LIVELIHOOD RESTORATION IN URBANISING ENVIRONMENTS

ANGELA REEMAN, REEMAN CONSULTING PTY LTD
# Asia and Urbanization

<table>
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<td>1.3</td>
<td>7</td>
<td>22</td>
<td>38</td>
<td>2.3</td>
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Source: Asian Development Bank
OVERVIEW

• With rapid industrialization in Asia has come rapid transition of societies
• Increasingly common to see resettlement programs move communities from rural to semi-urban or urban environments
• Urban environments can present great livelihood improvement opportunities for displaced people
• But, livelihood models typically assume either a rural or urban context
• New/improved/diversified models are needed for communities in transition
LIVELIHOODS IN TRANSITION: SOME OPPORTUNITIES

• More abundant employment options (e.g., good for youth)
• Larger market for small and medium enterprises
• Greater training and skills development opportunities
• Better transport links and mobility
• Higher wages, sometimes, but not always
AND SOME RISKS

- Job markets can be very competitive in urban Asia
- Communities in urban-rural fringe areas often have lower skills
- It is difficult to transition from subsistence to other, often more formal, livelihood activities
- Vulnerable people and other cohorts are most challenging to assist
- Some national legislation/practices encourage ‘cashing out’ of livelihood restoration
EMPLOYMENT AND LIVELIHOODS

• Urban resettlement commonly relies on “jobs” to address economic displacement impacts
• Overstating local content prospects remains common
• Most developments intend to maximize local jobs
• But, defining “local” is often problematic
• And, giving preference to economically displaced people does not happen on its own
• Barriers to employment are also commonly underestimated, e.g., skills, job-readiness, etc
Example 1 – Real Employment Opportunities - Myanmar

- Industrial zone on edge of major city
- Land acquisition and resettlement in stages
- Several thousand construction workers for stage 1
- Preference given to displaced families for training and job-matching
- But, most are casual labourers or farmers who have found it difficult to transition and require further support
Example 1 – Myanmar Continued

• There are good intentions to maximize local employment, but this is relatively new in Myanmar
• Intense NGO and external scrutiny has also influenced displaced people’s expectations
• Forecasting jobs has been challenging with many contractors and factories involved
• Local authorities are engaged in recruitment process, but it is new and they have limited experience and resources
• Strong monitoring of displaced people has helped to assess if livelihood restoration is being achieved
TRAINING AND JOB-MATCHING

• Sometimes training and/or job-matching alone will be enough – but not often
• Job-readiness training and mentoring are important but not readily provided
• Often barriers to training need to be removed, e.g., transport fees, daily allowances, etc
• How much is enough support for displaced people to obtain and maintain jobs (e.g., subsidies, materials, agreements…)?

“We gave them training and a job offer but they didn’t take it or they didn’t stay”...
Example 2 – Urban Living Vs. Subsistence Livelihoods - Vietnam

- Major industrial facility in rapidly urbanising area
- Rural to urban resettlement and numerous surrounding resettlements
- Many resettled families chose not to build replacement house
- Some are using plots for livelihood activities (e.g., garden cultivation) or are selling them

- Extended families have reintegrated / cohabited
- Some cohorts face particular difficulties in gaining employment, e.g., over 40’s
Example 2 – Vietnam Continued

• Maximising Local Content

**Strong Local Recruitment:**
• Strong local recruitment policies and requirements for sub-contractors
• Support to sub-contractors

**Job-seeker registration and support:**
• All interested resettlement-affected job seekers were registered
• Main recruitment office and branch offices; plus dedicated staff

**Recruitment Campaigns:**
• Widespread job advertisement campaigns
• No informal hiring
WHAT ABOUT SMALL TO MEDIUM BUSINESSES?
Important livelihood activity for most families in urbanising areas

Some businesses can be readily resettled, but not all

What about impacts to informal or non-registered businesses?
SUCCESSFUL SMALL SCALE BUSINESS DEVELOPMENT

MARKET DRIVEN
- Market assessment
- Business plans

CAPITAL INVESTMENT
- Capital investment
- Materials, equipment

TRAINING
- Technical/vocational
- Community-based
- Transport & daily allowances

ACCESS TO CREDIT
- Small-scale loans
- Institutional or community microfinance

MONITORING & OTHER SUPPORT
- Ongoing tech. advice
- Refresher training
- Regular expert visits
Example 3 – Importance of Local Content - Indonesia

<table>
<thead>
<tr>
<th>Local Content - Construction Workforce (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
</tr>
<tr>
<td>2013</td>
</tr>
<tr>
<td>2015</td>
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</table>

### Unrest / Demonstrations

<table>
<thead>
<tr>
<th>Issue</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Public Road Blockage</td>
<td>37</td>
<td>13</td>
<td>0</td>
</tr>
<tr>
<td>2 Access to Site (trespass, gate blockage)</td>
<td>4</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>41</strong></td>
<td><strong>15</strong></td>
<td><strong>0</strong></td>
</tr>
</tbody>
</table>

### Main Issues

<table>
<thead>
<tr>
<th>Issue</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Local Recruitment</td>
<td>11</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>2 Industrial Relations</td>
<td>12</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>3 Road Repair / Dust</td>
<td>9</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>4 Patrol Road</td>
<td>2</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>5 Land Acquisition for Road</td>
<td>5</td>
<td>5</td>
<td>0</td>
</tr>
<tr>
<td>6 Local Business</td>
<td>2</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>41</strong></td>
<td><strong>15</strong></td>
<td><strong>0</strong></td>
</tr>
</tbody>
</table>

Out of 35 potential demo/road blockages
Example 3 – Indonesia Continued

- Collaborated closely with local Manpower Offices to improve local recruitment
- Although good outcomes were eventually achieved, construction is temporary
- Many young people out of work after construction
- Significant ramp up of small business development programs was only way to avoid re-escalation of social unrest and restore livelihoods
EXAMPLE 3 – INDONESIA CONTINUED

Welding Vocational Training & Certification

Electricity Vocational Training

Sewing Vocational Training

Furniture Vocational Training
KEY FINDINGS (1)

• Displaced people in rapidly urbanising areas find it difficult to change livelihoods
• Jobs for displaced communities do not occur without considerable effort and resources
• Training alone is usually not enough to achieve livelihood restoration for most people
KEY FINDINGS (2)

• Adequate food security measures not often in urban livelihood restoration programs
• Some cohorts are particularly vulnerable; including those not typically vulnerable
• “Cashing out” of livelihood restoration is common, but does nothing to restore livelihoods
**Recommendations for Good Practice**

- Strong job-seeker registration, recruitment & support policies and procedures
- Collaboration with local authorities to ensure preference for “locals” and streamline recruitment
- Job-readiness training and mentoring for workers
- Multi-faceted livelihood restoration programs - jobs, small business, access to credit.....
- Holistic small business development
- Avoid “cash out” of livelihood restoration
- Adequately funded LRP’s....
THANK YOU!

[Image of a group of people]