

Standard Practice Manual			
Resettlement Management			
Document Number: BP-HSEC-SPM-002	Revision: 00	Date: 19 October 2018	Page 1 of 12
Department: Health, Safety, Environment, and Community Development		Approved by: Somruedee Chaimongkol	

## CONTENTS

Introduction.....	2
Objective.....	2
Scope .....	3
Definition.....	4
Reference .....	4
Process / Content .....	5
1. Agreement .....	5
2. Resolution .....	5
3. Qualified Expertise .....	7
4. Consultation with Affected Persons.....	7
5. Development & Implementation of a Resettlement Plan .....	8
6. Monitoring & Evaluation .....	9
Appendix A: Sample Template for Resettlement Plan .....	10

## Standard Practice Manual

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Document Number: BP-HSEC-SPM-002

Revision: 00

Date: 19 October 2018

Page 2 of 12

Department: Health, Safety, Environment, and Community Development

Approved by: Somruedee Chaimongkol

## INTRODUCTION

This document addresses resettlement, the physical or economic displacement of people to accommodate the temporary or permanent land use requirements of Banpu-operated projects or operations. The manual is intended to assist Banpu performers in supporting the company's vision to be "The Asian Energy Company at the heart of innovation, technology, and sustainability". This manual also supports the company's commitment as stated in Corporate Policy on Human Rights:

*We respect on human rights as integral part of our sustainability. In line with the Universal Declaration of Human Rights (UDHR), UN Global Compact, the UN Guiding Principles on Business and Human Rights (UNGPs) and local regulations, we avoid causing or contributing on adverse human rights impacts through our activities and seek to prevent and mitigate such impacts. Our respect implements through the corporate share value "Banpu Heart".*

## OBJECTIVE

*This Standard Practice Manual on Resettlement Management provides performers with a framework for the consistent assessment, planning and implementation of resettlement management across Banpu Group.*

### Resettlement Objectives:

1. Seek formal agreement with partners, including commercial and government partners, to achieve the resettlement objectives and to ensure the implementation to be managed in accordance with the commitments of the corporate Human Rights Policy.
2. Avoid the need for resettlement or reduce the scope of resettlement required for a project by influencing land use decisions and facilities design. It is suggested to replace land with land, where possible. Replace assets with assets, where possible. Compensate for affected assets using other forms of payment (including cash payment) only as a last option.
3. Secure sufficient resourcing for resettlement by factoring estimated resettlement costs and schedules into the economic models and budgets for the operation.
4. Involve specialist in managing resettlement. Staff and budget according to the scale and complexity of the resettlement.
5. Consult with the individuals and communities affected by the resettlement in order to involve them in resettlement planning and implementation at the inception.
6. Develop a written resettlement plan to guide resettlement planning and execution.

Standard Practice Manual			
Resettlement Management			
Document Number: BP-HSEC-SPM-002	Revision: 00	Date: 19 October 2018	Page 3 of 12
Department: Health, Safety, Environment, and Community Development		Approved by: Somruedee Chaimongkol	

7. Monitor and evaluate the implementation of the resettlement plan, progress against stated objectives and overall results, including the ability of affected persons to maintain their livelihoods and quality of life, as appropriate.

## SCOPE

The standard practice applies to all resettlement required by the development or operation of Banpu-owned or -operated facilities under the company's operational control.

Resettlement may be:

- **Physical and/or economic**
  - Physical resettlement involves moving affected persons from their shelters or homes to another location in order to accommodate the land use needs of a project or operation.
  - Economic resettlement involves the reduction or elimination of an affected person's means of livelihood because the project or operation will occupy or otherwise use the land supporting said means of livelihood.
- **Permanent or temporary**
  - Permanent resettlement involves the long-term movement of affected persons to other locations or the long-term disruption of means of livelihood as a result of the acquisition of land use rights for a project or operation.
  - Temporary resettlement involves the short-term displacement of affected persons or their means of livelihood, after which land use rights is restored to the affected individuals or communities.
- **Voluntary or involuntary**
  - Voluntary resettlement is also known as negotiated resettlement and involves the transfer of land use rights by affected persons who, while having the right to decline the transaction, willingly negotiate and transfer their land use rights to the project or operation.
  - Involuntary resettlement involves the transfer of land use rights to a project or operation from affected persons who do not have the ability or right to decline the transaction.

Resettlement may affect people with legal title or recognized rights in affected land as well as those who do not have documented or recognized rights to the property they occupy.



## Standard Practice Manual

### Resettlement Management

Document Number: BP-HSEC-SPM-002

Revision: 00

Date: 19 October 2018

Page 4 of 12

Department: Health, Safety, Environment, and Community Development

Approved by: Somruedee Chaimongkol

## DEFINITION

Term	Definition
Affected Person	Any person who is or will be physically or economically displaced to accommodate the temporary or permanent land use requirements of a Banpu-operated project or operation.
Livelihood	The full range of means that a person utilizes to make a living, such as wage, income, agriculture, and other natural resource-based livelihoods, and petty trade and bartering.
Resettlement Assistance	Assistance other than compensation for affected assets, such as transportation and relocation allowances, transitional support, special assistance for defined vulnerable or special groups, and other services provided to affected persons to support successful relocation.
Resettlement Compensation	Different kinds of compensation made available to affected persons according to eligibility criteria and the specific kind of loss sustained as a result of the project or operations, such as like-for-like replacement of land or assets or payment in cash or other form of payment.
Standard of Living	In a resettlement context, the home and/or land and security of tenure.

## REFERENCE

- Inter-American Development Bank. "Involuntary Resettlement in IDB Projects, Principles and Guidelines," November 1999, <http://idbdocs.iadb.org/wsdocs/getdocument.aspx?docnum=362003>.
- International Finance Corporation. *Stakeholder Engagement: A Good Practice Manual for Companies Doing Business in Emerging Markets*, May 2007, [http://www.ifc.org/ifcext/enviro.nsf/AttachmentsByTitle/p\\_StakeholderEngagement\\_Full/\\$FILE/IFC\\_StakeholderEngagement.pdf](http://www.ifc.org/ifcext/enviro.nsf/AttachmentsByTitle/p_StakeholderEngagement_Full/$FILE/IFC_StakeholderEngagement.pdf).
- International Finance Corporation. *Handbook for Preparing a Resettlement Action Plan*, April 2002, [http://www.ifc.org/ifcext/enviro.nsf/AttachmentsByTitle/p\\_resettle/\\$FILE/ResettlementHandbook.PDF](http://www.ifc.org/ifcext/enviro.nsf/AttachmentsByTitle/p_resettle/$FILE/ResettlementHandbook.PDF).

Standard Practice Manual			
Resettlement Management			
Document Number: BP-HSEC-SPM-002	Revision: 00	Date: 19 October 2018	Page 5 of 12
Department: Health, Safety, Environment, and Community Development		Approved by: Somrudee Chaimongkol	

## PROCESS / CONTENT

*This Standard Practice Manual on Resettlement Management is designed for using in resettlement projects of varying scale and complexity. The resettlement process includes:*

### 1. Agreement

*Seek formal agreement with commercial and government partners to achieve the resettlement objectives in order to ensure the implementation to be managed in accordance with the commitments of the corporate Human Rights Policy.*

When the need for resettlement is expected, the company should seek agreement with project and government partners regarding the principles and objectives of any resettlement activities. This agreement may be incorporated into the terms of general partnership agreements or may be documented in an individual agreement.

Performers should prepare government engagement plans on the applicable administrative framework and play an active role in resettlement planning and implementation in conjunction with the government. Successful plan components can include:

- Agreed principles and objectives for managing resettlement
- Working teams that include working-level staff and key decision makers
- Regular meetings

Engagement helps to build understanding of how resettlement will happen in practice, to clarify roles and timelines for managing resettlement. Engagement with the government can be time-consuming and resource-intensive. Before starting field data collection, performers should seek agreement with relevant government agencies regarding the strategy and the general parameters for partner and community engagement. Established early, such agreement can facilitate efficient interaction over the long term.

### 2. Resolution

*To the extent practicable, first seek to avoid the need for resettlement or reduce the scope of resettlement required. If resettlement cannot be avoided, secure sufficient resourcing for resettlement by factoring estimated resettlement costs and schedules into the economic models and budgets for the project or operation.*

Standard Practice Manual			
Resettlement Management			
Document Number: BP-HSEC-SPM-002	Revision: 00	Date: 19 October 2018	Page 6 of 12
Department: Health, Safety, Environment, and Community Development		Approved by: Somruedee Chaimongkol	

Resources required to manage any resettlement that cannot be avoided should be factored into the schedules and budgets of the company's projects and operations. Data required for resettlement can be very helpful to business decision makers designing projects or operations to avoid or reduce resettlement.

### 2.1) Identify & Assess the Scope of Resettlement

A survey of the land use rights required for a project or operations can identify whether physically or economically displacing any people will be necessary. Performers can estimate the scope of resettlement required by performing a desktop review of remote sensing imagery, land use maps and case studies on past resettlement projects. Surveys should consider the land use rights required for all associated facilities within the company's operational control.

At the early stage, the completed survey can help performers identify design alternatives or alternate sites and routes that avoid the need for resettlement or reduce the scope of resettlement required for the project or operation.

### 2.2) Review Relevant Requirements & Regulations

Preparing an administrative framework for resettlement that identifies both the legal requirements that must be met to manage resettlement and the resettlement objectives described in this manual can help a project or operation navigate the task of land acquisition. The recognition and management of legal and cultural land rights differs significantly across the countries where Banpu operates.

Some countries have specific laws and guidelines governing resettlement that are distinct from those governing land acquisition. Before planning resettlement, performers must understand the regulations and roles played by different departments and agencies involved in the process.

### 2.3) Develop Strategy

Having an overall strategy for managing resettlement helps build internal alignment and organizational capability. Such a strategy should be scaled to the extent of resettlement to be undertaken and the requirements of applicable regulations and must promote consistent messaging.

The strategy may outline the following:

- The company's role in managing resettlement vis-à-vis the government and commercial partners (if any).
- Resettlement approaches that, to the extent practicable - to replace land with land, where possible, replace assets with assets, where possible. Compensate for affected assets using other forms of payment (including cash payment) only as a last option.
- Initial timelines to complete resettlement and the effect on overall project or operations schedules.
- Guidelines for consultation and disclosure.
- Staffing and other resource needs, including the scope of work for consultants.



Standard Practice Manual			
Resettlement Management			
Document Number: BP-HSEC-SPM-002	Revision: 00	Date: 19 October 2018	Page 7 of 12
Department: Health, Safety, Environment, and Community Development		Approved by: Somruedee Chaimongkol	

Internal alignment can be built through cross-functional resettlement planning workshops and training programs that bring together key resettlement team members, consultants contracted for resettlement plan preparation and implementation and other relevant capital project or asset team members.

### 3. Qualified Expertise

*Involve experts with experience in managing resettlement. Staff and budget according to the scale and complexity of the resettlement.*

Managing resettlement effectively requires appropriate resources, typically consisting of:

- Dedicated staffing, ranging from part-time support from Community Development (CD) for a simple and small resettlement effort to full-time support from an entire team to manage a large, complex, multiphase resettlement in a heavily regulated jurisdiction.
- Specialized expertise and proven experience managing resettlement.
- Support from consultants, who provide an expert perspective and additional resourcing.

### 4. Consultation with Affected Persons

*Consult with the individuals and communities affected by the resettlement in order to involve them in resettlement planning and implementation.*

Consultation should begin early in the resettlement planning process so that feedback from affected persons can be considered in the design and development of the resettlement plan. Appropriate company personnel, supporting projects or operations requiring resettlement, should consult with affected persons in order to involve them in resettlement planning. Such consultation should be freely conducted so that affected persons can participate. Enough information should be disclosed in a culturally appropriate manner so that individuals are able to understand how they will be affected by the company's activities. Consultation with affected persons should continue throughout resettlement planning and implementation and throughout execution of the project or activity that necessitated resettlement.

As part of the consultation program, the company should welcome community feedback, whether received through phone calls, letters or emails or provided in person. The resettlement team should systematically record all issues and concerns raised by affected persons, acknowledge the receipt of each communication and inform individuals about the estimated time required to address their concerns. Such a mechanism can eventually transition into a formal grievance mechanism associated with the finalized resettlement plan, but in the short term it can serve as a conduit for consultation, corrective action and continual improvement.

Standard Practice Manual			
Resettlement Management			
Document Number: BP-HSEC-SPM-002	Revision: 00	Date: 19 October 2018	Page 8 of 12
Department: Health, Safety, Environment, and Community Development		Approved by: Somruedee Chaimongkol	

## 5. Development & Implementation of a Resettlement Plan

*Develop a written resettlement plan to guide resettlement planning and execution.*

### 5.1) Collect Data

Accurate data is necessary to identify affected persons and to understand how they will be affected by project or operational activities. Data collected from field studies help to determine the extent of resettlement required, to define and categorize the affected persons and to develop the basis for calculating different forms of resettlement compensation, as appropriate. Data collection also yields basic information that is useful in designing assistance programs and in establishing indicators for future monitoring.

### 5.2) Develop the Resettlement Plan

Resettlement plans should be designed to the size, complexity and local conditions associated with the resettlement effort. *Appendix A* provides a sample template for a resettlement plan.

### 5.3) Implementation of the Resettlement Plan

A large amount of industry advice is available for performers who are implementing resettlement plans. Some good practices for implementation include:

- **Staying flexible:** Resettlement activities should be implemented according to the resettlement plan. However, practitioners need to consider a balance between following the plan and making course corrections to accommodate changing community needs as time passes and circumstances change. It is recommended that any such changes to the resettlement plan should be approved and documented by the appropriate decision makers.
- **Promoting teamwork:** Performing regular progress meetings among resettlement team members that can build shared understanding and shared accountability for achieving milestones.
- **Monitoring progress:** Resettlement teams identify data types and indicators for assessing progress and collect the data, monitor the indicators and respond to monitoring result.
- **Engaging with affected persons:** Ongoing consultation with affected persons is part of implementation, and involving a representative cross-section of affected persons as part of monitoring.
- **Apply internal assurance:** Having an internal assurance team in place to periodically check progress against resettlement plan commitments is a useful mechanism for troubleshooting and finding creative, effective solutions.



Standard Practice Manual			
Resettlement Management			
Document Number: BP-HSEC-SPM-002	Revision: 00	Date: 19 October 2018	Page 9 of 12
Department: Health, Safety, Environment, and Community Development		Approved by: Somruedee Chaimongkol	

- **Ordering “in-kind” forms of compensation:** In-kind options for resettlement compensation are recommended to be simpler and more straightforward; for example, to compensate asset for asset or land for land rather than monetary payments. The performer should avoid complex compensation programs.
- **Monitoring cash payments:** When resettlement packages include monetary compensation, the distribution of such payments should be carefully monitored and documented.
- **Documenting changes:** The Company should clearly document and communicate changes in the resettlement plan that alter the effect on affected persons. Doing so promotes transparency and a shared understanding of how resettlement activities will proceed.

## 6. Monitoring & Evaluation

*Monitor and evaluate the implementation of the resettlement plan, progress against stated objectives, and overall results.*

Monitoring and evaluation are the mechanisms through which the company tracks resettlement progress and outcomes and makes any needed course corrections.

- **Progress monitoring:** Periodically assessing the status of resettlement implementation according to the plan, schedule and budget of the resettlement plan and according to the milestones of the capital project or operations.
- **Outcome monitoring:** Periodically measuring the effectiveness of the programs that provided to the affected persons.
- **Evaluation:** Assessing at the end of resettlement (or another suitable milestone) the overall effectiveness of resettlement.

Standard Practice Manual			
Resettlement Management			
Document Number: BP-HSEC-SPM-002	Revision: 00	Date: 19 October 2018	Page 10 of 12
Department: Health, Safety, Environment, and Community Development		Approved by: Somruedee Chaimongkol	

## Appendix A: Sample Template for Resettlement Plan

A resettlement plan provides analysis of field work, a framework for calculating resettlement packages, guidance for implementing and monitoring the resettlement effort, an administrative framework within which resettlement will take place, a mechanism for consulting with and receiving feedback from communities, definitions of various roles and responsibilities, and a budget outline.

An outline for a resettlement plan is as follows:

### 1. Introduction

- Overview: This section provides a brief introduction to the project and explains why resettlement is necessary.

### 2. Project Description

- Project: This section lists and describes the components of the project that require land acquisition, zone use and resettlement.
- Resettlement Options: This section describes the options considered to reduce resettlement and the reason for selecting the preferred option.

### 3. Legal/Regulatory Framework

- Regulations: This section lists relevant laws and regulations that apply to land acquisition and resettlement. In addition, this section includes a review of applicable laws and regulations regarding formal and informal rights over natural resources, common property and traditional/cultural resources; and any specific provisions for special topics such as vulnerable groups and indigenous people.
- Asset Valuation: This section describes any regulatory methods to value and compensate for land, structures, trees, crops and other assets.
- Regulatory Comparison: This section compares the compliance requirements of relevant laws and regulations to the elements of Banpu resettlement standard of practice.

### 4. Consultation Plan and Grievance Mechanism

- Plan for Consultation and Disclosure: This section describes the plan promoting participation of affected persons, conducting consultations and disclosing or disseminating information from the resettlement plan.
- Grievance mechanism: This section describes the process for registering and addressing grievances, including the mechanism for appeal and any provisions.

### 5. Socioeconomic Baseline

- Analysis of Field Studies: This section provides results of field studies and any other socioeconomic research and fieldwork.
- Identification of Affected Households: This section defines all categories of affected persons and summarizes project-related impacts.

Standard Practice Manual			
Resettlement Management			
Document Number: BP-HSEC-SPM-002	Revision: 00	Date: 19 October 2018	Page 11 of 12
Department: Health, Safety, Environment, and Community Development		Approved by: Somrudee Chaimongkol	

- Consultation Summary of Affected Persons: This section summarizes discussions with affected persons that have already taken place and that inform the resettlement plan.

## 6. Compensation Framework

- Eligibility Criteria: This section defines the criteria used to determine eligibility of affected persons for resettlement compensation and assistance.
- Framework for Calculating Resettlement Packages: This section defines the types of resettlement compensation and assistance available for each category of affected persons.
- Livelihood Restoration Program: This section provides a conceptual framework for programs to assist affected persons with reestablishing their livelihoods after resettlement with linkages to the company's other social investment programs.
- Replacement Housing: This section provides details for resettlement sites for replacement housing, if applicable, including criteria used to select the sites.
- Replacement Land: This section provides details for replacement land, if applicable, including criteria used to select land.

## 7. Roles and Responsibilities Framework

- Company Roles and Responsibilities: This section describes the company team responsible for executing resettlement.
- Government Roles and Responsibilities: This section describes the government agencies and institutions responsible for different components of resettlement and linkages to the company team.
- Consultant Roles and Responsibilities: This section describes nongovernmental, contracted external resources or institutions that will be involved in resettlement.

## 8. Implementation Schedule

- This section presents the steps to complete resettlement, from development to implementation of the resettlement plan.

## 9. Monitoring and Evaluation (M&E) Framework

- M&E Plan: This section describes the overall process for monitoring and evaluation.
- M&E Indicators: This section defines the indicators that will be used to measure progress and outcomes of resettlement.
- Reporting: This section defines the content and frequency of reporting to track progress.
- Assurance: This section describes mechanisms to be used for review of performance.
- Continuous Improvement: This section describes the process for integrating feedback from monitoring and evaluation into ongoing implementation.

## 10. Budget

- Cost Estimate: This section presents a realistic estimated budget, broken down by cost and by item, for all resettlement costs including planning, implementation and compensation.
- Itemization: A sample budget sheet is provided in below table



Standard Practice Manual			
Resettlement Management			
Document Number: BP-HSEC-SPM-002	Revision: 00	Date: 19 October 2018	Page 12 of 12
Department: Health, Safety, Environment, and Community Development		Approved by: Somruedee Chaimongkol	

## Budget Template

Item	Cost	Timing
<b>Operations</b>		
Salaries		
Consultants' fees		
Administrative		
<b>Compensation</b>		
Compensation for agricultural land to land owners		
Compensation for crops/trees to land owners/tenants/sharecroppers		
Compensation for agricultural assets		
Compensation for houses		
Compensation for residential/commercial plots		
Compensation for businesses		
Compensation for disturbance		
Additional assistance amount		
Compensation for other community assets (e.g., fishing)		
<b>Replacement Housing: Land Acquisition and Site Planning</b>		
Cost of acquiring land		
Site preparation		
Infrastructure development		
<b>Monitoring and Evaluation</b>		
External monitoring		
External evaluation		
<b>Livelihood Restoration</b>		
<b>TOTAL</b>		