

Resettlement Fact Sheet

The World Bank Group

Understanding the Context of Involuntary Resettlement

- Development depends in part upon providing infrastructure and facilities that improve people's lives and expand economic opportunities. This can be a road that allows a farmer to get goods to market, access to electricity so hospitals can refrigerate medicines and children can do their homework at night, providing clean water to reduce the incidence of easily preventable water-borne diseases that kill an estimated 1,400 children every day, or access to local facilities such as schools, clinics or community centers.
- Constructing infrastructure and service facilities often requires acquisition of privately owned land by the government. Virtually all countries in the world, rich and poor, have legislation enabling a government to expropriate private property for public purposes, with payment of fair compensation.
- Governments in developing countries often turn to organizations such as the World Bank to help them finance infrastructure and service facilities.
- We fund these projects because we know that they can help to reduce poverty and improve living conditions – our very mission.
- We also know that impacts associated with land acquisition, including involuntary resettlement, can impose severe hardships, or otherwise disrupt the lives of affected people.
- That said, in the vast majority of Bank-financed projects, resettlement means an easement or minor land acquisition, and people can remain in their homes.
- The Bank has developed policy provisions to avoid or otherwise minimize adverse impacts associated with land acquisition.
- All persons affected by land acquisition are not affected in the same way, or to the same extent, or are not equally vulnerable to hardship as a result. Though the terms “resettled” or “displaced” often are used in reference to all affected persons, many projects involve no physical displacement at all, and most people affected by land acquisition in Bank-supported projects are not required to move.
- The impact of land acquisition on the livelihoods of affected people also is highly variable. Acquisition of very minor portions of productive land, or acquisition of unutilized land or residential land, may not cause significant impacts on livelihoods. Conversely, some affected persons may need to pursue new sources of livelihood if their lands cannot be replaced, or if new skills are needed to respond to changes to their environment. While some projects do pose severe risks to livelihoods that require extensive mitigation measures, the livelihoods of many persons affected by Bank-supported projects are not fundamentally disrupted.
- The Bank's policy also recognizes that projects involving land acquisition also can provide opportunities to significantly improve livelihoods and living standards. Poor housing conditions can be improved. Business or employment skills can be provided. In some instances, benefit-sharing schemes can be devised. Through careful project design, land acquisition and even involuntary resettlement can be turned into a development opportunity.
- We stand by the need to continue financing infrastructure projects, including those that entail land acquisition and involuntary resettlement.

The Evolution of the World Bank's Work on Resettlement:

- Protecting the environment and the world's poorest and most vulnerable people in our projects are central to our goals of ending poverty and promoting shared prosperity.
- The Bank has led the way since 1980, when it established the first policy among international development agencies to mitigate the impact of involuntary resettlement on affected communities.
- Though initially formulated in response to large hydropower schemes and other large-scale infrastructure projects causing population resettlement and significant economic disruption, application of the policy has since spread to other projects and sectors involving relatively minor land acquisition and less severe impacts.
- Over the years, many countries have adjusted their laws and regulations to conform to Bank policy requirements. There also has been increasing policy convergence among multilateral and bilateral aid programs.

The World Bank's Involuntary Resettlement Policy

- Involuntary Resettlement refers to two distinct but related processes. **Displacement** is a process by which development projects cause people to lose land or other assets, or access to resources. This may result in residential dislocation, loss of income, or other adverse impacts. **Resettlement** generally refers to the process by which those adversely affected are assisted in their efforts to improve, or at least to restore, their incomes and living standards.
- All persons losing assets or use of resources as a direct result of a Bank-supported project are referred to as 'displaced persons' entitled to compensation and/or other forms of assistance.
- The Bank's policy extends beyond the corresponding laws of most countries (including those of industrialized democracies) in two key respects: a) a requirement that opportunities be provided to affected persons to improve (or at least restore) incomes or livelihoods reflects recognition that mere compensation for assets may not provide sufficient opportunity to restore livelihoods; and b) because the ultimate purpose of the Bank policy is to protect livelihoods and living standards, the Bank's policy coverage includes affected persons who may lack legal title or rights to the land they occupy or the resources they use. It also includes tenants, artisans, and wage earners whose livelihoods or living standards would be adversely affected as a direct result of the project.
- For all projects involving land acquisition, the Bank requires preparation of an explicit plan to guide land acquisition and resettlement processes. These plans include arrangements for monitoring these activities, and procedures for responding to complaints received from affected persons.
- The policy does not include persons opportunistically invading a proposed project site after an eligibility cut-off date is declared, for the purpose of obtaining assistance.

Where we're going

- The World Bank is always looking to improve our development practices for the benefit of our ultimate clients: the citizens of our partner countries.
- The Bank is now in the process of strengthening its environmental and social safeguard policies, including its policy regarding land acquisition and resettlement, which have not been modernized in nearly 20 years.
- We expect this policy to evolve further as we work to revise, update and strengthen our social and environmental assessment framework, in consultation with Bank stakeholders.



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- A useful FAQ on involuntary resettlement is online at <http://go.worldbank.org/0WWXTSXYO1>

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