

## Livelihood Action Plan – Template

A Livelihood Action Plan (LAP) details the **procedures** and **actions** that will be undertaken in order to ensure that the capacity, production levels, and standards of living of economically displaced people are improved or at least restored, and that displaced people are compensated adequately. This plan must be developed after it has been determined, following the process outlined in Standard 5, that displacement is unavoidable. The LAP reflects the commitment made by the Implementing Partner and UNDP to affected people and communities to meet obligations arising from economic displacement.

The LAP covers the following elements:

1. Introduction
  - Briefly describe the project and associated facilities (if any)
  - Describe project components requiring economic displacement; land acquisition and resettlement; give overall estimates of land and/or resources to which access has been restricted
  - Provide explanation of how economic displacement is necessary to achieve the project objectives, how the project is in the 'public interest' and how displacement is proportional to project outcomes
2. Minimizing Displacement
  - Describe the justification for the displacement. Please also discuss alternative project designs, including the "no project" scenario and if they may have avoided or reduced the resettlement.
  - Describe efforts and measures to minimize displacement, and expected outcomes of these efforts and measures
  - Describe how requirements of Indigenous Peoples Standard have been addressed if Indigenous Peoples are displaced.
3. Census and Socioeconomic Surveys/Social Baseline
  - Provide results of the census, assets inventories, natural resource assessments, and socioeconomic surveys and briefly describe how these were performed, i.e., techniques used, individuals interviewed, etc.
  - Identify all people and communities potentially affected by displacement activities and potential impacts to each. Be precise about the land titles or the lack thereof in the social baseline. Conduct a vulnerability assessment and outline what determines vulnerability (i.e. which criteria need to be met to consider someone vulnerable)
4. Legal Framework
  - Describe all relevant international, national, local, and community laws and customs that apply to displacement activities, with particular attention to laws and customs relating to tenure rights and highlight any potential conflicts e.g. between UNDP's SES and national or regional law
  - Describe how free, prior, informed consent was obtained for displacement of indigenous peoples and tribal communities, if applicable
  - Describe project-specific mechanisms to address conflicts
  - Describe entitlement/compensation policies for each type of impact
  - Describe method of valuation used for affected structures, land, trees, and other assets
  - Prepare entitlement matrix, which includes budget and timeframe for payment of entitlements
5. Displacement-related Property
  - Describe how affected people have been involved in a participatory process to identify replacement property when they have lost access to property to which they have legitimate rights. Describe the advantages and disadvantages of the properties, including the property chosen.
  - Describe how affected people whose livelihoods are urban-based have been involved in a participatory

process to identify livelihood replacement and support opportunities. Provide evidence of past consultation events, such as participation lists, photos and reports.

- Describe how affected people whose livelihoods are land-based have been involved in a participatory process to identify lands they can access, including lands with productive potential, locational advantages, and other factors at least equivalent to that being lost.
- Describe how affected people whose livelihoods are natural resource-based have been involved in a participatory process to identify resources they can access with equivalent livelihood-earning potential and accessibility.
- Describe how affected people whose access to legally designated parks and protected areas has been restricted have been involved in identifying and choosing measures to mitigate impacts.
- Describe the feasibility studies conducted to determine the suitability of chosen lands and/or natural resources described above, including natural resource assessments (soils and land use capability, vegetation and livestock carrying capacity, water resource surveys) and environmental and social impact assessments of the sites.
- Give calculations relating to land and resource availability
- Describe, as relevant, mechanisms for: 1) procuring, 2) developing and 3) allotting displacement property, including the awarding of title or use rights to allotted lands and/or resources. Indicate to whom titles and use rights will be allocated, including by gender.
- Provide detailed description of the arrangements for site development for agriculture, including funding of development costs
- If circumstances made it difficult to provide land or resources as described above, provide evidence of mutual agreement with affected people/communities on alternative measures.

#### 6. Income Restoration

- Are compensation entitlements sufficient to improve livelihoods and income streams for each category of impact? Attach independent review of opportunities to enhance incomes/livelihoods. What additional economic rehabilitation measures are necessary?
- Briefly spell out the restoration strategies for each category of impact and describe their institutional, financial, and technical aspects
- Describe the process of consultation with affected populations and their participation in finalizing strategies for income restoration
- How do these strategies vary with the area of impact?
- Provide a transparent methodology/formula that is understandable to project-affected people and can be verified for each case.
- Does income restoration require change in livelihoods, development of alternative farmlands or some other activities that require a substantial amount of training, time for preparation, and implementation?
- How are the risks of impoverishment to be addressed?
- What are the main institutional and other risks for the smooth implementation of the resettlement programs?
- Describe the process for monitoring the effectiveness of the income enhancement/restoration measures
- Describe any social or community development programs currently operating in or around the project area. If programs exist, do they meet the development priorities of their target communities? Are there opportunities to support new programs or expand existing programs to meet the development priorities of communities in the project area?

#### 7. Institutional Arrangements

- Describe the institution(s) responsible for delivery of each item/activity in the entitlement policy; implementation of income restoration programs; and coordination of the activities associated with and described in the livelihood action plan
- State how coordination issues will be addressed where displacement is spread over a number of

- jurisdictions or where displacement will be implemented in stages over a long period of time
- Identify the agency that will coordinate all implementing agencies. Does it have the necessary mandate and resources?
  - Describe the external (nonproject) institutions involved in the process of income restoration (land development, land allocation, credit, training) and the mechanisms to ensure adequate performance of these institutions
  - Discuss institutional capacity for and commitment to displacement
  - Describe mechanisms for ensuring independent monitoring, evaluation, and financial audit of the LAP and for ensuring that corrective measures are carried out in a timely fashion
8. Implementation Schedule
- List the chronological steps in implementation of the LAP, including identification of agencies responsible for each activity and with a brief explanation of each activity
  - Prepare a month-by-month implementation schedule of activities to be undertaken as part of resettlement implementation
  - Describe the linkage between resettlement implementation and initiation of civil works for each of the project components
9. Participation and Consultation
- Describe the various stakeholders
  - Describe the process of promoting consultation/participation of affected populations and stakeholders in resettlement preparation and planning. Be specific about which kinds of documentation will have to be collected (photos, reports, attendance lists, etc.)
  - Describe the process of involving affected populations and other stakeholders in implementation and monitoring
  - Describe the plan for disseminating LAP information to affected populations and stakeholders, including information about compensation for lost assets, eligibility for compensation, displacement assistance, and grievance redress
10. Grievance Redress
- Describe the step-by-step process for registering and addressing grievances and provide specific details regarding a cost-free process for registering complaints, response time, and communication modes
  - Describe how the mechanism ensured unrestricted access, transparency, accountability, how it documents cases and keeps the complainants informed and the institutional setup.
  - Describe the mechanism for appeal
  - Describe the provisions for approaching civil courts if other options fail
11. Monitoring and Evaluation
- Describe the internal/performance monitoring process. Ensure monitoring program seeks to measure whether displaced enjoy at least a standard of living and access to livelihoods equal to what they enjoyed before displacement
  - Define key monitoring indicators derived from baseline survey. Provide a list of monitoring indicators that will be used for internal monitoring, including number and location of displaced persons
  - Describe institutional (including financial) arrangements
  - Describe frequency of reporting and content for internal monitoring
  - Describe process for integrating feedback from internal monitoring into implementation
  - Define methodology for external monitoring
  - Define key indicators for external monitoring
  - Describe frequency of reporting and content for external monitoring. Ensure monitoring program is regular and ongoing following project completion until durable solutions are reached
  - Describe process for integrating feedback from external monitoring into implementation
  - Describe arrangements for final external evaluation

- Describe need for updates to census, assets inventories, resource assessments, and socioeconomic surveys, if necessary, as part of LAP monitoring and evaluation

#### 12. Costs and Budgets

- Provide a clear statement of financial responsibility and authority
- List the sources of funds for displacement and describe the flow of funds
- Ensure that the budget for displacement is sufficient and included in the overall project budget. Include provisions for non-anticipated adverse impacts.
- Identify displacement costs, if any, to be funded by the government and the mechanisms that will be established to ensure coordination of disbursements with the LAP and the project schedule. Prepare estimated budget, by cost and by item, for all displacement costs including planning and implementation, management and administration, monitoring and evaluation, and contingencies
- Describe the specific mechanisms to adjust cost estimates and compensation payments for inflation and currency fluctuations
- Describe the provisions to account for physical and price contingencies
- Describe the financial arrangements for external monitoring and evaluation including the process for awarding and maintenance of contracts for the entire duration of displacement

#### Annexes

- Copies of census and survey instruments, interview formats, and any other research tools
- Information on all public consultation including announcements and schedules of public meetings, meeting minutes, and lists of attendees
- Examples of formats to be used in monitoring and reporting on LAP implementation
- Entitlement matrix
- Evidence of prior informed consent for indigenous peoples and tribal communities