economic damage should take into consideration losses and costs, for example, of land plots and house structures; contents; infrastructure; mortgage or other debt penalties; interim housing; bureaucratic and legal fees; alternative housing; lost wages and incomes; lost educational opportunities; health and medical care; resettlement and transportation costs (especially in the case of relocation far from the source of livelihood). Where the home and land also provide a source of livelihood for the evicted inhabitants, impact and loss assessment must account for the value of business losses, equipment/inventory, livestock, land, trees/crops, and lost/decreased wages/income.

*** Alternative housing should be situated as close as possible to the original place of residence and source of livelihood of those evicted. The time and financial cost required for travel to and from the place of work or to access essential services should not place excessive demands upon the budgets of low-income households. Relocation sites must not be situated on polluted land or in immediate proximity to pollution sources that threaten the right to the highest attainable standards of mental and physical health of the inhabitants. States should also ensure that members of the same extended family or community are not separated as a result of evictions. Additionally, in order to ensure the protection of the human right to the highest attainable standard of physical and mental health, all evicted persons who are wounded and sick, as well as those with disabilities, should receive the medical care and attention they require to the fullest extent practicable and with the least possible delay, without distinction on any non-medically relevant grounds. When necessary, evicted persons should have access to psychological and social services. Special attention should be paid to: (a) the health needs of women and children, including access to female health-care providers where necessary, and to services such as reproductive health care and appropriate counseling for victims of sexual and other abuses; (b) ensuring that ongoing medical treatment is not disrupted as a result of eviction or relocation; and (c) the prevention of contagious and infectious diseases, including HIV/AIDS, at relocation sites.

Address elements of Livelihood Action Plan for economic displacement: The Livelihood Action Plan (LAP) includes elements specific to economic displacement resettlement, including issues related to participation of individuals and communities in decisions potentially impacting them and their livelihoods, compensation and rehabilitation assistance, and non-discrimination and attention to collective rights (see Box 6). Table 4 provides guidance on the compensation and assistance for cases of economic displacement. Annex 2 provides a more detailed outline for addressing these elements.

Box 6. Elements of a Livelihood Action Plan

Standard 5, para. 10 stipulates that prior to economic displacement (including situations in which access to resources is restricted but no physical relocation is necessary), a Livelihood Action Plan is required that ensures the following:

- a. Displaced individuals and communities are compensated for loss of assets or loss of access to assets at full replacement cost. Additional considerations include the following:
 - In cases where land acquisition or restrictions on land use affect commercial structures, affected business owners will be compensated for the cost of reestablishing commercial activities elsewhere, for lost net income during the period of transition, and for the costs of the transfer and reinstallation of the plant, machinery, or other equipment.
 - In cases affecting persons with legitimate tenure rights, whether those rights are formal or informal, replacement property (e.g. agricultural or commercial sites) of equal or greater value will be provided.
 - Economically displaced persons who are without legally recognizable claims to land will be compensated for lost assets other than land (e.g. crops, irrigation infrastructure, other improvements made to the land), at full replacement cost.⁶⁶
- b. In addition to compensation for lost assets, if any, economically displaced persons whose livelihoods or income levels are adversely affected will also be provided opportunities to improve, or at least restore, their means of income-earning capacity, production levels, and standards of living. An independent review, considering baseline data, will confirm that capacity, production levels and standards of living have been improved or restored. Additional considerations include the following:
 - For persons whose livelihoods are land-based, replacement land that has a combination of productive potential, locational advantages, and other factors at least equivalent to that being lost should be offered as a matter of priority.
 - For persons whose livelihoods are natural resource-based and where Project-related restrictions on access apply, measures will be undertaken to either allow continued access to affected resources or provide access to alternative resources with equivalent livelihood-earning potential and accessibility. Where appropriate, benefits and compensation associated with natural resource usage may be collective in nature.
 - In Projects involving involuntary restrictions of access to legally designated parks and protected areas, the nature of restrictions, as well as the type of measures necessary to mitigate adverse impacts, will be determined with the participation of potentially displaced persons. Measures to assist the displaced people to improve their livelihoods, or at least restore them, while maintaining the sustainability of the park or protected area, will be identified. Where the parks or protected areas in question involve the lands, resources and territories of indigenous peoples, paragraph 5 also applies.
 - If circumstances make it difficult for the Project to provide land or resources as described above, and if evidence exists of mutual agreement with affected people for alternative measures, alternative income earning opportunities may be provided, such as credit facilities, training, or employment opportunities.
- c. Transitional support is provided to displaced persons and communities as necessary, based on a reasonable estimate of the time required to restore their income-earning capacity, production levels, and standards of living.

Table 4. Economic Displacement-Related Compensation and Assistance

	Government-issued title/ formal recognition of rights	No government-issued title but with rights to property recognized under international law	No government-issued title or rights to property under intl law, but occupying area/using resources (informal settlers)	Occupied in anticipation of Project activities, intending to benefit from Project
In cases where land acquisition or restrictions on land use affect commercial structures, affected business owners will be compensated for the cost of reestablishing commercial activities elsewhere, for lost net income during the period of transition, and for the costs of the transfer and reinstallation of the plant, machinery, or other equipment	✓	✓		
In cases affecting persons with legitimate tenure rights, whether those rights are formal or informal, replacement property (e.g. agricultural or commercial sites) of equal or greater value will be provided	✓	✓		
Economically displaced persons who are without legally recognizable claims to land will be compensated for lost assets other than land (e.g. crops, irrigation infrastructure, other improvements made to the land), at full replacement cost			✓	
In addition to compensation for lost assets, if any, economically displaced persons whose livelihoods or income levels are adversely affected will also be provided opportunities to improve, or at least restore, their means of income-earning capacity, production levels, and standards of living	✓	✓	✓	
For persons whose livelihoods are land-based, replacement land that has a combination of productive potential, locational advantages, and other factors at least equivalent to that being lost should be offered as a matter of priority	✓	✓		
For persons whose livelihoods are natural resource-based and where Project-related restrictions on access apply, measures will be undertaken to either allow continued access to affected resources or provide access to alternative resources with equivalent livelihood-earning potential and accessibility	✓	✓		
Transitional support is provided to displaced persons and communities as necessary, based on a reasonable estimate of the time required to restore their income-earning capacity, production levels, and standards of living	✓	✓	✓	

At times, land and resources meeting the criteria described above may not be available and/or may not be desired by the affected people. In these circumstances, UNDP and/or the Implementing Partner can attempt to reach agreement with affected people on alternate measures. The agreement must reflect that the affected people had access to legal counsel/representatives of their choice, understood their rights and options, and freely agreed.

Usually, compensation will be provided by the government. UNDP may reach an agreement with the government to provide compensation in specific situations, including when the government lacks the financial capacity to fund a project that meets important public interest objectives. All payments and other forms of compensation should be documented in writing and made publicly available.

Monitor Implementation of Displacement Plans: Implementation of Displacement Plans must be monitored, and the monitoring report made public. Monitoring measures are to be detailed in the RAP/LAP (see Annexes 1 and 2). Such monitoring should involve affected individuals and communities, to the extent they wish to be involved.

Meet Indigenous Peoples' standard: When Indigenous Peoples may be impacted by the displacement activities, requirements of Standard 6 Indigenous Peoples must also be met.

Timing of completion of RAP/LAP: As depicted in Figure 1 and explained in the Guidance Note on Social and Environmental Assessment, all Moderate and High Risk Projects require a management plan for consideration by the PAC at project appraisal. The form of this plan will vary depending on the nature and scale of potential risks and the timing of assessments. For projects that may involve physical or economic displacement, every effort should be expended to ensure that the assessment is undertaken prior to project appraisal and a fully developed RAP/LAP be presented for PAC consideration. Where the assessment must be funded through the project budget and hence conducted during project implementation, an initial management plan must be presented for PAC consideration. The initial management plan needs to clearly state when and how the full RAP/LAP will be developed and reflect the findings and recommendations of the social and environmental assessment and meaningful participation of potentially displaced persons. The initial management plan should address as many aspects of the required RAP/LAP as possible (see Annexes 1 and 2), understanding the key elements cannot be addressed until the assessment is conducted. A subsequent PAC meeting or the Project Board needs to review the completed RAP/LAP and ensure that all required measures are incorporated into the Project plan, budget, and monitoring indicators. Whether the assessment is conducted pre- or post- appraisal, the following SES requirement must be observed:

- ***The RAP/LAP needs to be in place and mitigation measures taken prior to the conduct of any activity that may cause adverse impacts, in particular any actions that may lead to or cause physical or economic displacement.***

Annex 1. Resettlement Action Plan – Template

A Resettlement Action Plan (RAP) details the **procedures** to be followed and the **actions** to be taken in order to properly resettle and compensate affected people and communities. This plan must be developed after it has been determined, following the process outlined in Standard 5, that displacement and resettlement are unavoidable. The RAP reflects the commitment made by the Implementing Partner and UNDP to affected people and communities to meet obligations arising from resettlement.

1. Introduction
 - Briefly describe the project and associated facilities (if any)
 - Describe project components requiring land acquisition and resettlement; give overall estimates of land acquisition and resettlement
 - Provide explanation of how displacement is necessary to achieve the project objectives, how the project is in the ‘public interest’ and how displacement is proportional to project outcomes
2. Minimizing Resettlement
 - Describe the justification for the resettlement
 - Describe efforts and measures to minimize displacement, and expected outcomes of these efforts and measures
3. Census and Socioeconomic Surveys
 - Provide results of the census, assets inventories, natural resource assessments, and socioeconomic surveys and briefly describe how these were performed, i.e., techniques used, individuals interviewed, etc.
 - Identify all people and communities potentially affected by displacement activities and potential impacts to each
4. Legal Framework
 - Describe all relevant international, national, local, and community laws and customs that apply to displacement and resettlement activities, with particular attention to laws and customs relating to tenure rights
 - Describe how free, prior, informed consent was obtained for resettlement of indigenous peoples and tribal communities, if applicable
 - Describe project-specific mechanisms to address conflicts
 - Describe entitlement/compensation policies for each type of impact
 - Describe method of valuation used for affected structures, land, trees, and other assets
 - Prepare entitlement matrix, which includes budget and timeframe for payment of entitlements
5. Resettlement Sites and Housing
 - If the project requires relocation, describe how affected people have been involved in a participatory process to identify sites, assess advantages and disadvantages of each site, and select preferred sites. Site selection to be risk-informed (e.g. ensure not subject to higher levels of risks from floods, landslides, earthquakes). Describe the options
 - If housing must be replaced, describe how affected people have been involved in developing an acceptable strategy for housing replacement and how alternative housing meets adequate housing criteria (including legal security of tenure; availability of services, materials, facilities and infrastructure; affordability; habitability; accessibility; location; cultural adequacy). Describe the specific process of involving affected populations in identifying potential housing sites, assessing advantages and disadvantages, and selecting sites
 - If the project involves allocation of agricultural land or pasture/rangeland, describe how individual households that will be allocated lands have been involved in identifying potential new sites, and how

they have explicitly accepted the selected sites

- Describe the feasibility studies conducted to determine the suitability of the proposed relocation sites and housing, including where relevant natural resource assessments (soils and land use capability, vegetation and livestock carrying capacity, water resource surveys) and environmental and social impact assessments of the sites. Include a description of potential access of affected people to necessary services, shelter, food, water, energy, and sanitation
- Demonstrate where relevant that the land quality and area are adequate for allocation to all of the people eligible for allocation of agricultural land. Provide data on land quality and capability, productive potential, and quantity
- Give calculations relating to site requirements and availability
- Describe mechanisms for: 1) procuring, 2) developing and 3) allotting resettlement sites and housing, including the awarding of title or use rights to allotted lands. Indicate to whom titles and use rights will be allocated, including by gender
- Provide detailed description of the arrangements where relevant for site development for agriculture, including funding of development costs

6. Income Restoration

- Are compensation entitlements sufficient to restore and/or improve livelihoods and income streams for each category of impact? Attach independent review of opportunities to restore and improve incomes/livelihoods. What additional economic rehabilitation measures are necessary?
- Briefly spell out the restoration strategies for each category of impact and describe their institutional, financial, and technical aspects
- Describe the process of consultation with affected populations and their participation in finalizing strategies for income restoration
- How do these strategies vary with the area of impact?
- Does income restoration require change in livelihoods, development of alternative farmlands or some other activities that require a substantial amount of training, time for preparation, and implementation?
- How are the risks of impoverishment to be addressed?
- What are the main institutional and other risks for the smooth implementation of the resettlement programs?
- Describe the process for monitoring the effectiveness of the income restoration measures
- Describe any social or community development programs currently operating in or around the project area. If programs exist, do they meet the development priorities of their target communities? Are there opportunities to support new programs or expand existing programs to meet the development priorities of communities in the project area?

7. Institutional Arrangements

- Describe the institution(s) responsible for delivery of each item/activity in the entitlement policy; implementation of income restoration programs; and coordination of the activities associated with and described in the resettlement action plan
- State how coordination issues will be addressed where resettlement is spread over a number of jurisdictions or where resettlement will be implemented in stages over a long period of time
- Identify the agency that will coordinate all implementing agencies. Does it have the necessary mandate and resources?
- Describe the external (nonproject) institutions involved in the process of income restoration (land development, land allocation, credit, training) and the mechanisms to ensure adequate performance of these institutions
- Discuss institutional capacity for and commitment to resettlement
- Describe mechanisms for ensuring independent monitoring, evaluation, and financial audit of the RAP and

for ensuring that corrective measures are carried out in a timely fashion

8. Implementation Schedule

- List the chronological steps in implementation of the RAP, including identification of agencies responsible for each activity and with a brief explanation of each activity
- Prepare a month-by-month implementation schedule of activities to be undertaken as part of resettlement implementation
- Describe the linkage between resettlement implementation and initiation of civil works for each of the project components

9. Participation and Consultation

- Describe the various stakeholders
- Describe the process of promoting consultation/participation of affected populations and stakeholders in resettlement preparation and planning
- Describe the process of involving affected populations and other stakeholders in implementation and monitoring
- Describe the plan for disseminating RAP information to affected populations and stakeholders, including information about compensation for lost assets, eligibility for compensation, resettlement assistance, and grievance redress

10. Grievance Redress

- Describe the step-by-step process for registering and addressing grievances and provide specific details regarding a cost-free process for registering complaints, response time, and communication modes
- Describe the mechanism for appeal
- Describe the provisions for approaching civil courts if other options fail

11. Monitoring and Evaluation

- Describe the internal/performance monitoring process. Ensure monitoring program seeks to measure whether displaced enjoy at least a standard of living and access to livelihoods equal to what they enjoyed before displacement
- Define key monitoring indicators derived from baseline survey. Provide a list of monitoring indicators that will be used for internal monitoring, including number and location of displaced/resettled persons
- Describe institutional (including financial) arrangements
- Describe frequency of reporting and content for internal monitoring
- Describe process for integrating feedback from internal monitoring into implementation
- Define methodology for external monitoring
- Define key indicators for external monitoring
- Describe frequency of reporting and content for external monitoring. Ensure monitoring program is regular and ongoing following project completion until durable solutions are reached
- Describe process for integrating feedback from external monitoring into implementation
- Describe arrangements for final external evaluation
- Describe need for updates to census, assets inventories, resource assessments, and socioeconomic surveys, if necessary, as part of RAP monitoring and evaluation

12. Costs and Budgets

- Provide a clear statement of financial responsibility and authority
- List the sources of funds for resettlement and describe the flow of funds
- Ensure that the budget for resettlement is sufficient and included in the overall project budget. Include provisions for non-anticipated adverse impacts.
- Identify resettlement costs, if any, to be funded by the government and the mechanisms that will be established to ensure coordination of disbursements with the RAP and the project schedule. Prepare

estimated budget, by cost and by item, for all resettlement costs including planning and implementation, management and administration, monitoring and evaluation, and contingencies

- Describe the specific mechanisms to adjust cost estimates and compensation payments for inflation and currency fluctuations
- Describe the provisions to account for physical and price contingencies
- Describe the financial arrangements for external monitoring and evaluation including the process for awarding and maintenance of contracts for the entire duration of resettlement

Annexes

- Copies of census and survey instruments, interview formats, and any other research tools
- Information on all public consultation including announcements and schedules of public meetings, meeting minutes, and lists of attendees
- Examples of formats to be used in monitoring and reporting on RAP implementation
- Entitlement matrix
- Evidence of prior informed consent for indigenous peoples and tribal communities

Annex 2. Livelihood Action Plan – Template

A Livelihood Action Plan (RAP) details the **procedures** and **actions** that will be undertaken in order to ensure that the capacity, production levels, and standards of living of economically displaced people are improved or at least restored, and that displaced people are compensated adequately. This plan must be developed after it has been determined, following the process outlined in Standard 5, that displacement is unavoidable. The LAP reflects the commitment made by the Implementing Partner and UNDP to affected people and communities to meet obligations arising from economic displacement.

1. Introduction
 - Briefly describe the project and associated facilities (if any)
 - Describe project components requiring economic displacement; land acquisition and resettlement; give overall estimates of land and/or resources to which access has been restricted
 - Provide explanation of how economic displacement is necessary to achieve the project objectives, how the project is in the ‘public interest’ and how displacement is proportional to project outcomes
2. Minimizing Displacement
 - Describe the justification for the displacement
 - Describe efforts and measures to minimize displacement, and expected outcomes of these efforts and measures
 - Describe how requirements of Indigenous Peoples Standard have been addressed if Indigenous Peoples are displaced.
3. Census and Socioeconomic Surveys
 - Provide results of the census, assets inventories, natural resource assessments, and socioeconomic surveys and briefly describe how these were performed, i.e., techniques used, individuals interviewed, etc.
 - Identify all people and communities potentially affected by displacement activities and potential impacts to each
4. Legal Framework
 - Describe all relevant international, national, local, and community laws and customs that apply to displacement activities, with particular attention to laws and customs relating to tenure rights
 - Describe how free, prior, informed consent was obtained for displacement of indigenous peoples and tribal communities, if applicable
 - Describe project-specific mechanisms to address conflicts
 - Describe entitlement/compensation policies for each type of impact
 - Describe method of valuation used for affected structures, land, trees, and other assets
 - Prepare entitlement matrix, which includes budget and timeframe for payment of entitlements
5. Displacement-related Property
 - Describe how affected people have been involved in a participatory process to identify replacement property when they have lost access to property to which they have legitimate rights. Describe the advantages and disadvantages of the properties, including the property chosen.
 - Describe how affected people whose livelihoods are urban-based have been involved in a participatory process to identify livelihood replacement and support opportunities.
 - Describe how affected people whose livelihoods are land-based have been involved in a participatory process to identify lands they can access, including lands with productive potential, locational advantages, and other factors at least equivalent to that being lost.
 - Describe how affected people whose livelihoods are natural resource-based have been involved in a participatory process to identify resources they can access with equivalent livelihood-earning potential

and accessibility.

- Describe how affected people whose access to legally designated parks and protected areas has been restricted have been involved in identifying and choosing measures to mitigate impacts.
- Describe the feasibility studies conducted to determine the suitability of chosen lands and/or natural resources described above, including natural resource assessments (soils and land use capability, vegetation and livestock carrying capacity, water resource surveys) and environmental and social impact assessments of the sites.
- Give calculations relating to land and resource availability
- Describe, as relevant, mechanisms for: 1) procuring, 2) developing and 3) allotting displacement property, including the awarding of title or use rights to allotted lands and/or resources. Indicate to whom titles and use rights will be allocated, including by gender.
- Provide detailed description of the arrangements for site development for agriculture, including funding of development costs
- If circumstances made it difficult to provide land or resources as described above, provide evidence of mutual agreement with affected people/communities on alternative measures.

6. Income Restoration

- Are compensation entitlements sufficient to restore and/or improve livelihoods and income streams for each category of impact? Attach independent review of opportunities to restore and improve incomes/livelihoods. What additional economic rehabilitation measures are necessary?
- Briefly spell out the restoration strategies for each category of impact and describe their institutional, financial, and technical aspects
- Describe the process of consultation with affected populations and their participation in finalizing strategies for income restoration
- How do these strategies vary with the area of impact?
- Does income restoration require change in livelihoods, development of alternative farmlands or some other activities that require a substantial amount of training, time for preparation, and implementation?
- How are the risks of impoverishment to be addressed?
- What are the main institutional and other risks for the smooth implementation of the resettlement programs?
- Describe the process for monitoring the effectiveness of the income restoration measures
- Describe any social or community development programs currently operating in or around the project area. If programs exist, do they meet the development priorities of their target communities? Are there opportunities to support new programs or expand existing programs to meet the development priorities of communities in the project area?

7. Institutional Arrangements

- Describe the institution(s) responsible for delivery of each item/activity in the entitlement policy; implementation of income restoration programs; and coordination of the activities associated with and described in the livelihood action plan
- State how coordination issues will be addressed where displacement is spread over a number of jurisdictions or where displacement will be implemented in stages over a long period of time
- Identify the agency that will coordinate all implementing agencies. Does it have the necessary mandate and resources?
- Describe the external (nonproject) institutions involved in the process of income restoration (land development, land allocation, credit, training) and the mechanisms to ensure adequate performance of these institutions
- Discuss institutional capacity for and commitment to displacement
- Describe mechanisms for ensuring independent monitoring, evaluation, and financial audit of the LAP and

for ensuring that corrective measures are carried out in a timely fashion

8. Implementation Schedule

- List the chronological steps in implementation of the LAP, including identification of agencies responsible for each activity and with a brief explanation of each activity
- Prepare a month-by-month implementation schedule of activities to be undertaken as part of resettlement implementation
- Describe the linkage between resettlement implementation and initiation of civil works for each of the project components

9. Participation and Consultation

- Describe the various stakeholders
- Describe the process of promoting consultation/participation of affected populations and stakeholders in resettlement preparation and planning
- Describe the process of involving affected populations and other stakeholders in implementation and monitoring
- Describe the plan for disseminating LAP information to affected populations and stakeholders, including information about compensation for lost assets, eligibility for compensation, displacement assistance, and grievance redress

10. Grievance Redress

- Describe the step-by-step process for registering and addressing grievances and provide specific details regarding a cost-free process for registering complaints, response time, and communication modes
- Describe the mechanism for appeal
- Describe the provisions for approaching civil courts if other options fail

11. Monitoring and Evaluation

- Describe the internal/performance monitoring process. Ensure monitoring program seeks to measure whether displaced enjoy at least a standard of living and access to livelihoods equal to what they enjoyed before displacement
- Define key monitoring indicators derived from baseline survey. Provide a list of monitoring indicators that will be used for internal monitoring, including number and location of displaced persons
- Describe institutional (including financial) arrangements
- Describe frequency of reporting and content for internal monitoring
- Describe process for integrating feedback from internal monitoring into implementation
- Define methodology for external monitoring
- Define key indicators for external monitoring
- Describe frequency of reporting and content for external monitoring. Ensure monitoring program is regular and ongoing following project completion until durable solutions are reached
- Describe process for integrating feedback from external monitoring into implementation
- Describe arrangements for final external evaluation
- Describe need for updates to census, assets inventories, resource assessments, and socioeconomic surveys, if necessary, as part of LAP monitoring and evaluation

12. Costs and Budgets

- Provide a clear statement of financial responsibility and authority
- List the sources of funds for displacement and describe the flow of funds
- Ensure that the budget for displacement is sufficient and included in the overall project budget. Include provisions for non-anticipated adverse impacts.
- Identify displacement costs, if any, to be funded by the government and the mechanisms that will be established to ensure coordination of disbursements with the LAP and the project schedule. Prepare

estimated budget, by cost and by item, for all displacement costs including planning and implementation, management and administration, monitoring and evaluation, and contingencies

- Describe the specific mechanisms to adjust cost estimates and compensation payments for inflation and currency fluctuations
- Describe the provisions to account for physical and price contingencies
- Describe the financial arrangements for external monitoring and evaluation including the process for awarding and maintenance of contracts for the entire duration of displacement

Annexes

- Copies of census and survey instruments, interview formats, and any other research tools
- Information on all public consultation including announcements and schedules of public meetings, meeting minutes, and lists of attendees
- Examples of formats to be used in monitoring and reporting on LAP implementation
- Entitlement matrix
- Evidence of prior informed consent for indigenous peoples and tribal communities