

LIVELIHOOD RESTORATION FOR VULNERABLE PERSON

Introduction

- Project development, either conducted by the Government, donors, or private sector, cannot be spared from land eviction or land acquisition.
- Land acquisition will entail with physical (relocation or loss of shelter) and economic displacement (loss of assets or access to assets that leads to loss of income sources or other means of livelihood) to the affected parties.

Introduction

- In the view of international regulations, the project's initiator required to avoid severe long term hardship, impoverishment, and environmental damages upon the appropriate measures are carefully planned and carried out through the project's Environmental and Social Management System.
- Therefore a mitigation of physical and economic displacement needs to establish to ensure improvement or at least restored the land owners or land occupiers livelihood.

Key Chalange

- How to balance investments requiring the acquisition of land with the risks such projects can pose to local livelihoods, especially to the vulnerable person.
- Increased responsibility must be taken by States, parastatals and private companies in making investments.
- The crucial issues often faced by the Project initiator are about the objectivity and validity in determining who are the vulnerable people.
- The Project development initiator is required to develop an appropriate livelihood restoration programme for the management of project-related investments which ensures they are inclusive, transparent, accountable, equitable and sustainable.

Livelihood Restoration Strategy

- The Livelihood Restoration Strategy (LRS) is to prevent and mitigate the potential adverse impacts to the vulnerable PAPs as a direct result of the resettlement process.
- To recognize the potential and magnitude of adverse impacts could be identified through the following approach:
 1. LRS for vulnerable PAPs should refer to the ecological conditions, livelihoods and socio-cultural characteristics possessed by PAPs.
 2. The LRS should be able to support the PAPs to gain a similar or even better livelihood, independently. It is important that the land acquisition and resettlement process will not cause a dependency to the project which eventually would make more problems in the future.

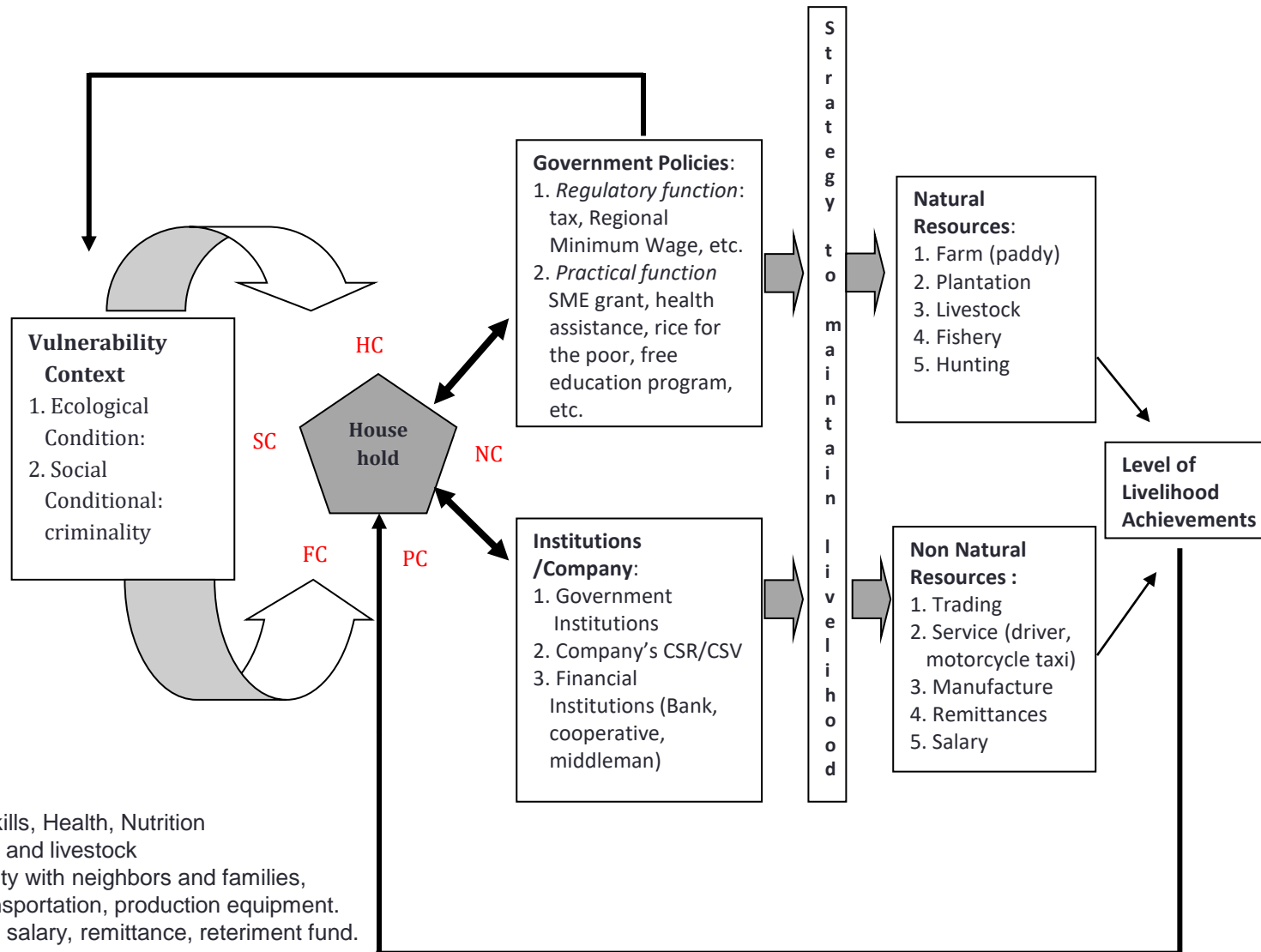
Livelihood Restoration Strategy

3. The LRS should be focused on the characteristics of the vulnerability and potential sources of livelihood assets owned by each household, either in the form of Natural Capital, Human Capital, Financial Capital, Social Capital and Physical Capital.
4. Involving representatives of both communities, the project-affected people and host populations, in the consultation process to build familiarity and to resolve disputes that are expected to arise during and after the resettlement process.

The usefulness of Sustainable Livelihood Framework (SLF)

- SLF is one way to deepen our understanding of community livelihood and poverty.
- The framework can describe main factors affecting the livelihood of the vulnerable person/household and the relationships among these factors.
- As the basis for developing an appropriate livelihood restoration plan.
- To design livelihood restoration plan for vulnerable person and their household more measurable based on identification of the livelihood assets - i.e. natural capital, human capital, physical capital, and social capital - and their vulnerability context.
- This concept also can be used for planning development programs and to assess the contributions that have been made in relation to community empowerment activities.

Livelihood Sustainability Framework



Information :

HC (Human Capital): Education, Skills, Health, Nutrition

NC (Natural Capital): Land, fishery, and livestock

SC (Social Capital): Trust, reciprocity with neighbors and families,

PC (Physical Capital): Houses, transportation, production equipment.

FC (Finance Capital): Saving, debt, salary, remittance, retirement fund.

Case Study 1 – Determining Vulnerable Group

Nickel Mining Project, Central Halmahera, North Maluku, Indonesia

- Since 2008 the Project has conducted land acquisition to the 216 land claimants
- By using the specific vulnerability criteria which refers to Livelihood Sustainable Framework, finally the project could identify 19 claimants who are categorized as vulnerable group.
- It is understood that vulnerability assessment with reference to the World Bank standards typically can not be fully implemented due to the condition of local characteristics that is vary from one area to another so it becomes difficult to get a detailed pictures of the claimant's vulnerability.
- However, the Indicators of the World Bank still could be used as an initial screening to estimate the number of vulnerable claimants, but to get a more real picture and the accuracy of claimant's living condition, an analysis by using Livelihood Sustainable Framework become more useful.
- By analyzing data of the vulnerable claimants using Livelihood Sustainable Framework expected the interventions to empower vulnerable claimants by the Project would be more focused and measurable.

Case Study 1 – Determining Vulnerable Group

- To identify the project affected household whose live in vulnerable conditions or not several parties perform measurements using different indicators.
- Based on Vulnerability Context Analysis, the Project perform measurements using 10 criteria and indicators. Among others are:
 1. Per Capita Income Below the Central Halmahera Poverty Line
 2. Age over 55 years old
 3. Disable Member of Households
 4. Widow as Head of Household
 5. Dependency Ratio higher than 100%
 6. Eats 2 or less meals/day
 7. Doesn't get help from family or neighbors
 8. No transportation facilities
 9. Non-permanent house
 10. No private latrine facilities
- In determining a vulnerable claimants in this study firstly would refer to the claimants whose per capita income per year is under World Bank and Central Halmahera poverty line standard, and coupled with 3 or more other criteria above.

The List of Vulnerable Claimants

No.	Claimants	Per Capita Income under Central Halmahera poverty line	Age over 55 years old	Household Member with Disable	Widow as Head of Household	Dependency Ratio > 100%	Eats 2 or less meals/day	Does not get help from family or neighbors	No transportation facilities	Non-Permanent house	No Private Latrine Facilities	Total
1	Cornelius	✓	✓			✓					✓	4
2	Dalifa	✓	✓			✓		✓		✓		5
3	Eli Yakim	✓				✓		✓	✓	✓	✓	6
4	Fredek	✓	✓					✓	✓			4
5	Hersina	✓	✓			✓			✓		✓	5
6	Jhon Pata	✓							✓	✓	✓	4
7	Lasarus	✓							✓	✓	✓	4
8	Leo Guslaw	✓	✓					✓			✓	4
9	Leonard	✓	✓		✓				✓			5
10	Lince Suhudi	✓	✓		✓				✓			5
11	Lorenz Tiang	✓	✓					✓	✓		✓	5
12	Nikanor Pata	✓	✓						✓		✓	4
13	Ruben	✓	✓				✓		✓			4
14	Salomi	✓	✓			✓			✓			4
15	Sugeng	✓				✓				✓	✓	4
16	Yeheskel	✓	✓				✓	✓	✓		✓	6
17	Yomima	✓	✓		✓						✓	4
18	Yuliana	✓			✓	✓			✓	✓	✓	6
19	Yusak	✓				✓			✓		✓	4
Σ		19	13	0	4	8	2	6	14	6	13	

Case Study 2 – Developing Livelihood Restoration Plan

- A company proposes to develop the Hydro Electrical Power Plant Project in order to accelerate Power Projects development in North Sumatra region.
- In 2012 the existing area has been secured was 59,65 Ha and under the current design the Project requires 35,59 Ha additional land area to be cleared and compensated.
- The Project's land acquisition process expected will entail with physical (relocation or loss of shelter) and economic displacement (loss of assets or access to assets that leads to loss of income sources or other means of livelihood) to the affected parties, since some of the area to be secured is including the sites of semi-permanent houses, plantations, and huts which area located in protected forest area are occupied by the local inhabitant.

Socio Economic Information

Livelihood System:

- Most of village people in the Project footprints depends their livelihood on agriculture, especially large of rubber and palm oil plantation, and rice field.
- The villagers generally cultivate rice field that mostly only for farmer's family consumption, whilst for rubber and palm oil plantation is supposed as the main economic commodities for household income.
- Prior to the year 2014, palm oil commodity prices at the level of collecting trader in village ranging from IDR 800 to IDR 900 per kilogram.
- By the early 2015 to the date purchase price of palm oil at the local farmers continues to decline until just reached between IDR 300 to IDR 400 per kilogram.
- Even though all of the villagers commonly farmers, however they didn't used to plant various vegetables for economic commodities due to the lack of road access and the high costs for transportation.

Claimants Households Livelihood Condition

- Decreasing of palm oil and rubber prices has impacting the income levels of PAPs into insufficient condition (relatively to be poor).
- Commonly the PAP's household income per month is far below the Toba-Samosir Regency Minimum Wage and the consumption or income level of each PAP's family member are generally falls below from \$1.00 per day.
- In general, educational background and skills of human resources in the villages around the project is quite low due to the lack of education facilities and economic inability to pay for school.
- Despite the fact that agriculture is very unlikely to make them prosperous, it is still the number one choice since farming is their best skill.

The Pattern of Patron – Client Relationship

- Considering lack of capital constraints, many PAPs should borrow seeds, fertilizers, consumer goods, and money from the middlemen and will be paid at the time of the crops harvest.
- The middlemen are usually the villagers that are quite wealthy, or the trading collectors from the outside village.
- The prices of seeds, fertilizers, and consumer goods that bought by farmers are much higher than the price in market, whilst the crops prices that sold to the middlemen are cheaper than price in the market.
- Considering the PAPs do not have any other alternative sources of capital to maintain farming and family consumption then this adverse cooperation will keep continue to take place.
- As the result the PAPs are getting poorer and more dependent on the middlemen.

Livelihood Restoration Development Scheme for Project Vulnerable Affected Person

Natural Capital

- Livelihood restoration program in the form of land based
- The establishment of mixed farming that is suitable with the ecological of the site; i.e. vegetable crops, fruits, livestock, freshwater fish cultivation, and others
- Increase the value added of the products
- Strengthening the market access.

Human Capital

- Livelihood restoration plan should be focused on the interests, talents, and expertise possessed by each individual
- The enhancement of the skills and knowledge of PAPs in specific areas through training programs
- Scholarships program for PAP's children

Social Capital

- Empowering the social network between individuals and social institutions into economic benefits, particularly in facilitating the flow of income
- Empowering traditional institutions to facilitate economic cooperation and networking among the villagers
- Introduce the new local economic institution like joint venture group or cooperative to empower the local people in developing economic sector

Physical Capital

- Focus to minimize the vulnerability of physical capital and enhance the ability of PAPs to possess or to access physical assets to support family life and economic activity
- Provide clean water, bathroom and latrine facilities, modern equipment and technology to support economic activities.

Financial Capital

- Provide funding to obtain business capital
- The establishment of livelihood restoration programs to restore and increasing the income of PAPs above the regional minimum wage and world bank's poverty line standards.

Livelihood Development Assistance Framework For Significantly Affected People

Name of PAP	Age	Occupation	Livelihood Development Assistance				
			Natural Capital	Human Capital	Physical Capital	Social Capital	Financial Capital
Roy Simanjuntak	27	Farmer	<ul style="list-style-type: none"> - Vegetables crop farming - Livestock (chicken) 	<ul style="list-style-type: none"> - Training on vegetables crop & chicken cultivation. - Scholarship for children - Training and setting up small business for women group. 	<ul style="list-style-type: none"> - Town house with clean water, bathrom & latrine facilities - Small business facilities for woman 	<ul style="list-style-type: none"> - Joint venture or cooperative groups - Market access and networking - 	<ul style="list-style-type: none"> - Additional income from vegetables crop & Chicken - Addition income from women small business group - Additional income from job opportunity
Kesman Nababan	29	Fruit Farmer, Carpenter, and Driver	<ul style="list-style-type: none"> - Vegetables crop farming - Livestock (chicken) 	<ul style="list-style-type: none"> - Training on vegetables crop & chicken cultivation. - Scholarship for children - Training and setting up small business for women group. 	<ul style="list-style-type: none"> - Town house with clean water, bathroom & latrine facilities - Small business facilities for woman 	<ul style="list-style-type: none"> - Joint venture or cooperative groups - Market access and networking 	<ul style="list-style-type: none"> - Additional income from vegetables crop & Chicken - Addition income from women small business group - Additional income from job opportunity
Aret Pane	80	Old Farmer	<ul style="list-style-type: none"> - Vegetables crop farming - Livestock (chicken) 	<ul style="list-style-type: none"> - Training on vegetables crop & chicken cultivation. 	<ul style="list-style-type: none"> - Town house with clean water, bathroom & latrine facilities 	<ul style="list-style-type: none"> - Joint venture or cooperative groups - Market access and networking 	<ul style="list-style-type: none"> - Additional income from vegetables crop & Chicken - Cash resettlement subsidy



Terima kasih