

# **Learning from the Past: Investigating the Income Restoration Programs in the Resettlement Work Plans of Thilawa Special Economic Zone, Yangon, Myanmar**

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## **Abstract**

This paper aims to investigate the Income Restoration Plans (IRPs) prepared in the previous Resettlement Work Plans (RWPs) of Thilawa Special Economic Zone (SEZ), Yangon, Myanmar, by employing three resettlement practices: JICA guidelines and the World Bank policies on resettlements (OP 4.12 and ESS 5) as benchmarks. There are three major objectives for this study: to observe the gaps between the resettlement policies and the practices, examine the potential shortcomings in the IRPs, and employ those lessons to improve future resettlement planning. Therefore, JICA and the World Bank policies on resettlements and the IRPs as described in the RWPs of Thilawa SEZs serve as important data sources used in this paper.

The study found that IRPs lacked sufficient attention to address impoverishments and provide alternative sustainable livelihoods for the affected communities. First, the IRPs lacked assurances or guarantees on the employment status in/near SEZ areas for those whose livelihoods are affected and needed to secure alternative livelihoods. Second, they lacked sufficient support for those who would choose to be self-employed or establish a business enterprise. Third, there were shortcomings in the meaningful participation by the affected communities. Fourth, there was insufficient gender dimension incorporated into IRPs of the resettlement plan. Four policy recommendations are provided: assuring and guaranteeing the employment opportunities, providing infrastructure, technical and financial assistance for business establishment, deriving development opportunities and benefits from the project, and planning the planning process to become more inclusive and participatory.

**Keywords:** Resettlement, Income, Livelihoods, Special economic zone, JICA, The World Bank.

## Introduction

### Background and rationale of the research

Urban development requires massive investments in infrastructure. Cities with high growth rates and urbanization need to invest and develop in such infrastructure, which may include public and private physical structures such as buildings, schools, roads, railways, bridges, factories, Etc., in order to meet the growing needs and demands. These development projects usually require changes in existing land use, including land acquisitions, displacements of the population who previously lived or worked in the area, and resettlement of those displaced populations in a new area.

Resettlement processes are not avoidable, as development cannot occur if the existing human settlements are frozen forever (Cernea, 1999). However, poor resettlement planning and management can significantly burden the affected people and communities economically, socially, and culturally, permitting them to face negative short-term and long-term consequences. Therefore, effective resettlement planning is vital to mitigate and minimize the adverse effects of resettlements caused by development projects.

When resettlements occur, not only physical displacements - the physical relocation of the affected population from one place to another, causing them the changes in housing and residential landscape - but also economic displacements - the disruptions in the sources of income and livelihoods due to loss of assets, access to assets and other public goods - co-occur, and affect and impoverish the communities in parallel (EBRD, 2017; The World Bank, 2018). When resettlement planning often focuses on the former aspect by building and offering new relocation sites with housing and residential needs, the latter can also cause adverse effects and long-term impoverishments, if not planned appropriately, because the displaced population usually finds it difficult to secure alternative livelihoods in the new economic and social environment they resettle. Hence, income/livelihood restoration programs for the affected persons and communities are crucial and should be addressed in an adequate and timely fashion to restore their livelihoods and quality of life to pre-project levels.

Nowadays, urban development projects are executed in most developing countries with financial, technical, and operational assistance from international development organizations, such as Japan International Cooperation Agency (JICA), Asian Development Bank (ADB), the World Bank, and other global and regional organizations. These organizations have published their best practices on resettlement planning when implementing the projects they involve, and that the recipient agencies need to adhere to these guidelines.

In the context of Myanmar, since democratization and liberalization took place in 2011, there has been a rapid acceleration in urban, economic, social, and structural transformations. As a result, Yangon was widely regarded as the primary urban center and emerging Asia's metropolis (Matelski & Sabrie, 2019) before the Covid-19 global pandemic and the military coup on February 1<sup>st</sup>, 2021. A report published by global consulting firm PricewaterhouseCoopers (PwC) in 2018 stated that over the past six years, Yangon attracted almost half of the total investment pouring into the country (PwC, 2018). Among these urban

and structural transformations in Yangon, Thilawa Special Economic Zone (SEZ) is one of the most recent and significant developments.

### **Background of Thilawa SEZ**

Thilawa SEZ is one of the three pilot SEZ projects in the country to boost economic development through attracting foreign investments, along with Kyaukphyu SEZ in Kyaukphyu, Rakhine State, and Dawei SEZ in Dawei, Tanintharyi Division (ADB, 2018).

The SEZ is located about 20 km southeast of Yangon city center. This approximately 6,200-acre project was introduced in January 2011, undertaken as a public-private partnership jointly by the Government of Myanmar and Japan International Cooperation Agency (JICA) along with private consortiums from Myanmar and Japan (Khandelwal et al., 2018). The project is then developed as a series of phases with different investment priorities in each phase. Being located alongside the Thilawa port, which is the largest port terminal of the country, the project achieved its projected success in attracting foreign investments in the country due to its strategic location in Yangon and the availability of accurate infrastructure and regulatory frameworks (Htet, 2019).

As the project requires a series of physical and economic displacements along with its phase-by-phase development, land acquisition and displacements have largely been unavoidable, and resettlements are needed to be planned and implemented. The agencies claim that the resettlement plans for Thilawa SEZ are following JICA guidelines. However, previous surveys and research show that Thilawa SEZ development's displacement process fell significantly short of meeting international guidelines and negatively affected the livelihoods of the displaced communities - decreasing or losing all income sources (Physicians for Human Rights, 2014).

### **Scope and structure of the research**

In this regard, the paper aims to 'learn from the past' by investigating the Income Restoration Plans (IRPs) prepared in the previous Resettlement Work Plans (RWPs) of Thilawa Special Economic Zone (SEZ), Yangon, Myanmar, by employing three resettlement practices: JICA guidelines and the World Bank policies on resettlements (OP 4.12 and ESS 5) as benchmarks. IRPs are mainly focused on in this research as they are essential in restoring the livelihoods and income sources of the displaced communities, significantly when their former livelihood sources are disrupted. There are three major objectives for this study: to observe the gaps between the resettlement policies and the practices, examine the potential shortcomings in the IRPs and employ those lessons to improve future resettlement planning. Therefore, JICA and the World Bank policies on resettlements and the IRPs as described in the RWPs of Thilawa SEZs serve as important data sources used in this paper. The remaining parts of the paper are structured as - literature review, JICA and the World Bank guidelines, IRPs in the RWPs of Thilawa SEZ, research findings, and discussion.

## Literature review

The section will review the major concepts applied in this research: resettlements, income and livelihoods, and Special Economic Zones (SEZs).

### Resettlements

Resettlement is a broad and contested concept. A simple understanding of the term would be “dislocation of people from their native place and region” (Lone, 2014). The former World Bank anthropologist Michael Cernea defines the term as follows.

“Resettlement refers to the process of physical relocation of those displaced and to their socioeconomic re-establishment as family/household micro-units and as larger communities” (Cernea, 1999).

A more comprehensive definition made by urban and regional geographer Frank Vanclay states resettlement as

“... the comprehensive process of planning for and implementing the relocation of people, households, and communities from one place to another for some specific reason, together with all associated activities, including (a) the provision of compensation for lost assets, resources, and inconvenience; and (b) the provision of support for livelihood restoration and enhancement, re-establishment of social networks, and for restoring or improving the social functioning of the community, social activities, and essential public services. ... ‘Resettlement’ also addresses issues associated with economic displacement, that is when people do not need to be physically moved, but their means of making their living (livelihood strategies) are adversely affected by the project’s land-take” (Vanclay, 2017).

According to Vanclay’s definition, it is observed that the process of resettlement is much more than a physical relocation of a person or a community from one place to another. Instead, it is an essentially complex and contested concept involving multi-faceted, multi-dimensional, and multi-level issues, matters, and processes.

There are two major types of resettlements - voluntary and involuntary. The former type is when “full disclosure of all resettlement-related information is provided; free, prior, and informed consent is given by all those relocating, and each affected person has the right to refuse resettlement without having to fear adverse consequences” (Wilmsen & Wang, 2015). The latter type can be understood as “land acquisition and restrictions on land use which cannot be refused by affected people and communities” (EBRD, 2017; The World Bank, 2018).

Resettlements are caused by various factors, such as development-induced (construction of dams, urban development projects, infrastructure, Etc.), environmental issues (climate change, drought, sea-level rise, Etc.), civil conflicts, forced migration, Etc. (Making more explicit, this research mainly discusses on the topic of development-induced displacements and resettlements). The development projects have caused displacements of ten million people each year on a global scale (Cernea, 2004). When these projects may help improve many people’s lives, livelihoods, and quality of life, their adverse side is that they

create a massive burden on some population segments, one of them being the displaced population, causing them to be worse off than their previous socioeconomic conditions (Cernea, 2004). In most displacement cases, the displaced population was forcefully put into a more vulnerable position than their pre-existing conditions due to changes in traditional socioeconomic systems and loss of livelihoods (Sapkota & Ferguson, 2017).

Researches and academic discussions on the topic were first conducted by anthropologists and sociologists. It became popular in 1980 when the World Bank first adopted an explicit policy concerning involuntary resettlement (Cernea, 1995). Since then, the subject became a discussion on public policy, and that social science research on involuntary resettlement has improved; hence, becoming a contemporary subfield in social science (Cernea, 1995). Following the World Bank's path, other international development organizations began to adopt their policies on resettlements. ADB adopted its first resettlement policy in 1995, the Inter-American Development Bank in 1998, and the African Development Bank in 2003 respectively (Maldonado, 2012). Nowadays, most international financial institutions and international development organizations have their own resettlement policies (Vanclay, 2017).

### **Income and livelihood**

Although the terms 'income' and 'livelihood' are used interchangeably in several cases, there are significant conceptual differences between the two. Income is "money that is earned from doing work or received from investments" (Income, n.d.) or "the amount of money received during a given period of time by a person, household, or other economic unit in return for services provided or goods sold" (Rider, 2018).

Another working definition of income can be stated as the following.

"Personal income may be defined as the sum of (1) the market value of rights exercised in consumption and (2) the change in the store of property rights between the beginning and end of the period" (Simons, 1938).

On the other hand, livelihood is "(the way someone earns) the money people need to pay for food, a place to live, clothing, Etc." (Livelihood, n.d.). A definition proposed by Chambers and Conway on sustainable livelihoods provides a comprehensive understanding of livelihoods that can be applied in any context.

"A livelihood comprises the capabilities, assets (stores, resources, claims, and access) and activities required for a means of living: a livelihood is sustainable which can cope with and recover from stress and shocks, maintain or enhance its capabilities and assets, and provide sustainable livelihood opportunities for the next generation; and which contributes net benefits to other livelihoods at the local and global levels and in the short and long term" (Chambers & Conway, 1992; Serrat, 2008).

Krantz (2001) states that livelihoods are complex because it consists of "the portfolio of assets out of which people construct their living, which includes both tangible assets and resources, and intangible assets such as claims and access," among other components.

Livelihood is, therefore, the mix of tangible and intangible factors that an individual or household exploits to survive or fulfill his/her/its living, where gaining income is one of them.

Based on the abovementioned definitions, it can be differentiated that while income is the monetary value earned in a given period, livelihood is more concerned with the broader implications on how someone earns and their available resources and assets (tangible and intangible) to achieve their income.

### **Special Economic Zones (SEZs)**

In recent years, SEZs have become a popular economic policy instrument, especially in developing countries. Applied in the right context, right time, and right place, they can promote industrialization, economic development, and structural transformation regionally and nationally. The policy benefits SEZs can provide are attracting foreign direct investments, promoting exports and industrialization, providing job opportunities and reducing unemployment, supporting a wider economic reform strategy, and acting as laboratories for the adoption of new policies and approaches (FIAS, 2008; Farole & Akinci, 2011; Zeng, 2019). Therefore, countries are attempting to seize the opportunities presented by the zones to catalyze their benefits (Zeng, 2019).

SEZs can be defined as “the geographic areas within a country where specific economic activity is encouraged through policy or other support not available to the rest of the economy” (Gebrewolde, 2019). These incentives may include better and adequate infrastructure, tax or duty exemptions, one-stop business environment, among others. A broad definition of SEZ states that the zones are

“... the demarcated geographic areas contained within a country’s national boundaries where the rules of business are different from those that prevail in the national territory. These differential rules principally deal with investment conditions, international trade and customs, taxation, and the regulatory environment; whereby the zone is given a business environment that is intended to be more liberal from a policy perspective and more effective from an administrative perspective than that of the national territory” (Farole & Akinci, 2011).

As SEZs take locational advantages to attract investments, cities offer the strategic option to locate and implement SEZs due to the advantages cities offer, such as easy access to existing firms, capital, and skilled labor, as well as support innovation activities, although some SEZs choose to develop from scratch or in the rural areas (White, 2011; Kilroy & Norman, 2014). On the other hand, the policy of SEZ development in the city can accelerate urbanization (attracting more urban migrants to seek job opportunities) and foster urban development. Therefore, the relationship between cities and SEZs is bidirectional (UN Habitat and UNCTAD, 2020).

**International guidelines on resettlements: JICA and the World Bank**

As discussed in the introduction, urban development projects are executed in the most developing countries with financial, technical, and operational assistance from international development organizations. The latter have published their own standards and best practices in planning and implementing the projects and dealing with their economic and social implications, such as involuntary resettlements. Therefore, to evaluate the shortcomings of the implementation of the development projects or any other issues derived from the projects themselves, using the policies of those organizations as benchmarks and measuring the gaps between them are intrinsically helpful to discover major shortcomings in the previous resettlement plans. Therefore, this paper glimpses the three different international guidelines on resettlement: JICA Guidelines and the World Bank (OP 4.12 and ESS 5).

JICA guidelines on involuntary resettlement are described in Section 7: Involuntary Resettlement in Appendix 1: Environmental and Social Considerations Required for Intended Projects of JICA Guidelines for Environmental and Social Considerations. The guidelines stipulate that

“Host countries must make efforts to enable people affected by projects and to improve their standard of living, income opportunities, and production levels, or at least to restore these to pre-project levels. Measures to achieve this may include: providing land and monetary compensation for losses (to cover land and property losses), supporting means for an alternative sustainable livelihood, and providing the expenses necessary for the relocation and re-establishment of communities at resettlement sites” (JICA, 2010).

In addition,

“Appropriate participation by affected people and their communities must be promoted in the planning, implementation, and monitoring of resettlement action plans and measures to prevent the loss of their means of livelihood” (JICA, 2010).

When JICA prepares no strict and detailed checklist in preparing a resettlement plan, it refers to the World Bank Safeguard Policy OP 4.12, Annex A. (OP refers to ‘Operational Policy’.)

OP 4.12 covers direct economic and social impacts caused by the involuntary land grab causing loss of shelter, assets, access to assets, income sources, and livelihood means (The World Bank, 2001). To address these challenges faced by the affected people and communities, in preparing the resettlement plan, the displaced people are adequately informed about their options and rights prior to resettlement; offered viable resettlement; provided assistance during relocation (moving allowances, for instance); and provided housing, and (if necessary) agriculture sites that have productive potential, desirable location, as well as additional factors that (at least) match the standards of the old location and site.

For the loss of livelihoods/means of securing income, Section 6 (c) of OP 4.12 specify that

“Where necessary to achieve the objectives of the policy, the resettlement plan or resettlement policy framework also includes measures to ensure that displaced persons are offered support after displacement, for a transition period, based on a reasonable estimate of the time likely to be needed to restore their livelihood and standards of living; and provided with development assistance in addition to compensation measures ...; such as land preparation, credit facilities, training, or job opportunities” (The World Bank, 2001).

When considering the compensation scheme, OP 4.12 states that for those displaced population who livelihoods are land-based, land-based resettlement strategies are always preferred. When land-based resettlement options are severely limited or impossible, non-land-based options should be built around the assurance of employment opportunities.

In addition to OP 4.12, in August 2016, the World Bank adopted a new set of environmental and social policies called ‘Environmental and Social Framework’ (ESF). The new set of ESF applies to new investment projects financed by the World Bank as of October 1, 2018 (The World Bank, n.d.). Currently, the two policies run in parallel for seven years when the ongoing projects still run with Safeguard Policies, where OP 4.12 lies.

The policies on involuntary resettlement are covered in ESS 5 of the framework, named ‘Land Acquisition, Restrictions on Land Use and Involuntary Resettlement’. (ESS refers to ‘Environmental and Social Standard’.) Unlike the previous JICA guidelines and OP 4.12, the standard is updated by making a clear distinction between physical displacement (relocation, loss of residential land, housing, and shelter) and economic displacement (loss of land, assets, or access to assets, leading to loss of income sources or other means of livelihoods).

One of the objectives of ESS 5 is stated as

“... to mitigate unavoidable adverse social and economic impacts from land acquisition or restrictions on land use by ... assisting displaced persons in their efforts to improve, or at least restore, their livelihoods and living standards, in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher” (The World Bank, 2018).

ESS 5 extends its scope of applicability by including all forms of permanent and temporary physical and economic displacements that result from the land acquisition and restriction on land use related to or imposed in connection with development project implementation, whereby excluding displacements that are not the direct results of the development projects, land-related disputes between private entities, and other forms of displacements rather than development-induced.

ESS 5 distinguishes between the general requirements for resettlements and the specific requirements for physical and economic displacements. For all categories of compensation, the calculation of the compensation rates should apply upward adjustment (the accounting method in which the final consideration exceeds the estimated consideration) where negotiations are made, with the documentation of calculation of compensation and the transparent procedures on the delivery of such compensation. In addition to that, Section 14 of ESS 5 states that



“As the nature and objectives of the project may allow, the Borrower will also provide opportunities to displaced communities and persons to derive appropriate development benefits from the project” (The World Bank, 2018).

Moreover, when ESS 5 ensures the borrowers engage with the appropriate stakeholders with the displaced and host communities, appropriate disclosure of information and meaningful participation should take place during the consideration stage of alternative project designs; Section 18 describes that

“...the consultation process should ensure that women’s perspectives are obtained, and their interests factored into all aspects of resettlement planning and implementation. Addressing livelihood impacts may require intra-household analysis in cases where women’s and men’s livelihoods are affected differently. Women’s and men’s preferences in terms of compensation mechanisms, such as replacement land or alternative access to natural resources rather than in cash, should be explored” (The World Bank, 2018).

When it comes to specific requirements, ESS 5 stipulate regarding economic displacements,

“... the plan will establish the entitlements of affected persons and/or communities, paying particular attention to gender aspects and the needs of vulnerable segments of communities, and will ensure that these are provided in a transparent, consistent, and equitable manner” (The World Bank, 2018).

ESS 5 describes the detailed compensation schemes for each type of economic displacement; for instance, criteria when compensating livelihood-based land (with productive potential, locational advantages, and other factors at least equivalent to that being lost will be offered wherever feasible), businesses (the cost of a viable alternative location, of net income during the transition period, of transfer and reinstallation of the plant, machinery or other necessary equipment, and of re-establishing the commercial activities), and employees (assistance for loss of wages during the transition period, and alternative employment and the assistance for searching alternative jobs if required). If the land-based replacement or resources are unavailable, or if alternative livelihood opportunities are preferred,

“... the Borrower will offer economically displaced persons options for alternative income earning opportunities, such as credit facilities, skills training, business start-up assistance, employment opportunities, or cash assistance additional to compensation for assets. Cash assistance alone, however, frequently fails to provide affected persons with the productive means or skills to restore livelihoods” (The World Bank, 2018).

Annex A of ESS 5 are requirements for economic displacements when preparing a resettlement plan. In the checklist, the following planning elements and additional information are required, in addition to direct land replacement and loss of access to land or resources.

- Support for alternative livelihoods - considerable alternatives to obtain satisfactory employment or to establish a business enterprise (including support measures of skills training, credit, licenses or permits, or specialized equipment) while providing

special assistance to women, minorities, or vulnerable groups who are more prone to securing additional livelihoods

- Considerations for economic development opportunities - any feasible opportunities to encourage improved livelihoods as a result of resettlement (including preferential project-related employment opportunities, support for the development of specialized products or markets, preferential commercial zoning and trading arrangements, or other measures) In addition, where relevant, the plan should consider the possibility of financial or benefit distribution to the displaced population and the communities through the establishment of project-based benefit-sharing arrangements.
- Transitional support - assistance for those whose livelihoods are disrupted during displacements (including reimbursements for loss of crops and natural resources, loss of profits in the businesses, loss of wages for employees who are unpaid during business relocation)

### **Income Restoration Programs (IRPs) in the Resettlement Work Plans (RWPs) of Thilawa Special Economic Zone (SEZ)**

#### **Description of RWPs of Thilawa SEZ**

In the case of Thilawa SEZ development, Yangon Region Government (YRG) is responsible to prepare, plan, disclose and implement RWPs of the project, as the project is being listed as 'Category A' under JICA guidelines. According to JICA Guidelines for Environmental and Social Considerations, JICA classifies their technically and/or financially assisted projects into four categories depending on the nature and scope of the project and their economic and social impacts, namely Category A, B, C, and FI. Category A projects have the highest and irreversible, complicated, or unprecedented impacts on the environment and society; Category B projects have the environmental and social impacts less adverse than that of Category A; Category C projects have minimal or little adverse effects; Category FI projects are that JICA's funding is provided through a financial intermediary or executing agency, and require approval from JICA. For Category A and B projects, preparing a resettlement plan is compulsory by the borrower.

YRG and JICA have disclosed seven RWPs of the project to date. They are listed according to the published time, which can be found on the following website.

[https://www.jica.go.jp/english/our\\_work/social\\_environmental/id/asia/southeast/category\\_a\\_b\\_fi.html](https://www.jica.go.jp/english/our_work/social_environmental/id/asia/southeast/category_a_b_fi.html)

- RWP for Development of Phase 1 Area (November 2013)
- RWP for Area 2-1 (The 100-ha Initial Development Area of Zone B) (August 2016)
- RWP for Area 2-2 East (The 108 ha Development Area of Zone B) (January 2017)
- Supplemental RWP for Expanded Area of Area 2-1 (February 2018)
- Supplemental RWP for Expanded Area 2 of Area 2-1 (November 2018)
- RWP for Area 3-1 and Related Area (January 2019)
- RWP for Area 2-2 West (Part-1) (September 2019)

According to the RWP for Development of Phase 1 Area, the displaced persons and communities are offered assistance packages that include assistance for loss of assets, income sources/livelihoods, and resettlement, as well as additional assistance for vulnerable groups and special arrangements in the relocation sites and IRPs (YRG, 2013). The RWP states that for the loss of income sources/livelihoods, it is planned to assist, for both land-based and non-land-based sources, with adequate monetary value to restoring or improving livelihoods to at least pre-project levels. For the former source, assistance for a yield is provided using national regulations and international standards. For the latter source, adequate wage reimbursement for the period of disrupted income generation is provided.

### **Description of IRPs of Thilawa SEZ**

IRPs are one of the assistance types provided for displaced persons in order to enhance their vocational opportunities. The main components of IRPs are vocational training programs. They support capacity building and development for the displaced population to enhance their income earning activities and cover their livelihood needs after relocation.

IRPs especially cover to

- farmers who require altering income earning activity from farming to another activity
- daily casual workers and other off-farming workers who desire to alter alternative job place
- currently unemployed people who desire to improve technical skill for finding job opportunity
- people do not need to change their current income earning activities but want to improve technical skills (YRG, 2013).

IRPs consist of three main activities, which are

- technical support for the improvement of work skills
- technical support for livelihood management
- assistance for finding income earning opportunities (YRG, 2013).

Technical skills for improving work skills and income earning activities include construction activities (construction, mechanical works, and housing management), small-scale industrial activities (carpentry, food processing, tailoring, storekeeping, staff management), and small-scale livestock and horticulture. For livelihood management, the RWPs describe the formulation of religious and social groups, income and expenditure management (opening and maintaining bank accounts, development of the financial plan, and hygiene education) are planned. The RWPs mention that job opportunities in and around SEZ are preferred to recruit displaced persons during construction and after an operation.

In the second disclosed IRP (RWP for Area 2-1), job matchings between the displaced persons' skills and qualifications and the job openings in and around SEZs (including the jobs of construction workers, health and safety personnel, cleaners, security guards, gardeners,

electricians, manufacturing factory workers, and office workers) as well as providing workshops and factory site-visits are included (YRG, 2016). Support on account management and financial literacy to earn interest, increase savings, avoid misuse, and reduce debt are also provided. In addition, this IRP includes new measures to support community development and adaptation of new economic, social, and environmental conditions, such as support to create a sense of cooperation, support to establish internal rules and systems, trainings for sustainable resettlement site management, trainings on hygiene measures, and support to coordinate with host communities. The contents of the later RWP are similar to that of RWP for Area 2-1. (YRG, 2017; YRG, 2018a; YRG, 2018b; YRG, 2019a; YRG, 2019b).

The following table summarizes the vocational trainings conducted and planned in accordance with IRP of Zone A, and the figure shows some IRP activities: the mushroom plantation training (left) and site tour to Thilawa SEZ (right) (YRG, 2017).

**Table 1** Summary of past and planned vocational training under the IRP for zone A

Contents	No. of trainees	Status
Basic arithmetic training	20	Provided between June and August 2015
Car driving training	6	Provided in October 2015
Tailoring technical training	14	Provided in October 2015
Language skills training (English)	1	Provided in November 2015
Computer skills training	1	Provided in November 2015
Electricity installing training	8	Provided in November 2015
Car repairing training	-	Planned
Cycle repairing training	-	Planned
Welding training	-	Planned
Dynamo repairing training	-	Planned
Printing training	-	Planned
TV repairing training	-	Planned
Security training	7	Provided in November 2015
Mushroom plantation training	3	Provided in February 2016
<b>Total</b>	<b>60</b>	



**Figure 1** Mushroom plantation training (left) and site tour to Thilawa SEZ (right)

**Source:** YRG. (2017). Resettlement Work Plan (RWP) for Area 2-2 East (The 108 ha Development Area of Zone B) of Thilawa Special Economic Zone (SEZ)

### Research findings

After screening three different international guidelines being used as benchmarks (JICA Guidelines, OP 4.12, and ESS 5) and the IRPs of Thilawa SEZs, this section investigates the gaps between the guidelines and the practices, and examines the potential shortcomings in the IRPs.

First of all, the RWPs insist that job booklets are prepared for job matchings in/near SEZ areas to understand which types of jobs they can apply for immediately and which they can apply after attending vocational training and improving their skills. The responsible agencies will help match the available job vacancies and the suitable candidates. Nevertheless, there is no substantial evidence in IRPs that guarantees the employment status of the trainees. During public consultations, the participants mentioned that the job booklet acknowledges the gaps between job availability and the candidates' preferences, yet the RWP did not prescribe how the issue will be remedied. One of the public comments made by the non-government organization also problematizes the description 'facilitation of job matching' that the precise details on the facilitation process should be described, as well as they demanded the assurances on the guaranteed employment to the displaced population (YRG, 2017).

It is evident that the structures of these vocational pieces of training, without guarantee on the employment status, are not sustainable enough for the displaced persons to secure their livelihoods. By revisiting the guidelines, it is found that Section 11 of OP 4.12 states that "non-land-based options built around opportunities for employment or self-employment should be provided" (The World Bank, 2001), as well as Section 6 (c) that require to provide development assistance including job opportunities. ESS 5 also insists that the borrower must provide the displaced persons with the preferential project-related opportunities derived from the development project. This shows the significant gap between the resettlement guidelines and the RWP, as all of the guidelines mentioned above make a similar claim that the host countries must support means for alternative sustainable livelihoods for the displaced population whose livelihoods are disrupted.

In addition to the lack of guarantees or assurances for employment in the IRPs, it is found that the programs do not provide sufficient support for the displaced persons who would choose to be self-employed or to establish a business enterprise. IRPs describe that their framework of restoration of economic activities includes small business development and access to credit programs. However, they lack detailed and adequate planning on how the agency will assist in developing business and credit access to the displaced persons. Without proper planning on how sources of capital (either equity or any loan and credit from financial institutions) and other additional assistance, the displaced persons will not be able to be self-employed or start a business enterprise. When JICA requirements do not adequately address this matter, ESS 5 echoed that when dealing with economic displacements, the agency will require to provide considerable alternatives to obtain satisfactory employment or to establish a business enterprise, including business start-up assistance such as support measures of skills training, credit, licenses or permits, or specialized equipment. Therefore, this can also be denoted as a gap.

Furthermore, every guideline posits public participation and consultation as an essential component of resettlement planning and implementation. All guidelines: JICA, OP 4.12, and ESS 5 highlight its importance. However, in the case of IRPs in the RWP of Thilawa SEZ, some discrepancies are observed. First of all, during the public consultations for Zone A, one participant raised concerns that while the project is instrumental in fostering economic development and creating job opportunities, most of the displaced persons are low-skilled and less-educated so that they are immensely concerned that they will only receive low-skilled and low-paid jobs such as cleaning and security, and that the development will not serve good for the region (referring to the region nearby SEZ and the resettlement site) (YRG, 2013). However, as worried by the participants, the following contents of the trainings provided in accordance to IRPs are mostly the low-skilled and low-paid jobs. In addition, one comment was the suggestion to apply IRPs before resettlement takes place so that they could find alternative livelihoods as soon as physical resettlement is conducted. However, such recommendation was ignored; the agency only insisted that IRP could be applied as soon as physical relocation takes place (YRG, 2016; YRG, 2017). When guidelines stipulate to promptly address the impoverishments, the displaced person's appropriate time proposal is rejected.

In addition, when one participant commented that there were few representatives from the village area in the IRP Committee and that government ministries were overloaded, the response was that the opinions of the villagers are 'reflected' (YRG, 2016), not mentioning how the agency will respond to the matter. The minutes of the public consultation meetings and the responses from the agency highlight that the voices of the displaced population are not adequately heard and that the meetings by the responsible authority are to provide information and plans that have already been prepared for the displaced people and not to consult on the viable options and incorporate their voices into the resettlement plan. All of the cases above prove the substantial gaps between the resettlement policies and their practice in the case of Thilawa SEZ.

The final point of discussion goes to the gender dimension of providing livelihood restoration opportunities. The former two guidelines, JICA and OP 4.12, stipulate to emphasize the needs of the women and vulnerable population in resettlement planning, but it is particularly ESS 5 that explicitly describes ‘gender’ as the crucial determinant in preparing a resettlement plan. According to Section 18 of ESS 5, women’s perspectives have to be considered, and these interests are factored into all aspects of resettlement planning and implementation. However, in the Thilawa SEZ’s IRPs, there are no appropriate discussions on providing additional income and livelihood opportunities for different gender segments. In the RWP for Area 3-1, it is found in one of the minutes that the government representative claims that IRPs provide in-kind assistance for the displaced populations regardless of sex (YRG, 2019b). However, allowing to participate in vocational training programs regardless of sex, or equality of opportunity for different sexes, does not necessarily translate into gender consideration in IRPs, as gender-specific needs and demands may significantly differ, and need to be considered accordingly. Therefore, it can be comprehended that gender dimensions are not considered enough in the RWPs of Thilawa SEZ to meet challenges different sexes face, especially for the women, which can be denoted as a gap.

### **Conclusion and discussions**

Based on rigorous analysis, it is found that IRPs lacked sufficient attention to address impoverishments and provide alternative sustainable livelihoods for the affected communities. Learning from the past resettlement plans by examining them, with particular reference to IRPs, of Thilawa SEZ using different international guidelines (JICA Guidelines and the World Bank OP 4.12 and ESS 5) as benchmarks, significant gaps between the international resettlement policies and the practices are observed. These gaps, or shortcomings, can be summarized as: the lack of guarantees or assurances on the employment status in/near SEZ area, the lack of support for the displaced persons who would choose to be self-employed or to establish a business enterprise, shortcomings in the meaningful participation by the affected communities, and insufficient gender dimension incorporated into IRPs of the resettlement plan.

Based on the lessons learned in the RWPs of Thilawa SEZ, four policy recommendations for improving future resettlement planning are suggested. It is essential to announce that the discussions and policy recommendations are derived from this particular case study; therefore, they are not comprehensive enough to apply in every resettlement context. They should be tailored according to the context and circumstances to ensure their applicability and effectiveness.

First, the assurance and guaranteed condition between the responsible stakeholders on the employment opportunities for the displaced population should be conducted in a timely and appropriate manner. A statement like ‘preferential treatment towards the displaced population in job matching’ is not a sufficient policy measure in itself. The additional measures are required to assure their livelihood security, which may include the provision of the quota system to determine a significant amount of employment opportunities that go directly to the displaced persons, the guarantee on employment status for a reasonable period, the job

offerings that include the varieties of positions instead of low-paid low-skilled jobs, consideration of additional costs (such as mobility) for those who require to work in the places not nearby the newly resettled location. When SEZs are developed with a fundamental objective to stimulate employment and reduce poverty, this objective should be intrinsically linked to substantially benefiting and prioritizing the displaced population, who have already faced impoverishments by development-induced displacements.

Second, infrastructure, technical and financial assistance for business establishment, and self-employment are essential, not limited to vocational trainings and basic services. The responsible agency should support the business establishment and financing as well as additional support such as finding markets and capital. Even if the resettlement plan does not require compliance with ESS 5, its provision of multi-dimensional and long-term oriented assistance to the displaced persons is applicable. It should be referenced in any form of resettlement planning for economic displacement and livelihood restoration.

Extending the first and second recommendations, opportunities should be built upon restoring their livelihoods, not just focusing on their income only, as livelihoods are comprised of the broader implications on how someone earns as well as their available resources and assets (tangible and intangible) to achieve their income. In addition, the elements described in ESS 5 that stipulate the required information on economic displacement serve as a valuable reference in dealing with future livelihood restoration strategies in resettlement planning.

Third, it is inherently crucial to consider how to derive development opportunities and benefits from the project to reach the displaced population effectively. As ESS 5 posits, the agency should access the possibility of financial or non-financial distribution of benefits through the establishment of project-based benefit-sharing arrangements. The SEZ projects are more than possible to derive these opportunities, as they are developed to provide national and regional economic development. It is economically, politically, and socially appropriate and just that the displaced and the host population should receive more comprehensive development benefits from SEZ. In order to achieve this objective, innovative policy measures such as a particular amount of revenue from foreign investments being re-invested as infrastructure in and near the relocation site and the establishment of low-interest financing mechanisms which is funded from the revenue from the project that allow loans and credits for the displaced population's business enterprise establishment can be considered.

Fourth, and finally, planning the planning process to become more inclusive and participatory is crucial. In the planning literature, urban design and development are the results of how the planning process itself is planned, for instance, how and to what extent the local citizens can participate and have the power to make decisions and influence the planning outcomes. Theoretically, there are eight levels of participation from the most to least participatory; citizen control, delegated power, partnership, placation, consultation, informing, therapy, and manipulation (Moughtin, 2003). Quite frankly, the higher level of citizen participation and the more inclusive planning processes lead to more user-friendly and inclusive planning outcomes.



In the case of RWPs of Thilawa SEZs, it is crystal clear that the displaced communities' voices are not adequately considered, nor do they have enough political power to influence the resettlement planning process. As resettlement itself has to be planned, it can derive lessons and opportunities from the existing planning literature. Future resettlement planning can be improved by designing the planning process to be more inclusive and participatory, which can be achieved not only by allowing more voices of the displaced communities and effectively incorporating them into the resettlement plan outcome but also by investing more decision-making power to the community; for instance, in the choice of IRP contents and design and long-term livelihood restoration strategies. This will produce better resettlement plans that forcefully address the impoverishments of the displaced population and fulfill their needs, both short- and long-terms. In addition, more inclusive and participatory planning also means more effective integration of gender dimension into every aspect of planning which is also a crucial element to address the different nature of vulnerability faced by different sexes, especially those of women. Not only the descriptions in Section 18 of ESS 5 on incorporating gender issues in resettlement planning but also additional considerations are desirable.

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