**Theme 1 Synthesis:**

**Compensation and benefit sharing for local development**

Please find:

* In yellow: Questions asked in the forum
* In white: syntheses from contributions of forum participants
* In blue: examples of quotes from participants

***Measure 2.2.1: Establish a baseline reference for the living standards of affected communities (displaced and host communities, those upstream and downstream from the project, etc.)***

This recommendation aims to properly establish a baseline situation before the completion of the infrastructure and to implement the recommendations of the Environmental and Social Management Plan (ESMP) and Resettlement Action Plan (RAP) in providing them the necessary human and material resources within the project.

* The notion of project affected people (PAP): Who falls within the category of affected people? What are the types and levels of impacts that can be identified? Ex. In your opinion, can a group of people that were not identified as a displaced or a host community (direct impacts) although another village nearby fell into this category, a group of pastoralists or a group of people located further downstream be considered as “affected”? If so, do you think that these groups should benefit from compensation measures? Under what forms?

It appears that populations who should be regarded as affected by the project (PAP) are displaced populations and host populations as well as those affected by a loss of assets or access to assets or a loss of sources of income and / or livelihoods.

**Types of PAP identified:**

* Displaced populations
* Host populations
* Non displaced or non-host populations that have lost their resources (arable land, forest, fishing in shallow water, grazing)
* Non displaced or non-host populations that have lost assets or cultural practices
* Non displaced or non-host populations who may be frustrated (e.g. neighbouring villages have been compensated, do not receive electricity from lines that pass overhead etc.)

**Types of impacts:**

In general: environmental impacts, loss of natural resources and thus grazing due to the establishment of a new host site, loss of agricultural and pastoral land, potential conflicts of land use between resettlers and host populations, depletion of displaced persons due to the volatility of financial compensation received, increased population density due to increased migration or return of nationals of the area, frustration surrounding populations not covered by the measures in the compensation plan, loss of fruit trees, strong social imbalance with loss of cohesion, loss of rights by customary authorities (taxes grazing / water management, land reserves), political (if local officials), institutional (not required by law).

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| *“In my opinion the concept of affected population shouldn’t be too elastic, and should particularly justify of a "direct and certain" harm (...) the State must always rebuild the social and economic environment so as not to break existing balance.”* |

* What major criteria (quantitative and qualitative indicators for well-being and livelihood) should be used to effectively analyse the socio-economic reference situation which can be used as baseline to measure the change in living standards of PAPs in order to ensure improvements?

**The criteria identified are:**

* Household characteristics (size, level of education, number of meals ...)
* Characteristics of the population (morbidity, malnutrition, number of affected households ...)
* Economic characteristics (income, production systems ...)
* degree of access to basic social services (water, electricity, sanitation ...)

***Measure 2.1.1: Assign the direct benefits generated by the dam (agricultural land, electricity, drinking water, grazing areas, fisheries, etc.) to affected communities.***

**General observations:**

* Problems of water and electricity often involve the entire population of the country and not just the PAP. Should we then consider that the PAP have more right to access these services than other populations? It is clear that opinions are divided on this issue;
* Importance of the concept of “Recognition": build museums and other conservation areas to the memory of PAP, their villages and their culture;
* A major challenge here is to not fall into the trap of promoting dependency.

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| *“Include members of the PAPs, preferably young, in the dam construction with minimal training, and allow them to continue if they wish, on other sites, progressing in the company, etc.”* |

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| *“In Niger, the law states that if your property increases in value following an operation, an allowance of added value can be claimed! What if your business grows because of the activities created by the dam?”* |

* What conditions and mechanisms can be used to ensure that benefits from dams are directly shared with the PAPs in the long run?

For example:

**Electricity**:

* Should free electricity be offered to the PAPs? Should the connection to the network be free of cost? Should the PAPs benefit from preferential rates and if so, for how long (a lifetime, 5 years, 10 years)? What are the mechanisms that should be put in place to guarantee equity, especially with respect to the rest of the country’s population?

Must allow time for PAP to adapt and generate a level of income sufficient to support themselves.

Free electricity does not appear appropriate. However, 80% of respondents are in favour of a free connection to the grid for PAP, considering they just can’t afford the connection 70% of respondents are in favour of a preferential rate for a limited period and not for life.

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| *“In our opinion, electricity has a cost, regardless of the situation, and someone has to pay. In regard to Niger, my country, since its independence in 1961, no region has benefited from preferences.”* |

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| *“It is normal to offer people a free connection to the grid (...) A preferential rate (could be given for...) the time required for populations to adapt to their new environment.”* |

* Should a system be set up in order to systematically share financial revenues from the dam based on the costs of local development?

It is necessary to support local development, with revenues from the operation of the dam, by financing of social infrastructures (facilities, marketing and distribution of water and electricity, schools and health centers) and support for income-generating activities (IGAs) in favour of PAP. That said, in the case of Niger, it appears that the compensation system is not compatible with a systematic sharing of financial returns of a dam; considering profits have to be shared equitably around the national level.

**Land**:

* Should the criteria for land compensation only take into account the quality and production capacity of lost land? Should social criteria also be taken into account (family size, social block, number of active people, etc.) in order to guarantee that the compensation meets the needs?

Opinion is divided on this issue; some think that the use of social criteria such as "household size" is important because it ensures a fair share, while others doubt the feasibility of such an approach in terms of its complexity.

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| *“To ensure appropriate compensation, social criteria (household size, social block, number of assets, etc...) are not required. Perfection is God's domain.”* |

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| *“Yes, for family sizes otherwise might create further conflict within communities”* |

* In terms of attribution of irrigated land: What is the legal status? Should lad tenure be considered for an irrigated plot?

The answers are all, without exception, clearly unfavorable to private land titling on irrigated schemes (due to the incompatibility with specifications imposed to enhance public investment in the development and production goals). Nevertheless, it seems important to clarify their legitimate status through named registration, and clear contracts that give households tenure security.

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| *“No land titles, it opens the door to more speculation and land grabbing (...) In Senegal these lands have generally the status of “terroirs” areas of the national domain. The beneficiaries have virtually permanent rights to the land, assuming they use it to produce. The award procedure may vary depending on whether one is in the presence of private or public scheme.”* |

**Grazing**:

* What measures should be taken to integrate the needs of the people that keep livestock and the pastoralists in order to allow them to benefit from a dam (grazing zones, designated wells, etc.)?

It is necessary to define grazing areas and corridors and to establish local conventions for natural resource management or land use plans that take due account of the needs of livestock (grazing areas, corridors, pastoral wells, etc...) to be developed in a participatory manner at the beginning of the project.

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| *“Pastoralism is the big loser of the introduction of irrigation facilities.”* |

**Fishing**:

* How can PAPs, that are not necessarily educated in fishing techniques in deep waters, be guaranteed to continue their fishing activities that are often reserved for professionals that migrate to establish themselves around the reservoir?

It is Important to ensure supply chains and markets, organize processing industries and trade, promote employability in the sector, establish quotas, cap prices, support training and provide modern amenities.

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| *“The arrival of migrant fishermen should be regulated, as well as target fish species and types of nets to use, in order to avoid resource depletion.* |

***Measure 2.1.5: Resettlement programmes should take account of intangible/cultural assets by recognising rights of access to land and ensuring that people are compensated in cash or kind for the loss of traditional land use.***

Compensation of intangible cultural property remains, it seems, a difficult phase in a project, especially because of the complexity of assessing the value of such property and due to the fact that cultural values are often linked to specific locations and cannot be easily moved.

* What cultural or intangible assets should be compensated? How can these be evaluated? What form of compensation can be given? Can such assets be “reconstituted” on a new site? If not, which compensation mechanisms should be put in place?

**The Cultural, worship or intangible properties, which loss must be compensated:**

* Cemeteries;
* Sacred lakes;
* Sacred Forests;
* Places of worship;
* Museums;
* Customs, traditions and habits.

**The methods for assessing the value of these goods:**

* Concerning mosques, churches and places of worship, the monetary value of investments can be evaluated;
* compensate based on the age of construction of places of worship

**Forms of compensation:**

• Support the costs of sacrifices related to the abandonment and destruction of sacred assets;

* Translocation of certain sacred sites;
* The development of alternative sites;
* Reconstruction where possible.

It is essential for this to be provided in the utmost dignity and directed by legitimate people (elders, priests, masters of the waters…)

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| *“The assessment of the value of such cultural property is extremely complex. That is why I think the compensation of such sacred places is very difficult to consider (...) However, if compensation is to be considered a financial one is best.”* |

* Similarly, what are the traditional uses that should be compensated for? How?

**Types of uses identified:**

• Cultivated land,

• Sacred objects and sites;

• Traditional hunting sites.

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| *“The Senegalese procedure for expropriation and compensation does not recognize the loss of intangible goods -the injury must be direct, tangible and certain.”* |

Reconstruction should be prioritised whenever possible. Financial compensation can be considered, but the priority is always to recognize the loss and to discuss with PAP about alternatives and support measures.

***Measure 2.2.5: Harmonise the implementation of compensation measures to avoid unjustified discrepancies between different projects within one country or within a cross-border project.***

The mechanisms for compensation (land against land, cash compensation, houses, etc.) can be different according to the projects or for the transboundary projects:

* According to your experience, what are the best practices and most adapted mechanisms for compensating houses (“key in the hand”, reconstruction by the PAPs), the fruit trees (types, species), the land (types, species), etc.?

Concerning the compensation for houses, it is important to ensure that buildings meet the needs of individuals. The "turnkey" approach seems ideal but with the involvement of PAP in the process (choosing the type of construction, the precise location, house size ...). Priority should be given to the beneficiary family for the provision of waged labor.

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| *“In my experience around dams of Sélingué and Garafiri in Mali and Guinea, there was a lack of appreciation (dissatisfaction) of both the first resettled groups who made their houses themselves with very little support from the project and the others who benefited from "turnkey" houses with unsuitable characteristics (tile roofs, interior capacity insignificant compared to the household).”* |

Concerning trees, some advocate replanting, respecting the initial positions relative to pre-displacement homes, others prefer more financial compensation and land allocation. In the case of productive fruit trees a, the compensation should be calculated on the basis of production capacity over several years and from discussions with PAP to calculate the possible revenue.

* What tools can create harmonization within a country (for national projects) and between countries (for transboundary projects)?

Implement national legislation, or sub-regional legislation for trans boundary projects. This should specify how compensation for damages suffered by the people will be calculated and include a list of all possible harm.

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| *“This legislation could be based on Community legislation in ECOWAS for example, which could harmonize the principles, terminology, definitions and some aspects of the process of resettlement and compensation.”* |

A monitoring and evaluation system could monitor project delivery.

***Measure 2.2.6: Prepare a compensation plan based on detailed, objective and up-to-date assessments of affected people’s assets. This should take account of the risks associated with large dam projects, and include a monitoring mechanism.***

* Should one systematically allow individuals to choose to continue their agricultural practices and therefore also take the type of soil into account in the land attribution plan?

Adjust farming techniques to the types of soils and speculation which will be chosen by the affected population, giving priority to food preferences and economic objectives of displaced populations.

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| *“The land allocation plan must therefore take into account the capacities of soils and production targets of PAP.”* |

Train PAP with new techniques and also provide them the necessary means to implementing the new agricultural practices.

* What frameworks should be put in place to effectively follow-up on compensation measures?

Rely on a comprehensive documentation of the affected people, their rights and the expected positive benefits (Resettlement Action Plan). Respondents mentioned in particular the creation of committees composed of representatives chosen by each village communities, and responsible for the establishment of coordination structures.

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| *“A framework for consultation and monitoring involving representatives of the operator, state and PAP must be created.”* |

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| *“The establishment of evaluation committees with compensation resettlement plans backed by procedures manuals could help in solving issues arising.”* |

***Measure 2.3.1: Plan one or more contingency/emergency fund to better manage unforeseen and/or adverse social effects.***

* According to your experience, what kinds of unforeseen have you ever met, or can be imagined, in the implementation of the various plans (Plan ESMP Environmental and Social Management, Local Development Plan PDL Resettlement Plan PR)? What were, or what would be the consequences?

**Examples of some unforeseen effects:**

* Poorly controlled natural disasters such as flooding. The consequences can be catastrophic not only on people and property but also in terms of trust between the PAP and the authorities.
* Emergence of domanial migrants / indigenous conflicts, where it is suggested to create a fund to support migrants.

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| *“2-3% of the resources generated by a dam (...) could be used to support migrants in local development and manage contingencies that might arise (...) To protect migrants against possible land tenure problems, it is important to materialize resettlement by written agreements.”* |

* Management of unforeseeable events while implementing plans seems necessary, but through what mechanism(s), with what financial resource(s), through what organisation(s), who is responsible, etc.? What (s) solution (s) would you suggest?

Consider this issue in a comprehensive plan, when preparing the ESMP (Environmental and Social Management Plan) and include statements in the LDP (Local development Plan) and reinstallation Plan (RP). In contracting mechanisms, provide articles to manage the impacts of the occurrence of unanticipated events.

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| *“In all cases, include the right to established situations known as "force majeure" or "government action risk" or "acts of God", which allows the parties to a contract to review their mutual commitments and restore the law of contract i.e. what the parties involved have committed to.”* |