



Village resettlement in Laos

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SOGES

Objectives of consultancy

Objectives:

- Investigate impacts of government resettlement schemes on EC-funded projects
- Contribute to efforts to:
 - Improve policy coherence across EC interventions and between EC & development partners
 - Enhance dialogue between EC and development partners

Two parts to presentation:

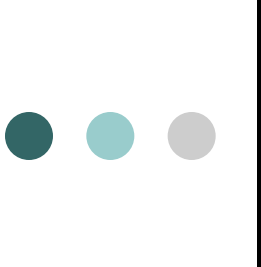
1. Overview of policy context, extent and impacts, current and future trends.
2. Rapid survey of EU-funded INGO projects' experiences with resettlement, plus general recommendations.



Resettlement in the overall policy context

- The Lao government has never promulgated a formal resettlement policy per se.
- Resettlement is instead officially regarded as a strategy to facilitate the implementation of a range of rural development and other policy initiatives.
- This reflects government aims to oversee a transition of non-Lao-Tai upland groups to sedentary livelihoods increasingly linked with the market economy.



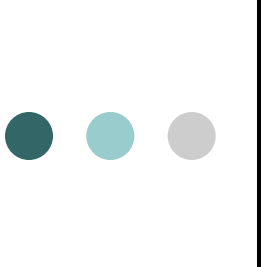
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- Although some policy documents (e.g. NGPES) do include the option of upland communities developing in situ, resettlement has emerged as a key feature of implementation of rural development policy since around 1990.
 - Resettlement schemes often characterised by tendency to underestimate people's reliance on local natural resources and the challenges involved in making a transition to new livelihood systems, as well as by poor policy execution.
 - Availability of development agency support has also been a significant factor in supporting resettlement.



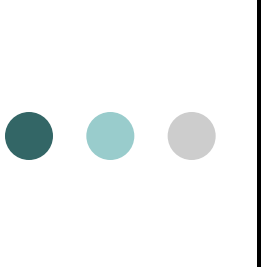
Role of the private sector

- Growth in FDI that has been a feature of past decade is likely to accelerate further.
- Natural resources sector particularly important, yet 'natural resource projects are being developed too fast to qualify as carefully planned and thoroughly assessed long-term investments' (World Bank *Lao PDR Development Report 2010*).
- Estimates of number of people likely to be resettled as a *direct* result of hydropower schemes range from around 100,000 to 280,000 (much smaller number likely from mining). These people are amongst the poorest & are disproportionately likely to be non-Lao-Tai.



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- On a national scale, it appears that organised village resettlement caused by agricultural or forestry concession establishment has to date been rare.
 - However, loss of access to resources due to concession establishment can undermine livelihoods to such an extent that villagers have few options other than to “choose” to move elsewhere. In effect, they have been forcibly displaced.
 - A mutually facilitative relationship between government resettlement strategy and private sector development, especially through FDI, appears to be emerging.



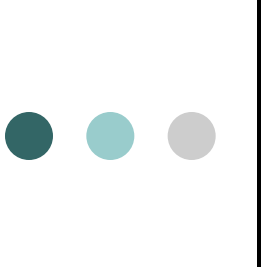
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- Lao legal framework governing natural resource management has been described as ‘mostly adequate’ (World Bank 2001c: 3).
 - However, implementation and enforcement of existing legislation needs to be greatly strengthened, which will require significant capacity-building at central, provincial and district levels as well as political will on the part of the government.



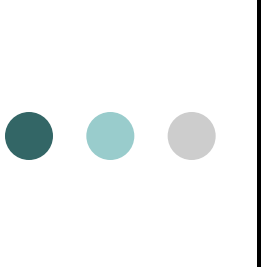
Voluntary or involuntary resettlement?

- Reports of villagers moving under the direct threat of force do exist, but lack of nationwide studies means it is not possible to reliably estimate the number or proportion of resettled villagers who have moved for this reason.
- Although Article 4.2 of PM Executive Order 36 (GoL 2009) states that persons to be resettled must be volunteers, the overall impression gained from the document is that villagers are expected to comply with government resettlement plans.
- However, there are cases where villagers willingly agree to resettlement, often in the hope of access to better land and/or public services.



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- Most resettlement lies somewhere between the extremes of ‘purely voluntary’ and ‘purely coerced’.
 - A key issue is that villagers’ livelihoods may be undermined (unintentionally or intentionally) to such an extent by government policies or the unregulated activities of private investors that they have little choice but to relocate. They have not been physically coerced but certainly their decision-making process has been highly constrained.



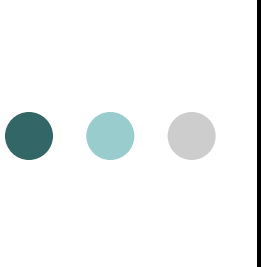
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- The processes surrounding the action of resettlement are extremely complex and varied.
 - Most resettlement is the result of negotiations between the provincial/district authorities and villagers, with the former applying varying degrees of pressure in some cases.
 - Support from international organisations may be promised by local government to villagers as an incentive to move.
 - Villagers also develop and apply their own strategies.
 - Attitudes towards resettlement may vary considerably amongst community members, with variables such as gender and age influencing people's views.



Extent of resettlement

- The lack of nationwide data makes it impossible to accurately estimate the total number of people who have been affected by resettlement.
- Only large-scale study that has been conducted (in 1996) estimated that the number of people to be displaced in the next five years ranged from 100,000 to 800,000 people, with some provincial reports indicating that over 50% of the upland population would be moved (Goudineau 1997). However, the lack of any comparable follow-up study means that the extent to which these plans were actually implemented is unknown.



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- Research conducted at a smaller scale does provide some insights into the actual extent of resettlement in particular locations: e.g. in Nalae District, Luang Nam Tha Province, 32% of the district population were resettled between 2001 and 2005 (Daviau 2006).
 - Baird and Shoemaker (2007) concluded that ‘tens of thousands’ of people (mostly non-Lao-Tai) had been negatively affected by resettlement in the previous 10 years. This is probably as accurate an estimate as is currently possible.



Impacts of resettlement

- Some researchers have reported positive impacts, e.g. improved access to education and health services, wage labouring opportunities and markets.
- However, most of the available research indicates that negative impacts (often very serious) have significantly outweighed positive ones, particularly in the first few years after resettlement. Negative impacts include:
 - High incidence of disease (diarrhoea, malaria)
 - Problems transitioning to new livelihood systems, resulting in (increased) food insecurity (often exacerbated by reduced access to traditional coping mechanisms, e.g. NTFPs).





- Other impacts reported: poorer nutritional status, reduced social cohesion, increased vulnerability to human trafficking and new forms of drug addiction.
- Daviau (2006) concluded that the transition period required by the resettled populations in his study in order to reach acceptable living standards was two to three years with regard to housing and over five years with regard to food security.
- Resettlement also has significant impacts upon development project implementation (see Part 2).

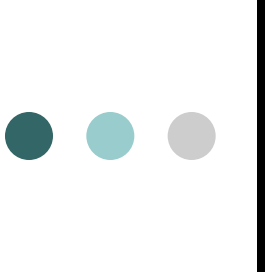




Future trends

- Resettlement is likely to continue to form an important part of government development strategy.
 - The government's intention to continue with Village Consolidation (VC) and Development Village Cluster (DVC) establishment is confirmed by the Seventh NSEDP.
- Private sector:
 - Mining and, in particular, hydropower schemes will involve significant resettlement.
 - Agricultural and forestry concessions currently linked more to displacement, but linkages with government resettlement schemes appear to be becoming more explicit.



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- ‘Unregulated internal migration’ (GoL term) is a growing concern for government; limited research available.
 - Involves the independent migration of individuals and households, mostly from poor rural areas to better-off rural or urban locations
 - Can be driven by a range of factors, including shifting cultivation stabilisation policies as well as failed resettlement schemes and individuals’ basic desire for a better life.
 - Resettlement is one of the responses proposed by the government in Prime Ministerial Executive Order 36 (2009), promulgated to address the issue.





Part 2: Rapid survey of EU-funded INGO projects + Recommendations



Rapid survey of EU-funded INGOs

- Survey form & follow-up interviews with some respondents.
- Criteria: current EC-funded projects + completed EC-funded projects that finished after 31 December 2009.
- Survey form sent to 16 INGOs. 12 INGOs (75%) responded, submitting forms for 16 different projects (2 in south, 1 in central Laos and 13 in north).
- Project target populations are ethnically diverse, with non-Lao-Tai groups forming the majority of beneficiaries.
- Sample size quite small: should be cautious in drawing conclusions and extrapolating them.

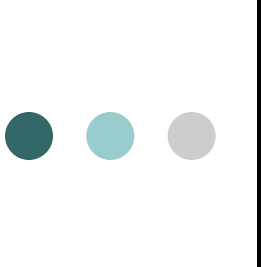




Basic data on projects covered by the survey responses

Total number of target villages	Total population of target villages	Total number of households	Total number of direct beneficiaries	Total EU budget contribution (EUR)
529	304,919	30,008	124,921	9,938,092



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- 5.3% of target villages (28 villages, 8,232 persons) have been resettled during project implementation due to government policies (e.g. Village Consolidation).
 - % of villages resettled in an individual project ranged from a maximum of 25% to a minimum of 0%.
 - No target villages were resettled due to private sector development (PSD).
 - 1.3% of target villages (7 villages, 1,030 persons) resettled on villagers' own initiative, reportedly in order to gain access to better land, water sources and/or to improved health, education and market services.

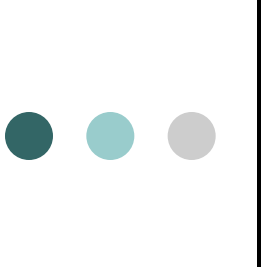




Of the target villages resettled due to government policies:

- 64.3% were resettled due to Village Consolidation (VC).
- 10.7% were resettled due to Development Village Cluster (DVC) or Focal Site (FS) establishment.
- 21.4% were resettled due to efforts to improve access to markets and public services that were not part of broader VC, DVC or FS initiatives (for example, by moving individual villages to a roadside).
- 3.6% were resettled due to Land and Forest Allocation / stabilisation of shifting cultivation policies.



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- Findings suggest that the main government policy drivers of resettlement in EU-funded INGO projects over the past four years have been those related to VC or DVC / FS establishment, as well other efforts to improve access to markets and services.
 - However, the various government policies that can act as drivers of resettlement are often inter-linked, and it can therefore be very difficult to disaggregate their respective levels of influence on the resettlement process.
 - Impacts on target populations reported were in-line with those revealed by existing research (Part 1).



Impacts on project implementation

- Eight of the 16 projects (50%) reported impacts from government policy-driven resettlement on project implementation.
- Key impacts included:
 - an inability to achieve specified project objectives;
 - disrupted implementation due to rapid population increase in target villages, causing conflicts between resettled and local people as well as putting pressure on project financial resources;
 - uncertainty over resettlement plans causing both project management and villagers to be reluctant to begin project activities.
- No impacts were reported from resettlement that occurred on villagers' own initiative.

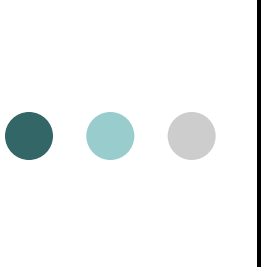


INGO responses to resettlement

Most INGOs' initial response is to discuss the issue with government authorities, but beyond this approaches vary quite significantly:

- At one end of the spectrum, one INGO provides a full set of services to resettled villagers, including WATSAN infrastructure.
- At the other end, another INGO specifically limits its assistance to humanitarian aid and categorically will not provide any form of infrastructure to resettled villagers.
- Although most INGOs share a perception that the Delegation does not support resettlement, clearer Delegation guidelines on the issue were consistently requested.



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- Though none of the INGOs has a formal policy on resettlement, all of them oppose forced resettlement.
 - Some INGOs are following Delegation guidance provided in relation to a Call for Proposals that suggests that support can be provided to resettled communities after at least two years have elapsed since their resettlement.
 - Some INGOs negotiate with local government (or obtain guarantees prior to implementation) for no resettlement of target villages to take place. Success has been limited.



INGO expectations of the Delegation

INGO expectations were mixed:

- One INGO stated that it wants the Delegation to retain its perceived policy of no provision of support to resettled villages (at least within the first two years following resettlement), as a softening of this stance would lead to ‘a new wave of resettlements’.
- In contrast, another INGO suggested that the Delegation should be more flexible in its stance towards resettlement, facilitating budget amendments required to deal with resettled populations.
- There is a widely held expectation that the Delegation should play an advocacy role with regard to the government, especially at central level.





Recommendations

i. Support further research

- Large scale survey (follow-up to Goudineau 1997)
- Longitudinal studies to assess impact over longer timeframes in selected locations
- Research into gendered impacts of resettlement

ii. Develop clear organisational positions on resettlement

- Essential first step towards increased effectiveness and engagement with other stakeholders
- Ideally, development actors should adopt positions that are at least broadly consistent with each other





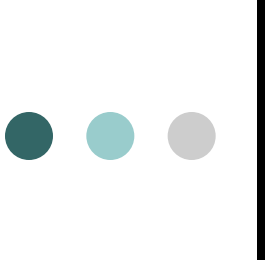
iii. Strive to reinvigorate dialogue with government, aiming at mutual agreement upon a set of principles and an approach to resettlement

- Set the issue of resettlement in the broader rural development context, linking human rights and livelihood development aspects.
- Dialogue partners: NLBRDPE, MAF, MONRE, MPI...

iv. Develop a set of criteria (ideally in consultation with the NLBRDPE & other government agencies) to define acceptable form(s) of resettlement

- Process of development should also lead to more coherent position across donors & INGOs





v. Facilitate the in situ development of upland communities wherever possible, in line with above criteria

- Involves advocacy and technical assistance focused on a range of policy areas, including shifting cultivation stabilisation, LFA and the management of FDI.
- Research commissioned under Recommendation (i) should help to provide a basis for advocacy.

vi. Build a common position amongst key development partners

- Critical to maximize development actors' effectiveness.
- Strive to involve countries that are home to governments and/or companies that are major investors in Laos.





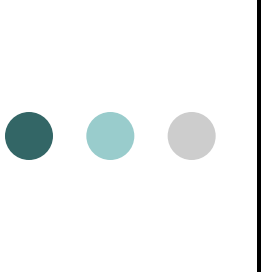
vii. Improve the gathering, consolidation and analysis of data on resettlement across the country

- E.g.: development of a standard format for data collection; establishment of a database; support to INGO/CSO network formation at provincial level.

viii. Use a variety of mechanisms to address governance and human rights aspects of resettlement

- Support initiatives at the community level to raise people's awareness of their rights under Lao law and build their capacity to claim those rights.



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- Support the further development of a cadre of national trainers on community rights.
 - Support initiatives to expand legal aid.
 - Engage with National Assembly members

ix. Work to improve the legal and regulatory framework governing relevant types of private sector development

- Advocacy and technical & institutional capacity-building to improve government management of FDI.
- Particular focus on WREA (absorbed into MONRE), which has broad responsibilities to ensure that environmental and social impact legislation is followed, but has limited capacity, particularly at the provincial level and below.

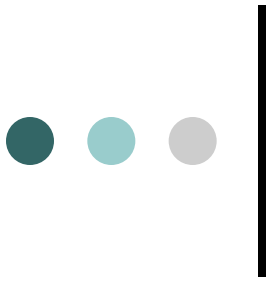




x. **Support innovative approaches to encourage the compliance of investors with relevant Lao laws and regulations**

- Seek ways to encourage private sector companies to comply voluntarily with legislation.
- Since the FDI issue is regional (if not global), local efforts to encourage compliance should link with broader initiatives.





Thank you!





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