The Lunawa Environmental Improvement & Community Development Project is a flagship project which goal is not just to build infrastructure but also to involve the community in its maintenance

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Innovative Approaches for Involuntary Resettlement

Lunawa Environmental Improvement & Community Development Project

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Lessons Learnt

The project's success validates the proposition that putting project affected persons centre-stage pays in the long-run. In the early days of the project, sceptics had pointed to the huge time investment such an approach would necessitate. Consultation with communities likely to be affected by involuntary resettlement is an integral part of the preparatory phase, and indeed requires sufficient time. It is equally true that only through prolonged consultations can a fair, equitable and inclusive entitlement package be worked out. This, as evidence on the ground demonstrates, raises costs in the short-term, but is critical to long-term development objectives and sustainability.

- 'Involuntary resettlement' should not be viewed as a necessary evil to be somehow managed alongside the core task, but it should be treated as a development opportunity.
- It is crucially important to reach an agreement with all stakeholders on clear resettlement policy framework; resettlement approach and strategy; and participatory and consultative resettlement, before implementation of involuntary resettlement activities.
- An effective information flow between the project team and project affected persons has been a critical component of a resettlement programme.
- Close consultation with project affected persons through listening to them and adopting a responsive approach to project affected persons paves the way for smooth implementation of resettlement component with the high satisfaction.
- Linking project affected persons with the Bank is one of the key ingredients for the successful resettlement programme.
- A special facilitation programme is needed for vulnerable project affected persons.

SUCCESS

Resettlement of households completed before construction of main drainage works started

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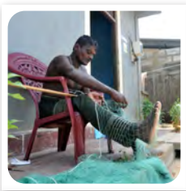
Challenges Faced

The issues faced by the project were mainly related to i) the long procedure in land acquisition that caused delay in project implementation and unrest among project affected persons. In Sri Lanka, land required for for development purposes in government projects has to be obtained through a procedure stipulated under the 'Land Acquisition Act' which came into effect in 1950. This is a time-consuming process, due to undue delays in the process and bureaucratic procedures relating to the valuation methodology. A special approval from the Cabinet of Ministers was received by the project, this was 75% of the land cost estimated as an advance payment. However, project affected persons had to wait which caused unrest, and ii) the institutional capacity to implement the policy: generally speaking, involuntary resettlement of the poor living in under served settlements without proper legal right falls into the most difficult category. In the case of the Lunawa Project, however, it has been proved that a proper guided participatory resettlement process can enhance the quality of such people's life. On the other hand, the Lunawa Project found difficulty in fully attending to the complaints of middle and high income project affected persons due to the constraints of the above-mentioned legal framework.

Replication of Lunawa Model

Although the applicability of the approach of the Lunawa Project is high, the 'Lunawa model' is particularly relevant for involuntary resettlement projects involving peri-urban communities. This is because the Lunawa Project is unique in its pioneering attempt to duly incorporate 'involuntary resettlement component' within upgrading of under served settlements in peri-urban areas. Furthermore, the project has attempted to deal with the complex context of the peri-urban society through consultations with heterogeneous types of people, the uneducated and educated, rich and poor, those who had land tenure previously and those who did not. The project's considerable accomplishments are due to the outcomes of the innovative partnerships that were forged during the preparatory and implementation phase. A key element was the adaptability of the political leadership in the country and those at the helm of key ministries who saw the merit in the arguments underlining the Lunawa approach. To replicate the project's success elsewhere, therefore, the prerequisites are political will and strategic alliances.



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"I lived in an unauthorised structure along the canal. Though I paid municipal taxes, the land was not mine. After settling in Hike Terrace, I have now a piece of paper certifying ownership of the plot on which my new home stands and soon I will have the land deed. I liked my old house. But nothing can beat the pride I feel in living in a legally authorised colony" says Benthotha Silinona, a mother of five.

Implementing an Innovative Initiative

In Sri Lanka today, as in many other developing countries, there is a growing urgency to come up with creative and sustainable solutions to tackle the twin pressures of infrastructure needs and the interests of communities who are affected by such projects, often losing their homes, land and livelihood in the process. Rapid industrialization has catapulted Colombo into an economic hub, however this has also severely damaged the environment where one of the worst victims of industrial wastewater pollution is the Lunawa Lake. The lake straddles two adjoining Municipal Councils: Dehiwala-Mt. Lavinia and Moratuwa. Continued discharge of waste water into its waters over the years wreaked havoc, killing most of the fish and the catchment area suffers from frequent flooding, due to an inadequate drainage system.

Today, the Lunawa Lake catchment area is the site of an innovative initiative called the Lunawa Environmental Improvement and Community Development Project. The project, getting off the ground in 2001, is the first project that translated Sri Lanka's National Involuntary Resettlement Policy into practice. This landmark policy, adopted in 2001, paved the way for the Lunawa model which validates the twin objectives of environmental improvement and community revitalization.

The strategic partnership of three key institutions – the Government of Sri Lanka, the Japan Bank for International Cooperation (JBIC) and UN-HABITAT with the common aim of treating the involuntary resettlement as a development opportunity gave the project a categorical success. UN-HABITAT was the lead adviser on the community development component of the project. The use of an NGO to socially market a package of interventions to communities who were going to be affected in order to break down the distrust they harboured towards Government agencies was too a pioneering initiative by the project.

Stakeholders Chart

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Revitalizing the water bodies

The project has adopted a flexible implementation strategy, with the technical assistance from UN-HABITAT by creating a learning culture within the project and by making adjustments to project procedures as lessons emerged. The Ministry is deeply grateful to UN-HABITAT.

Dr. P. Ramanujam
Secretary
Ministry of Urban Development & Sacred Area Development

Resettlement Framework

Entitlement Package

The entitlement package of the project was prepared in close consultation and participation with the project affected persons covering all clusters. The project had instituted the Damage Assessment Working Group which tasked to assess structural damage based on the canal development plan, identify all segments of adverse impact, estimate the replacement cost, and assess livelihood disruption with the participation of project affected persons.

The entitlement package of the Lunawa Project differs for physically displaced project affected persons with and without land ownership. However, both categories of project affected persons were given options for i) resetting in resettlement sites, and ii) self-relocation. What was unique about the project was the concept of a 'bottom line entitlement'. This means that project affected persons without land ownership received a minimum bottom line package i) a 50 sq m parcel of serviced land in a resettlement site free of costs, and ii) the minimum amount of LKR 400,000 necessary to build a house with the size of 35 sq m. (If a full replacement cost of the house acquired is higher than LKR 400,000, that amount is paid.) If the family preferred, they could request for the value of 50 sq m serviced land and purchase a piece of land at a desired location.

Land Acquisition Procedure

On the other hand, the compensation procedure for project affected persons with land ownership was more complicated. As per the Land Acquisition Act, land is surveyed by the Department of Land and and valued by the Department of Valuation. Land is valued at its market value, and then the valued cost is paid by the government. This is normally a very long procedure, taking as long as two to three years. Knowing this issue, the Lunawa Project got a special approval for advance partial payments to the affected land owners. Nonetheless project affected persons had to wait for the determination of final land value for a long time, which accumulated frustration among them. In addition, only a handful of people were not satisfied with the amount valued by the Department of Valuation, and brought a case to the court.

"I feel empowered. Now I know I do not need anyone's support. In fact, I can contribute towards my grandchildren's welfare"

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From canal bank to Hike Terrace
One widow traces her journey

Relocation to a re-settlement site

"The first time the project team came to our area, we had a general discussion. But I had heard rumours. I was terrified that I would be forcibly removed from my home. We were used to politicians making promises which did not come true. But then, the project team came repeatedly to our homes, to our neighbourhood and spoke to us individually as well as in groups. I began to feel reassured. The frequency of visits instilled confidence in us and when I saw that construction had started in one resettlement site, I was convinced about the project's intentions. I was happy when I was told about my entitlement package; 50 sq m of serviced land with water, electricity and sewerage connections, an approach road road and LKR 424,000" Jesimine Fernando recalls. She used to live with her husband and five children in a ramshackle structure made up of wooden planks and plastic sheets by the canal bank, sharing a toilet with three other families. Today she lives in a two-roomed house with a kitchen and toilet. The floors are tiled, there is elegant wooden furniture and Fernando talks excitedly about her future plans. She took a micro-loan from a local thrift society which has sprung up in Hike Terrace to start a small business in betel nuts. She has paid back the loan and the business is doing well. Fernando wants to build an upper storey in her new home which can be rented out in the future.

Before

After

From tiny hut along the railways
To a house in the suburbs

Self-relocation

A case in point is Geethani Peiris, a mother of three school going children. Earlier, Geethani lived with her husband, an auto rickshaw driver, and her children in a tiny hut (15 sq m) cobbled together with metal sheets and planks. Her house had just one room and a kitchen. It was an unauthorized construction, built on land belonging to the Railways in the Ratmalana area. They identified a plot of land in Wijehena Watta which the project staff checked up on the legality of ownership and suitability for occupation.

The new house is a 80 sq m permanent structure constructed under the supervision of the Lunawa Project technical staff and is conveniently located close to the Southern Expressway. The Peiris family now have a drawing room, a dining room, two bedrooms, a kitchen and a toilet. Geethani and her husband have both found work close to their new home. The surroundings are cleaner and more secure. The fear of floods has evaporated and the children live and study in a clean environment.

Before

After

Quantitative Achievement

As at March 2009

Driving actions for their own future

As at March 2009, 883 households are entitled to resettlement facilities under the project, and almost all of them (880) have agreed with the entitlement package. Out of 883 households, 469 households were affected with house damage and had to be fully resettled or refurbished their houses. Out of these 469 households, 333 were without legal land ownership. There are three options of resettlement i) Resettlement in four resettlement sites prepared by the project, ii) Resettlement in the land purchased by project affected persons (self-relocation) and iii) Settled in the original site after regularizing the plots if possible (on-site resettlement).

The community upgrading sub-programme was a critical part of the project If nothing was done to improve the living conditions in the remaining settlements in the Lunawa Lake catchment area, the environmental improvements would not be sustainable in the long-term. Therefore, it was decided to upgrade 15 under served settlements which have 441 households in total. Out of the 441 households in these settlements, 'title deeds' were given to 23 households, while 'entitlement certificates' to 124 households. Issuing of balance documents is in progress.

Process: Why is it innovative?

	Step	Innovative Approach	Conventional Approach
01	Developing the policy framework	National Involuntary Resettlement Policy was translated into practice through developing detailed entitlement packages	Lack of uniformity in system for paying compensation to project affected persons
02	Dialogue with communities through an NGO as an intermediary	The trust among people towards the project was contributed through community mobilization through a known NGO	Distance and distrust between authorities and project affected persons are often the obstacles for project implementation
03	Establishing community organizations	Community Development Committees were formed by people resettling to the same sites	Community cohesiveness is often weak in resettlement sites
04	Setting up the Community Information Centre – One-Stop Shop	Project affected persons can get information and clarify their doubts at one place	Project affected persons have to communicate with different agencies by visiting their offices or waiting for their visits
05	Determining entitlement through consultation	An entitlement package is determined through participation of a project affected person	Details of entitlement are not necessarily well understood by project affected persons
06	Customizing grievance redress mechanism	Each complaint is attempted to solve within a short period	Quick grievance redress system is often lacking within the project
07	Linking up with banks for paying entitlements	Bank accounts were opened and the deposited entitlement money was released to project affected persons based on the progress of the housing construction	The entitlement or compensation amount is often paid at one time through a cheque and sometimes the money is used for other purposes
08	Providing advisory service on housing and legal procedure	Necessary information and advice were provided on house designs and low-cost building technologies and legal advisory service	Without accurate information some project affected persons cannot complete their houses with the received entitlement amount
09	Ensuring security of tenure	Legal documents to prove the occupancy of lands were given to those without land ownership and moved to resettlement sites	Such documents are often not issued to those who move to the government-owned resettlement sites
10	Preparing resettlement sites through Community Contracts	A sense of ownership was developed by project affected persons who planned the resettlement site development, and implemented construction by themselves	Resettlement sites are planned and developed by government agencies creating dependency
11	Restoring livelihood	Income restoration grant is paid where applicable, and a skill pool was established	Income restoration is one of the most difficult aspects of involuntary resettlement

Linking up with banks

In the conventional resettlement approaches, entitlement or compensation for each project affected person is often paid through a cheque at one time. Past experience of involuntary resettlement showed that once low income re-settlers received money, some misused it for other purposes and encroached in other lands. For avoiding such problems, a tripartite Memorandum of Understanding (MOU) was signed by each project affected person, the project and a bank selected by the project affected person. This arrangement was introduced only for the project affected persons receiving 'bottom line package', those without land ownership and/or a proper house. Opening bank accounts provided opportunities for many project affected persons to enter the 'formal' banking system, created value of thrift and money management among project affected persons and safeguarded project affected persons from spending the money recklessly, which could possibly lead to the incompletion of houses. Bank accounts were opened in the name of the husband and wife jointly as a social safeguard.

Win-win Tripartite Agreement

- Project's view

"The partnership with the banks - seen as a neutral party - helped us a lot in building goodwill and reducing mistrust among project affected persons. More importantly, it was the first time that many among the project affected communities had visited a bank. Our field workers provided community counselling on the values of thrift and money management". (A. Dassanayake, Project Director)

- Bank's view

"We had never looked at shanty dwellers as potential customers. But when the project team spoke to us, we understood that the people affected by the project were potential customers for us. The money was substantial. For us, it was a new experience to visit homes of project affected persons to persuade them to bank with us". (A. Alles, Senior Manager, Commercial Bank of Ceylon Ltd)

- Affected person's view

"My interactions with bank officers had the element of novelty. I did not have a bank account earlier but the misgivings evaporated when a bank account was opened in my name and the money was deposited just as I was told it would happen". (Jesmine Fernando, project affected person, Hike Terrace)

Community Contracts

A Community Development Committee (CDC) developed a Community Action Plan (CAP), where necessary infrastructure and other issues in the resettlement site are identified. To implement the infrastructure development, a CDC entered into 'community contracts' with the project. Under a community contract, project affected persons were responsible for construction, while technical inputs were provided by the project technical staff and local authority staff.

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Putting the project persons at the centre of resettlement site development

	Conventional Approach	Innovative Approach
▪Planning of resettlement site development	▪Decided by government agencies	▪Decided by people through Community Action Planning
▪Implementation of resettlement site development	▪Done by outside contractor	▪Done by people through community contracts
▪Results	▪Dependency on government agencies increases ▪Complaints against government	▪A sense of ownership is high ▪Skills of project affected persons are developed ▪Employment is created