

# **An Innovative Participatory Development Induced Involuntary Resettlement Experience In Sri Lanka**

**- Setting the Stage for Making Involuntary  
Resettlers Voluntary Project Partners and  
Beneficiaries -**

Expert Group Meeting on secure land tenure : 'new legal  
frameworks and tools'  
UNESCAP – in Bangkok, Thailand, 8 – 9 December 2005

**By : Thilak Hewawasam  
UN-HABITAT Consultant, (Social Development Specialist), Sri Lanka**

# Background

- During the last four decades **tens and thousands of families were involuntarily resettled** in Sri Lanka
- **Development-induced displacement of people was considered a "sacrifice"**- with a comparatively a small group of people having to make way for the benefit of a large number of people or the country in general.
- Involuntary resettlers received a **statutory monetary compensation for (Legally owned/proven) land and house** acquired, making the **poor and landless more poorer and vulnerable.**
- In order to ensure that people affected by development projects are treated in a fair and equitable manner, and that they are not impoverished in the process, the SL Govt. adopted a **National Involuntary Resettlement Policy (NIRP)** in 2001 with an **objective of avoiding, minimizing and mitigating negative impacts of involuntary resettlement.**

# **National Involuntary Resettlement Policy (NIRP)**

The new NIRP policy ensures that people adversely affected by development projects are;

- (a) Fully and promptly compensated,
- (b) Successfully resettled, and, provided assistance to;
  - (i) Re-establish their livelihoods
  - (ii) Deal with the psychological, cultural, social and other stresses caused by compulsory land acquisition,
  - (iii) Make them aware of processes available for redress of grievances that are easily accessible and immediately responsive, and
  - (iv) Have in place a consultative, transparent and accountable involuntary resettlement process with a timeframe agreed to by the project executing agency and the affected people.

# Lunawa Environment Improvement & Community Development Project (LEI&CDP)

**The Project: Continuation of Greater Colombo Flood Control and Environmental Improvement Project (1990-2000)** that provided technical solution (typically in engineering nature) to the problems persisted in low lying areas in greater Colombo, with very little involvement of beneficiaries and affected persons. The experience gained from this project revealed that the benefit of the project would have been enhanced and the adverse impact on PAPs (**Ep. The urban poor – No tenure rights**), could have been minimized if there were effective community participation and pro-poor resettlement program securing their tenure rights. The LEI&CDP was designed within this new framework of technical and community development combination and commenced its implementation in 2002, with JBIC funding and technical assistance from UN- HABITAT.



# Lunawa Environment Improvement & Community Development Project (LEI&CDP)

**The Project Area and Current Status:** Lunawa Lake basin is located within Moratuwa and Dehiwala / Mount Lavinia Municipal Council areas, within the Colombo Metropolitan Region in Sri Lanka. The Lake & the surrounding area that extends about 7.0 sq. km.

**Biologically dead Lake, and Environmentally Degraded Area** - Habitual flooding- 4 to 6 times annually affecting about 18,000- Unhygienic surroundings with Water stagnation, polluted water, Mosquitoes etc., Due to indiscriminate human activities taken place last three decades



**Objectives :** To improve the living condition of people in Lunawa North (Dehiwala – Mt. Lavinia Municipal Council) and in Lunawa South (Moratuwa Municipal Council) **by mitigating the flood damage through the improvement of urban drainage and canal system.**

**Beneficiaries** It is estimated that the Project would bring direct benefit to about 18, 000 families (About 100, 000 people) living in Lunawa Catchment area in Moratuwa & Dehiwala–Mt Lavinia Municipal councils.



## LEI&CDP and NIRP

The NIRP was adopted by the government after the design phase of the project, and just before the commencement of its implementation. Therefore, the government and the JBIC had agreed to change the scope of the project incorporating the NIRP principles and to undertake a detailed assessment on additional resource requirements including the financial commitments, with the assistance of UN-HABITAT technical inputs.

The original Resettlement Component of the project was revisited in the light of NIRP and the project budget was revised with additional funding of Rs. 600 M (US\$ 6.0 M).

# Change of Scope of LEI&CDP – Incorporating NIRP Principles

Preparatory Tasks accomplished;

- **Resettlement Policy Framework**

- Resettlement Strategy
- Review Legal Aspects
- Defining PAPs & Eligibility for Compensation
- NGOs as Partner Organizations
- Participatory Monitoring & Evaluation Mechanism (PMEM)
- PAP Entitlement Packages
- Implementation Guidelines
- Community Sensitization Program (CSP) & Community Information Center (CIC)
- Staff Training / Capacity Building
- Integrated Partnership Development Programme
- Guided Resettlement Programs and Social & Environment Safeguard Measures
- Grievance Redress Mechanism (GRM)

# LEI&CDP Resettlement Policy & Strategy (RPS)

- Designed to **translate NIRP principles into involuntary resettlement process of the project for mitigating potential losses and adverse impacts** that may be caused.
- The principle objective of the strategy is **to convert 'all Project Affected Persons (PAPs)' into 'Beneficiaries of the Project (BPs)'** implementing an adaptive and consultative resettlement planning process ensuring displaced and all APs are duly compensated for their losses at replacement cost and provided with rehabilitation measures and social upgrading programs to assist them to improve, or at least maintain, their pre-project living standards, income-earning capacity and wealth.

# Resettlement Framework Guiding Principles

- § **Avoid or minimize re-settlements / displacement**
- § Develop **re-settlement plans** for those to be displaced.
- § Compensate PAPs for their losses **at full replacement cost prior to actual displacements** and provide assistance to properly resettle.
- § Support PAPs during the transition period, and assist in their efforts to **improve their former living standards, income earning capacity, and production levels, or at least to restore them.**
- § **Focus special attention** on the **poor and vulnerable groups.**
- § **Community participation in planning** and **implementation**
- § Setup / develop **community organization** and support existing social and cultural institutions of resettlers and their host communities
- § **Resettlers should be integrated socially and economically into host communities** so that adverse impacts on host communities are minimized.
- § **The absence of legal title to land by such groups should not be a bar for proper entitlement.**

# Salient Features of the Resettlement Strategy

- **Stakeholder consultation** : decision making to be done in consultation with all stakeholders concerned.
- **Active participation of PAPs** : the key stakeholder, in the center of the resettlement process.
- **Adaptive and guided consultative resettlement planning** : Flexible and consultative planning with continuous refinements, incorporating lessons learned.
- **NGOs to act as intermediary**, between the project and PAPs
- **Participatory process** and guidelines/ procedures for project preparation, implementation, and monitoring with an objective to minimize potential losses and adverse impacts.
- **Work in partnerships** with all projects and programmes in the area.
- **Effective communication linkages** between PAPs and the Project-through **Community Information Center (CIC)**
- **Household Income and Social Restoration Programme.**

# PAPs, Entitlements Eligibility Criteria & Rehabilitation Measures

All displaced households are provided with **(a) a plot of land and full replacement cost of the house** or the **construction cost of the basic house whichever is higher** to build a replacement house, better or at least equivalent to the facilities and quality of their old houses and, **(b) financial assistance** (such as moving allowances/ temporary accommodation allowance) during relocation. **No displacement would be taken place, involuntarily, before providing the replacement land and paying the entitlement package.**

The following categories of persons are eligible to be considered as PAPs. (a) those who have **formal legal rights to land / house/assets**; (b) those who **do not have formal legal rights to land /house**,but have a claim to such land/house or assets-provided that such claims are recognized under the laws of the country, and (c) those who **have no recognizable legal right or claim to the land/house they are occupying.**

Persons covered under (a) and (b) above are eligible for **cash compensation for the value of land/house/assets they lose**, or the **replacement cost of the house & land**. Persons covered under (c) above are provided with entitlements including **replacement of land, basic shelter facilities and other resettlement assistance**, if they had **occupied in the project area prior to a cut-off date established.**

# Resettlement Process

Phase I: Start up and Orientation Phase

Phase II: Social & Technical Preparation Phase

Phase III- Participatory Resettlement Planning

Phase IV- Consultative and Guided Resettlement Execution

Phase

Phase V- Consolidation- Community Integration and Income

Restoration



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# Key Achievements : Project Management

- Re-assessed the financial implication of the resettlement component in the light of NIRP and **revised the project budget** - obtained additional **Rs 600 M** from the government
- **Refined Organizational Structure of the project** in keeping with the new changes of the government.
- Develop / implement **staff training & capacity building program** to implement novel resettlement program.
- Develop/ Implement **Integrated Partnership Development** Program jointly with all projects and programs implemented in the area.

# Key Achievements : Resettlement Sub Component

- Developed **Resettlement Policy, Participatory Resettlement Strategy**, Process and Activity Plans, and put them into practice
- Obtained a **leading NGO to assist and facilitate** PAPs in the resettlement process
  - Carried out detailed **Enumeration Survey** and developed data base on PAPs consisting of Family Profile for each PAP HH
  - Developed **PAP Entitlement Packages, Fixed assets registry** PAP offering alternate options, in consultation with all stakeholders, including PAPs
  - **Acquired lands, prepared resettlement sites, layout plans, house designing** in consultation with PAPs,
  - Developed / **Implemented guided resettlement programs tailor** made to various PAP categories, depending on their choice
  - Develop / **Implement Livelihood and Income Restoration program** in consultation with **affected PAPs.**

# Key Achievements : Resettlement Sub Component (Cont... 'd)

- Undertook comprehensive **Secondary Advance Impact Assessment** of the project on host community and prepared / implemented **Host Community Integration Program**
- Developed / implemented **Grievance Redress Mechanism**
- Developed / implemented **PAP and Private Sector Partnership Programs and established linkages with banks & PAPs.**
- Developed / implemented **effective Social Marketing and Information Dissemination Program.**
- Carried out **Knowledge, Attitude and Practices (KAP) Survey** and developed **Public Sensitization Program.**

# Current Status

Total No. of HHs to be Resettled – 567 (about 50% HHs living on unauthorized land, without proper tenure rights)

No. of Off Site Resettler HHs – 347

No. of On Site Resettler HHs – 220

No. of HH decided to resettle in resettlement sites in the catchment  
213

No. of HH decided to resettle in resettlement sites in off catchment  
134

No. of HH needing re-housing in the same land  
90

No. of HH needing refurbishment of their houses  
130

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# Key Achievements

- (a) 100% of HHs living on unauthorized land and on government permits have now agreed to resettle voluntarily accepting the entitlement package offered,
- (b) about 50% Involuntary Resettler HHs living without land tenure rights have been provided with replacement land and alternative entitlement packages to build a decent home, and,
- (c) 90% HH with legal ownerships of the land and houses, most of them are in middle and high income levels, have agreed to resettle voluntarily, while the rest have made appeals for higher entitlement, or waiting for the valuation reports.

## Key Achievements (Cont... 'd)

Entitlement Assessment of 'would be resettled' families has now been completed, and agreement reached on resettlement choices, MOU have been signed and value of basic entitlement has been deposited in the Bank of their choice.

Out of 347 'Off Site' HHs, 213 HHs decided to resettle in resettlement sites. 55 HHs have already started house construction and 25 families have completed their new houses. Out of 134 HHs decided to relocate off catchment, 56 have HHs already moved out after buying or constructing houses outside the catchment with the guidance and facilitation of the project

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## Mrs. Jesmin's Joy “ From a Temporary hut to a Permanent House after 38 years ”



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# The Story of Mr. Norbert Silva



Norbert's family is losing a Temporary House in the marshy Lunawa Canal Bank

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From a marshy slum .....  
to “Hyke Terrace”

Ceremonial foundation  
laying .....



“Home” building started .....

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**From a marshy slum .....  
to “Hyke Terrace”**



***Just across the canal in the  
same neighbourhood but in a  
more healthy, pleasant &  
convenient environment***

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<b>From a Marshy Slum To Hyke Terrace</b>		
	<b>Mrs. Jesmin's Family</b>	<b>Mr. Nobert Silva Family</b>
<b>What lost</b>	<b>Temporarily House and encroached land (No legal tenure right)</b>	<b>Temporarily House and land with legal ownership</b>
<b>What Gain/ Entitlements Received</b>	<b>Replacement land with legal ownership - 2 perch land free of cost in 'Hyke Terrace'<sup>1</sup></b>	<b>Replacement land with legal ownership - 4 Perches (2 P free and 2P on value) in 'Hyke Terrace'<sup>1</sup></b>
	Replacement cost of the house – <b>Rs. 400,000.00<sup>2</sup></b>	
	-	<b>Market value</b> of the acquired land
	Resettlement allowances <b>Rs. 15,000.00</b>	
	Income restoration – <b>Rs. 9,000.00</b>	
	Livelihood restoration grant – <b>Rs. 25,000.00</b>	

[1] One of the Resettlement Sites developed by the project

[2] Minimum amount equivalent to cost of the basic house as the replacement cost of existing house is lower than the cost of basic house

## **From a Marshy Slum To Hyke Terrace** (Cont... 'd)

Other Assistance, Support & Facilitation provided

**Housing Information & Advisory Services** (Technical assistance for designing & construction of the new house)

**Host community integration support / guidance**

**Income & social restoration assistance**

**Facilitation of low cost material procurement** & services (Masonry, Carpentry) and skill development

**Counseling & facilitation of life** re-establishment & social reorientation

**Banking facilities**

# Issues

About a half of PAPs, who have been living in slum and shanty settlements **without proper legal rights**, have been and, are being, successfully resettled in resettlement sites and off catchment areas, on their choices.

However, the project has faced with procedural delays in dealing with the entitlements to **formal land owners**, mainly due to the delay in amending the existing Land Acquisitions Act of 1960 incorporating the NIRP principles.

## Issues (Cont... 'd)

- a) **Long bureaucratic and conventional process of land acquisition** – Started two years back, but still not fully completed.
- b) **Undue delays in land surveying** - Land surveying for acquisitions have to be done through the Government Survey Department and, long delay in surveying has contributed to the delay in the land acquisition process.
- c) **Undue delay in valuation process and issues relating to valuation methodology** - The bureaucratic delays of the valuation has created unrest and uncertainty among PAPs having legal ownerships to their assets.
- d) **Issues relating to land title** :Deeds for most of the lands acquired are not clear, and title disputes caused undue delay in valuation of lands.

# Conclusion

The project has revised the scope of the resettlement component, incorporating the NIRP principles and developed and adopted **guided consultative and participatory development induce resettlement process.**

The new scope of the project has drastically changed the original resettlement component, making it a novel participatory resettlement process creating an innovative forerunner **'State of the Art' pro-poor Development Induced Involuntary Resettlement Program** with a set of new tools translating, first time, NIRP into practice in a complex urban context with an objective of **making 'PAPs' real beneficiaries and active partners of the entire development process, setting a 'Role Model' for participatory guided consultative resettlement program, creating a 'win-win' situation for all stakeholders.**

## **Conclusion (Cont... 'd)**

This innovative **pro-poor** approach on involuntary resettlement has ensured the tenure rights of the poor living in slum and shanty settlements.

However, undue delays caused in the conventional and bureaucratic land acquisition procedures, land surveying and valuation process have adversely affected the smooth implementation of the resettlement process of the project creating unrest among PAPs having legal ownership to their properties / assets.

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**End of Presentation**  
**Thank you**