

## Practices for Minimizing Resettlement Impacts – Lessons from Zambia

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### 1. Introduction

The Millennium Challenge Corporation financed the Lusaka Water Supply, Sanitation and Drainage (LWSSD) Project through a Compact with the Government of the Republic of Zambia. The Compact established the Millennium Challenge Account –Zambia (MCA-Zambia) which is responsible for implementing the project within a fixed five-year duration starting on 15 November 2013. The project was implemented through the nine Contract Packages (CPs)<sup>1</sup>:

- CPs 1, 2, 3, 5, and 6: construction of water and sewer pipelines (approximately 550 km);
- CPs 7, 8, and 10: rehabilitation and expansion of existing drainage facilities (approximately 24 km); and
- CP4: rehabilitation and expansion of existing sewerage ponds (approximately 30 ha).

Apart from CP4, the other eight CPs were linear projects through mostly densely populated landscape in Lusaka.

### 2. The Resettlement Action Plan

Three RAPs were prepared in conformance with the International Finance Corporation Performance Standard 5 (IFC-PS5) – one for water and sanitation projects CPs 2 to 5 in December 2013<sup>2</sup>, one for drainage projects CPs 7 and 8 in March 2014, and one for drainage project CP10 in September 2014.

The RAPs were prepared during infrastructure design development. The construction corridor was defined by the Detailed Design Engineer<sup>3</sup>(DDE)<sup>4</sup> taking into account the working space and laydown area required for construction. For the water and sanitation projects, the CC varied between 3.5 m and 5 m wide. For the drainage projects, the CC varied between 8m and 24.9m at the widest point.

In the context of this project, “Resettlement” was compensation for impacted assets, including land, physical relocations, and loss of livelihood. A total of 1,582 PAPs were identified in the RAP: 1,008 across water and sanitation projects and 574 across drainage projects.

### 3. Implementation Strategy

The Resettlement Implementation Consultant (RIC) s objective was to prepare the CCs in a timely manner so that construction contractors could commence work and fulfil the overall Project timelines. The goal from the resettlement perspective was to reduce impacts where possible and ensure that PAPs were left the same or better off post-project. To achieve this objective, the RIC employed the following strategies at the onset of its implementation activities.

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<sup>1</sup> Contract Packages.

<sup>2</sup> Sufficient infrastructure plans were not available to determine numbers of PAPs for CPs1 and 6 at the time of RAP preparation; provisions were made to address anticipated impacts during implementation.

<sup>3</sup>.

<sup>4</sup> Detailed Design Engineer.

**CC Preparation in sections:** The linear CP contracts did not stipulate complete handover of the entire length of the project site at the end of contractor’s mobilization period. This allowed the RIC to divide each linear CP into multiple sections, and prepare the CC in sections prior to handing it over for construction. CP4 was the only project limited to a polygonal area which was handed over in its entirety. The contractors for each CP mobilized between late 2015 and early 2016. All contractors adopted the RIC’s strategy in their program of work. This gave the RIC the flexibility to develop its work plan in line with the contractor’s schedule, to work on different CPs simultaneously, and to successfully hand over CPs in sections without delaying the contractors.

**Community engagement:** A deliberate effort was made to re-engage most of the field team members who were involved in all three RAPs as members of the RIC team. This provided continuity and familiarity with the PAPs, and benefitted the RIC’s community engagement strategy, which is built on two basic tenets: establishing trust with PAPs through respectful interaction, transparent communication and consistent messaging, and addressing PAP and community concerns through timely follow-up and resolution. This strategy proved successful in optimizing the time taken to reach agreements with PAPs, contributing to RIC’s efficiency, and improving PAP outcomes.

#### 4. Implementation

The RIC commenced its PAP engagement activities by June 2015, approximately 18 months after RAP development. By January 2018, the RIC handed over 96 percent of the total CP sites without delaying construction. The RIC accomplished this despite a 176-percent increase in the number of PAPs as documented in Table 2.

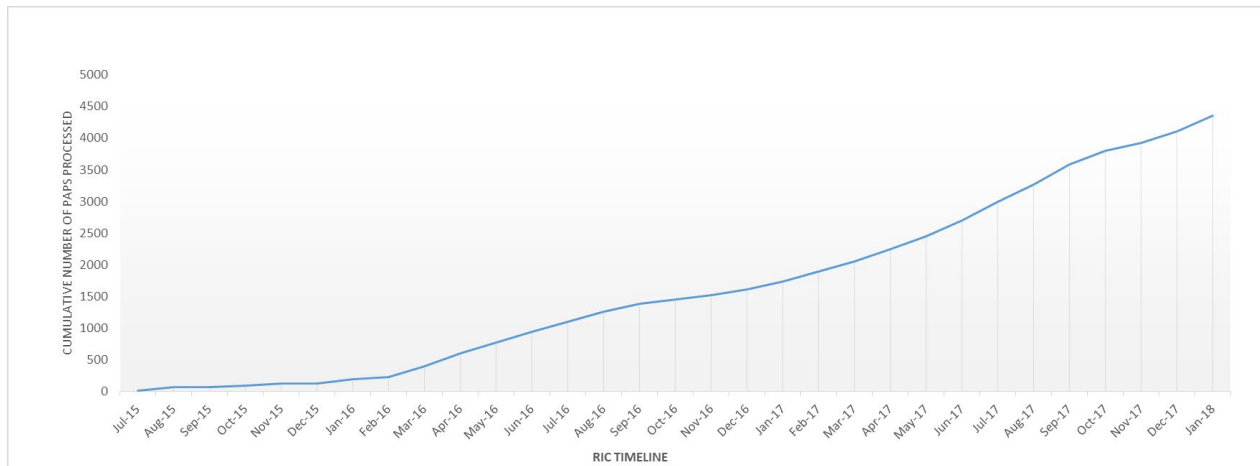
**Table 2: Number of PAPs and Reason for Increased Impacts during Implementation**

CP	Number of PAPs Submitted for Payment	Increase	Reasons for the Increase in Number of PAPs
1	13	-	
2	410	737%	Increased number of impacts in market areas due to increased commercial activity since 2013, and widened CC in one market area during construction.
3	975	37%	Densely populated, mostly informally settled residential and market areas with natural growth of population and development since 2013, and changes in pipe alignment in some market areas.
4	40	14%	Additional land acquisition identified during construction
5	542	156%	Formal middle-class and low-income informal settlements with natural growth of population and development since 2013, and changes in pipe alignment.
6	1,551	-	
7 & 8	674	46%	Natural growth of population and development in the project area since 2014, and; additional impacts identified

CP	Number of PAPs Submitted for Payment	Increase	Reasons for the Increase in Number of PAPs
			within the CC that were not defined during RAP preparation.
10	159	41%	Redesign and expansion of the CC during construction.
<b>Total</b>	<b>4,364</b>	<b>176%</b>	

CP6, which was included in the original study because of lack of engineering definition, turned out to have over a third of the new cases. Across the remaining CPs, a 78-percent increase in total PAPs occurred. Figure 1 illustrates this trend over time.

**Figure 1: Cumulative Number of PAPs between July 2015 and January 2018**



Initially, the RIC’s implementation strategy helped prepare CC in time for construction for multiple CPs, but the significant increase in PAPs added pressure on the resettlement budget and implementation timeline. By March 2016, the RIC was confronted with the challenge of processing approximately six times the number of PAPs anticipated within a fixed timeframe. This risked delays in handover of sections and interruptions to construction, resulting in claims with significant cost implications. Consequently, resettlement became a key project risk

## 5. Practices to Mitigate Risks

The RIC added the following practices to its implementation strategy to reduce resettlement impacts and mitigate risk of construction delays.

**Measure 1: Pre-resettlement walk-throughs** – In August 2016, MCA-Zambia instituted, pre-resettlement walk-throughs for the RIC, the DDE, the CSE<sup>5</sup>, and the contractors to review and optimize the CC by reducing impacts. Many PAPs in the sections of CP3 initially handed over were avoided by the contractor during construction. During the walk-throughs, the contractor identified impacts within the CC that could be avoided and made recommendations to shift the CC or realign pipes within the CC to avoid impacts. This helped to eliminate compensating those within the CC whose impacts would be avoided, identify

<sup>5</sup> Construction Supervising Engineer

impacts within the CC that could be avoided, minimize disruption to the community, and mitigate social tension.

Measure 2: PAP documentation – The contractors were responsible for protecting the CC from encroachment once a section was handed over for construction. During handover of a section, the RIC provided a list of PAPs (identified by PAP IDs) with their location (GPS coordinates) and a PAP location map. This documented the PAPs within the CC at the time of handover and the contractor’s responsibility to protect the CC from encroachment.

Measure 3: Resettlement workshops – The RIC conducted workshops with each contractor in the presence of CSE and MCA-Zambia to reinforce the principles of resettlement versus construction management matters, and the use of PAP documentation to mitigate construction-related risks. This benefitted the contractor’s community engagement activities and reduced resettlement-related grievances during the construction process.

Measure 4: Pre-construction walk-throughs – MCA-Zambia encouraged the CSE to conduct *pre-construction* walk-throughs with the RIC and the contractors to review the PAP documentation and clarify resettlement-related concerns with the contractor prior to construction. This allowed the CSE to reinforce the contractor’s responsibility against encroachment, or compensate any encroachment-related impact – an incentive for the contractor to avoid unnecessary impacts within and outside the CC.

## 6. Additional Strategies for Future Consideration

The above measures helped to mitigate risk of delaying construction; however, there were still challenges in reducing impacts even further, as evidenced by the 176-percent increase in PAPs.

The following are key issues identified in the process, and additional strategies to mitigate challenges on future projects.

**Key Issue 1:** Changes in infrastructure plans and population growth across project areas during the period between RAP development and implementation resulted in a significant PAP increase. To further mitigate this, resettlement activity planning should be integrated with relevant project implementation activities to phase activities in a timely manner. Strategies to achieve this include:

- Completing the required engineering designs sufficiently in advance that resettlement planning needs can be determined in a timely and adequate fashion
- Developing an integrated work plan early in the project planning phase that includes all programme activities.
- Closely linking RAP development and implementation with other infrastructure planning activities through the completion of those activities;
- Developing a RAP framework during the early phase of infrastructure development to identify general resettlement impacts, challenges, and a preliminary implementation budget; and,
- Developing a detailed RAP during the final phase of the infrastructure development to confirm the estimated of number of PAPs and resettlement budget.

**Key Issue 2:** Providing incentives among project implementing partners, including engineers, program managers, and contractors, to minimize resettlement impacts can reduce construction delays and succeed in developing sustainable projects in a socially responsible manner. Encouraging collaboration and

minimizing impacts should be a desired project outcome on development projects for all responsible implementers. Strategies to achieve this include:

- Developing an implementation strategy during RAP that is integrated with the overall project implementation strategy, and identifying relevant obligations required of engineers, managers, and contractors to be included in their respective contracts;
- Introducing measures from this project as contractual obligations for contractors; decisions made during walk-throughs should also be contractually binding without impeding on the contractor's means and method;
- Including contractual obligations to achieve reduced impacts in the Terms of Reference for the DDE and CSE. Reducing involuntary impacts should be stipulated as a key basis of infrastructure design, including performing alternative analyses that consider optimizing CC, and;
- Instituting resettlement workshops at the beginning of the planning (for DDE) and implementation process (CSE & contractors) to confirm resettlement obligations.