

## RESETTLEMENT FRAMEWORK POLICY OF LAMATA

### BACKGROUND

The Lagos State Government (LASG) has prepared the Lagos Urban Transport Project (LUTP), the development objective of which is to improve the transport system in Metropolitan Lagos sustainably through reforms in policy, institutional and implementation arrangements such that it contributes to poverty reduction.

Little if any land will be acquired under LUTP. The basic aim of LUTP is to rehabilitate a deteriorated system of main roads that already exists. Some 40 percent of the road network under LAMATA is in good condition and requires only routine maintenance. Most of the rest of the road network under LAMATA supervision requires repaving and improvements for easier traffic flow (e.g., traffic lights, lane markings). Only 30 to 40 kilometres (approximately 5% of the LAMATA road network), including flyovers and bridges, require rehabilitation or rebuilding. As planned, no land acquisition and no resettlement will be required in the first year because road maintenance takes place entirely within the existing roadway of the major arteries selected for upgrading.<sup>1</sup> But some land acquisition may be necessary in later years, and resettlement of increasing numbers of traders and transporters will certainly be necessary over the life of the project.

In this context, LAMATA adopts a Resettlement Policy Framework (RPF) for two reasons. First, in the short term, market and itinerant vendors, stallholders, private transport providers, street dwellers and others have occupied many areas within the right-of-way. The full diversity of these occupants of the ROWs is not known in detail, but it is clear that some may have acquired moral and/or legal use rights to occupy certain areas from market managers, local governments, and others, and some are paying rentals, stall license fees, market taxes or other rents for utilizing such space (see the sections below). Based on preliminary technical plans, there are several areas of immediate concern: intersections of major roads, where vendors have set up sidewalk stalls; markets and bus parks along service roads to the expressways; semi-permanent, illegal structures that have been built within the right-of-way in some areas; and, on Lagos Island, the proposed bus loop and the transport system management (TSM) area, which are fringed by street sellers. In these instances, the issue is that at certain points (e.g., junctions, merges onto the expressway) vendors and bus parks occupy the sidewalk, forcing pedestrians onto the roadway, which endangers pedestrians and impedes traffic flow. Because municipal agencies recognize and tax these vendors and transporters, they have the responsibility to help relocate the sellers nearby in an amicable manner that improves overall traffic flow

Second, major resettlement may be required in later years of LUTP or under follow-on projects, which will be planned during LUTP. Stretches of the Lagos

---

<sup>1</sup> The existing roadways are narrower than the legal rights-of-way, which are 50 m from the centerline for federal roads, 30 m for state roads, and smaller and variable widths for local roads.

road network are almost entirely clogged by huge markets and informal bus depots at Oshodi in the center of the metropolitan area and at Carter Bridge at the entry to Lagos Island, as well as the TSM area there. These markets and bus parks are not only within the right-of-way of the declared roads under LAMATA authority but actually on the roadway themselves. Thus, any road rehabilitation program today will require a participatory and consultative approach with road occupants if the areas are to be cleared, even partially, in an amicable manner. Also, the contemplated urban rail mass transit system would entail similar significant resettlement of markets and businesses, as well as, in all likelihood, population. It is fundamentally important to establish the principles for planning such initiatives early on in order to facilitate the planning and subsequent implementation of such initiatives.

Therefore, in view of the complexity of the situation, LAMATA has, in its first year, developed an Expanded Resettlement Policy Framework (ERPF) in order to more fully define the policy details; the ERPF will govern the work in the subsequent years. (See the section, below.)

#### **PRINCIPLES AND OBJECTIVES GOVERNING RESETTLEMENT**

The basic principle and objective of LAMATA resettlement policy is to minimize the extent of land acquisition and resettlement to the greatest extent possible. LUTP will avoid land acquisition through rehabilitation of existing roads and ferry landings. Any additional land that may be required for additional infrastructure will be strictly limited in extent, and impacts will be mitigated to the fullest extent possible through technical engineering designs that take current occupants' interests and concerns fully into account.

Where land acquisition and resettlement cannot be eliminated, resettlement activities will be conceived and executed as sustainable development programs, providing sufficient investment resources to give the persons displaced by the project the opportunity to share in project benefits. Further, displaced persons<sup>2</sup> should be assisted in their efforts to improve their livelihoods and standard of living, or at least restore them in real terms, to pre-displacement levels.

The policy applies to all displaced persons regardless of the total number affected or the severity of impact. Particular attention is paid to the needs of vulnerable groups among those displaced; especially those below the poverty line, the elderly, women and children, indigenous groups and ethnic minorities.

---

<sup>2</sup> The term 'displaced people' refers to individuals or businesses that are directly affected socially and economically by Bank-assisted investment project caused by the involuntary taking of land and other assets that results in (i) relocation or loss of shelter; (ii) loss of assets or access to assets; or (iii) loss of income sources or means of livelihood, whether or not the affected persons must move to another location. The involuntary taking of land includes the exercise of possession when the proprietor has allowed and benefited from others' occupation of the area. In addition, displaced person is one for whom involuntary restriction of access to legally designated parks and protected areas that result in adverse impacts on livelihoods also; this category of displaced person would be unlikely in the urban area, however.

### **PROCESS FOR PREPARING AND APPROVING RESETTLEMENT PLANS**

The Expanded Resettlement Policy Framework describes the procedures involved in a resettlement operation. The ERPF will cover the following topics<sup>3</sup>:

- Project description and its potential impacts;
- Main objectives of resettlement;
- Legal and institutional framework for resettlement;
- Categories of displaced persons and their eligibility criteria;
- Valuation procedures and resettlement measures;
- New site selection, preparation and relocation;
- Housing infrastructure, and social services;
- Relocation areas and assessment of the environmental impacts of the proposed resettlement;
- Community participation mechanisms;
- Measures to integrate displaced and host populations;
- Grievance procedures;
- Organizational responsibilities;
- Monitoring and evaluation arrangements.

With the ERPF in place, LAMATA will develop subproject resettlement plans that detail the actions to be undertaken in each subproject or set of subprojects.<sup>4</sup> These include:

- Census of displaced persons and valuation of assets
- Description of compensation and other resettlement assistance to be provided;
- Consultations with displaced people about acceptable alternatives;
- Institutional responsibility for implementation and procedures for grievance redress;
- Arrangements for monitoring and implementation; and
- Implementation schedule, with costs and budget.

### **C. ESTIMATED DISPLACEMENT, BY CATEGORY**

LAMATA resettlement policy recognizes two categories of vendor: those with official sanction to conduct their business in that place, and those without. Official sanction connotes payment of market, vendor or other business fees, whether formal or informal, for the right to continue selling in that space. Those vendors with official sanction have, prima facie, an established and recognized right to occupy and use that space, and are eligible for resettlement assistance. Those without official sanction, such as opportunistic encroachers who arrive expressly to claim project assistance, have no such recognized right under the law. Nonetheless, as mentioned, some such occupants may have moral claims to their occupancy that will qualify them for compensatory measures of the same

---

<sup>3</sup> Also see OP 4.12, Annex A, paragraphs 2-21.

<sup>4</sup> OP 4.12, Annex A, para. 22

or different nature as those with sanctioned occupancy. The differences between these groups will be specified in the EFPF.

Creation of the bus loop on Lagos Island will, again, not require land acquisition, but will entail the shifting of petty vendors off the sidewalks and walkways in order to facilitate pedestrian traffic. There may be 500 to 1,000 or more small vendors along the route of the bus route who would be affected. In addition, rehabilitation and maintenance of the declared road network on Lagos Island will displace a large but undetermined number of street vendors who work under similar conditions.

#### **ELIGIBILITY CRITERIA**

The RPF establishes the general principles of eligibility criteria for all categories of displaced persons. In general, compensation and rehabilitation will be provided for all displaced people under the following conditions:

- (1) if their land or income source will be removed due to land acquisition of the project;
- (2) if their houses or residential plots will be demolished or partly damaged due to land acquisition; or
- (3) if their other properties or access to those properties will be removed or damaged due to land acquisition or construction of the project.

The Land Use Act pertains specifically to land acquisition through the revocation of certificates of occupancy. LAMATA recognizes that rehabilitation of the main road network may have additional consequences, such as relocation of vendors and transporters in order to facilitate traffic flow. All displaced people, regardless of their legal status, will, therefore, be provided compensation and/or rehabilitation based on the ERPF to be adopted by LAMATA. Specifically, lack of legal documents for customary rights of occupancy shall not be an obstacle for obtaining compensation or relocation assistance.

In the specific instance of LUTP, compensation and rehabilitation assistance will be provided for displaced people in measure with established occupancy rights. As mentioned above, LAMATA resettlement policy recognizes two categories of displaced person: those with official sanction to conduct their business in that place, and those without. Official sanction connotes periodic payment of market, vendor or other business fee, whether formal or informal, for the right to continue selling in that space. Those with official sanction have established, prima facie, a recognized right to occupy and use that space; they therefore qualify for assistance in securing an acceptable alternative location for their business, in moving to that location, and in covering business and employee costs during the period of relocation. Those without such official sanction, formal or informal, have no such officially recognized right to use that space, and receive no compensation or rehabilitation benefits under this policy framework.

## **LEGAL FRAMEWORK AND BANK POLICY**

The legal framework for land acquisition in Nigeria and Bank policy accord in most regards. The legal basis for land acquisition and resettlement in Nigeria is the Land Use Act of 1978, as modified in 1990. The relevant Bank policy is Operational Policy (OP) 4.12, adopted in 2001. The differences between the Land Use Act and the Bank's OP mostly concern rehabilitation measures, which are neither proscribed nor mandated in the Act. The details of this you would have had benefit of in the last presentation.

## **ASSET VALUATION METHODS**

The Land Use Act establishes the general principles for the calculation of the value of assets to be taken when occupancy rights are revoked. Compensation is paid for future rents paid, crops, and buildings and installations. Rents already paid for use after revocation of the occupancy certificate are refunded.

These principles are complemented by implementation regulations that provide detailed compensation rates determined by the State Government. Such rates are adjusted periodically by the State to reflect changing construction costs. Usually, State rates apply only to State-funded projects. The rates suggested by the State for federally funded projects or private-funded projects would often be higher than the State rates.

In order to ensure that during project implementation any people displaced by land acquisition will be provided full replacement cost of lost structures and are able to rebuild or replace their houses without difficulties.

## **ENTITLEMENT DELIVERY PROCEDURES**

In the event that land acquisition should prove unavoidable, LAMATA or the responsible collaborating agency will follow established legal and administrative procedure for revocation of occupancy certificates. For this, LAMATA will develop for each area a resettlement plan (or abbreviated resettlement plan) that inventories all property to be acquired, consults and negotiates with the displaced population, and puts in place the appropriate remedial measures. Once the resettlement plan is submitted and approved by the World Bank, LAMATA will petition the Land Services Department for transfer of the occupancy certificate. At or about the same time, LAMATA will establish a special account with the Ministry of Finance for payment of compensation of the assets taken. When the Land Department has completed the legal administrative process of assessment, negotiation and revocation, the Department notifies the Ministry of Finance, which then issues a check in the agreed upon sum in the name of the holder of the certificate of occupancy. The cheques will be delivered to the individual, organization or community in the presence of local government officials.

## **IMPLEMENTATION PROCESS, WITH LINKS TO CIVIL WORKS**

In the medium term, within the first year of its existence, LAMATA will establish, through its Safeguard Unit social section, a process of consultation with local communities on transport design in their areas, socio-economic census of all persons displaced in any way by those designs, negotiation with the displaced persons of any remedial assistance, and, as required, development of a resettlement plan or abbreviated resettlement plan that will be submitted to the World Bank for approval before any subproject activity requiring resettlement is initiated. Whether or not land acquisition is required, LAMATA will ensure that all agreed-upon resettlement activities are completed before initiating the proposed technical improvements in the roadway.

### **GRIEVANCE REDRESS MECHANISMS**

The Land Use Act provides two formal mechanisms for grievance redress, one administrative and one legal. In the first instance, a displaced person with an occupancy certificate may lodge a complaint over valuation with the Department of Land Services. The interested party may even engage an independent valuer to appraise his or her property, and present the independent valuation as part of the dossier submitted for administrative departmental review. If the individual remains dissatisfied with the administrative review, he or she has legal recourse to the courts as a last option for resolution of the matter.

LAMATA recognizes that formal legal mechanisms for grievance redress tend to be lengthy and acrimonious procedures, and will establish an informal grievance redress mechanism through its Safeguard Unit. The social section of the Safeguard Unit will be charged with coordinating with local government and community groups, as well as with informal committees of market vendors and transporters, to determine the design and the implementation timetable of subprojects. Such local coordination and consultation serves various purposes. In the first instance, it helps inform the community of possible improvements in the transport network in their local area. These consultations also provide a forum to ascertain general opinions about the initiatives and to solicit both local concerns and their suggestions for alternative solutions, including how to avoid or reduce to a minimum all displacement. In the instance of vendors and transporters, such consultations help enlist their collaboration and cooperation, and contribute importantly to subproject planning and implementation.

### **RESETTLEMENT FUNDING ARRANGEMENTS**

LAMATA will establish a resettlement fund, managed by the social section of the Safeguards Unit, to facilitate, when necessary, relocation of street vendors and transporters to locations near their present premises. At the outset of LUTP, LAMATA will reserve sufficient funds to establish the unit, defray consultation costs, and assist in the relocation of traders and transporters. LAMATA will reserve an adequate sum from the Transport Fund (TF), to be established at the outset of the project, for the conduct of such activities by the social section of the Safeguards Unit.

### **CONSULTATION MECHANISMS**

LUTP explicitly recognizes the fundamental importance of local consultations in the design and implementation of plans for transport improvement in the City of Lagos.

*Roads.* LAMATA will, as a matter of course, convene meetings with the relevant local, state, and federal authorities on the technical design of improvements to be effected in the road network. In each area, LAMATA will also convene local meetings with local government officials, road users, merchants, vendors, displaced persons and others. These meetings will be held in order to ascertain local perspectives on the proposed engineering design changes, to solicit local suggestions for improvements, and to obtain their support for the implementation of the changes, including any relocation of displaced persons.

### **MONITORING ARRANGEMENTS**

The social section of the LAMATA Safeguard Unit will perform periodic monitoring of all resettlement activities in the Agency's portfolio. The social section may undertake this work directly or contract it out to qualified firms or agencies with experience in this domain. Whatever the particular arrangements, LAMATA will consult and coordinate with the appropriate Federal and State agencies (e.g., FME, LASEPA) on social and environmental monitoring.

For those areas with minor resettlement, defined here as relocation of marketers and sidewalk sellers, as well as transport operators, to nearby locations without land acquisition, the LAMATA social section will report at least quarterly on the:

- Implementation schedule
- Extent of community involvement
- Delivery and usage of any resettlement compensation
- Relocation of marketers and transporters, and their pre- and post-move sales
- Efficiency of resettlement agencies in fulfilling their obligations.