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Examining vulnerability in mining-induced displacement and resettlement: A preliminary note

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1. Introduction

This preliminary note has been developed to assist practitioners in thinking through the problem of "vulnerability" in mining-induced displacement and resettlement (MIDR) events. The authors have developed this conceptual framework on the understanding that it may be used by practitioners inside and outside the mining industry to deepen their knowledge around "vulnerability" in different operating contexts.

This preliminary note references international safeguard frameworks where developers are encouraged to identify and manage instances of vulnerability that either (i) are exacerbated by displacement and resettlement, or (ii) emerge as a result of those activities. The reference points in relation to "displacement" and "resettlement" are the International Finance Corporation's Performance Standard 5 on Involuntary Land Acquisition and Resettlement (2012),[1] and the World Bank's recently revised Environmental and Social Framework, Standard 5 on Land Acquisition, Restrictions on Land Use and Involuntary Resettlement (2015).[2]

Vulnerability is important to examine from a human rights perspective. There is an increasing interest globally about how mining companies incorporate human rights considerations into their practices. There is a concern among human rights advocates that the term "vulnerability" is an imposition that inadvertently disempowers people. We see vulnerability as providing a direct linkage between the World Bank Group Policies on Resettlement (IFC PS5 and ESF5) and business and human rights frameworks, such as the United Nations Guiding Principles on Business and Human Rights (2011). This is because changes in living circumstances can result in vulnerabilities that leave people exposed to human rights risks. We also recognise that people can become marginalised within their own communities, or suffer a loss of opportunity, for a variety of reasons. We maintain that vulnerability is a useful concept for examining risks to human rights, and that it should not be overlooked.

In offering this note, the authors make a number of assumptions about how the framework will be used. To begin with, we assume that the developer is in a position to identify different types of vulnerability in their operating environment using a base of knowledge about the host context, and the interactions between the social context and the operation. We assume (or at least strongly advise) that this knowledge base is formalised in a system that collects, monitors and uses relevant data that supports its social performance planning and decisions. The point is that a vulnerability assessment should not be undertaken as a stand-alone exercise. The assessment should build on, and in turn inform, an existing base of knowledge.

The note is structured into three basic sections. The first section provides an initial description of the vulnerability framework and defines seven (7) objectives associated with using the framework. Sections two and three describe the operationalisation of the framework.

1.1 The vulnerability framework

The framework contains seven (7) process steps (Figure 1). Sections 2 and 3 of this note provide a step-by-step explanation for each of the components of the framework and the order through which the steps should be approached. Focal tasks associated with each step are highlighted in red. These steps are built around the mechanics of identifying the types of vulnerability that exist in a mine's area of interest, and what types of activities are undertaken to manage these vulnerabilities.

In the identification steps of the framework, it is helpful to think broadly about how different categories of people are disadvantaged in the local context, and how the responsibilities and resources are allocated across parties in order to support those people. Identifying different systems around conditions of

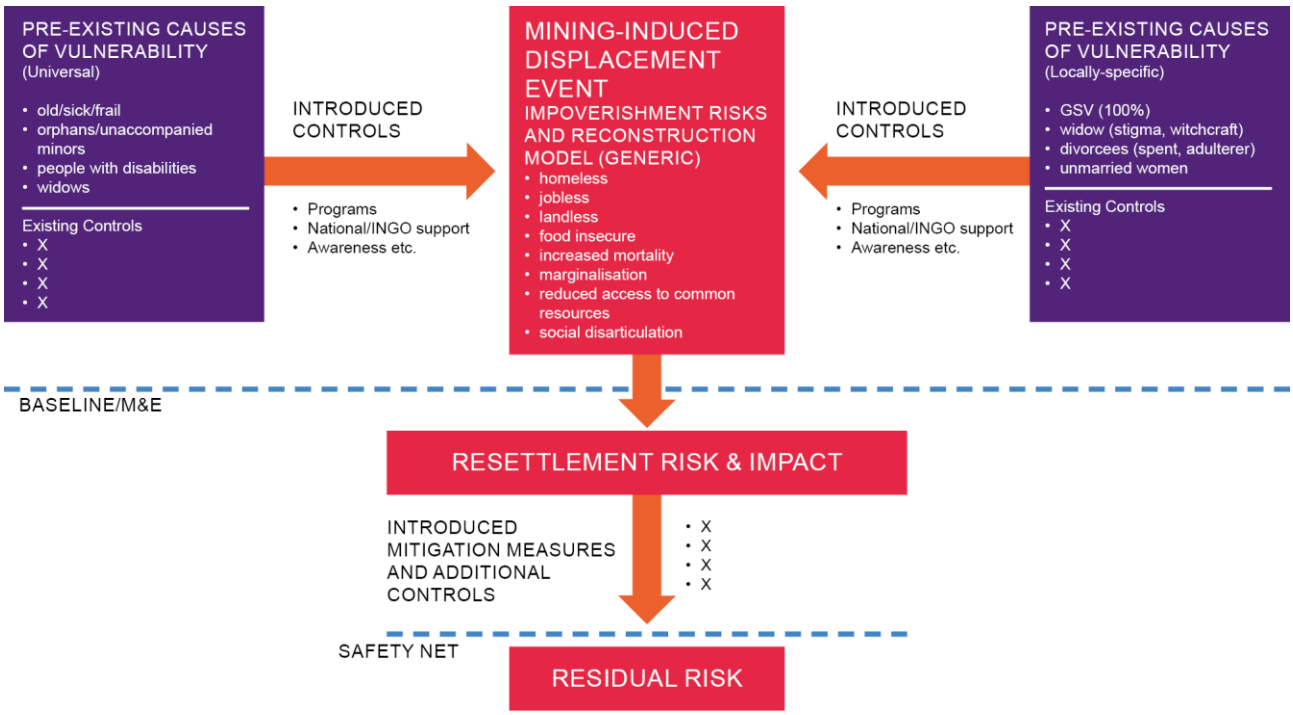
[1] The IFC Performance Standard 5 can be found online at: http://www.ifc.org/wps/wcm/connect/3d82c70049a79073b82cfaa8c6a8312a/PS5_English_2012.pdf?MOD=AJPERES

[2] This framework has been approved by the board of the World Bank, but is still only available in draft. Transition to the new framework will take place from 2016 to 2018. The draft framework can be accessed at: http://consultations.worldbank.org/Data/hub/files/consultation-template/review-and-update-world-bank-safeguard-policies/en/materials/clean_second_draft_es_framework_final_draft_for_consultation_july_1_2015.pdf

vulnerability needs to be completed before factoring in what effect mining-induced resettlement will have on those systems. The combination of locally existing (i.e. inherent) forms of vulnerability, and vulnerabilities that are likely to emerge from resettlement (i.e. acquired) provides the “vulnerability baseline". It is important that each step is completed thoroughly before proceeding to the next step in the framework.

Once the vulnerability baseline is established, the focus is on managing vulnerability risk through program interventions and through monitoring activities. As a final step, an assessment needs to be made in order to understand what types and levels of residual vulnerability risk will be outstanding.

Figure 1. Example of a step-wise approach to diagnosing vulnerability in mining induced displacement and resettlement (MIDR) events.

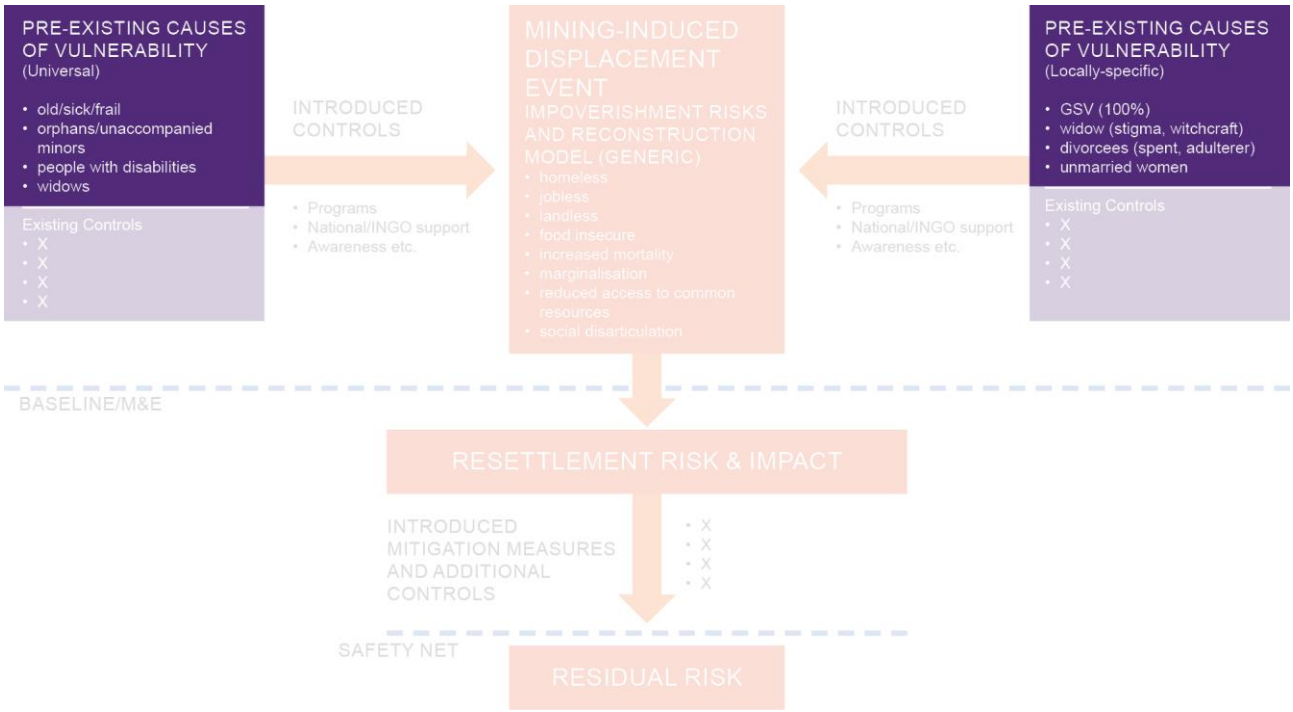


1.2 Objectives of a vulnerability assessment

1. Identify general and particular forms of pre-existing vulnerability
2. Define resettlement-induced vulnerabilities that may arise through the displacement and reconstruction process
3. Understand the relationship between pre-existing vulnerability and resettlement events
4. Define existing resources and relationships within the local context that are used to manage vulnerabilities. These can be considered as “pre-existing welfare functions”.
5. Understand the risk that the resettlement event will have on the pre-existing welfare function and the impact of this on the management of vulnerability
6. Define activities that preserve existing assets and welfare functions; define additional controls that minimise potential for new vulnerabilities to emerge or for previous forms of vulnerability to be exacerbated.
7. Through this process, design program activities to reduce risks and impacts to the most minimal levels possible. Identify resources for managing residual risks.

2. Developing the baseline – Steps above the line

Figure 2. Step 1: Identify pre-existing causes of vulnerability.

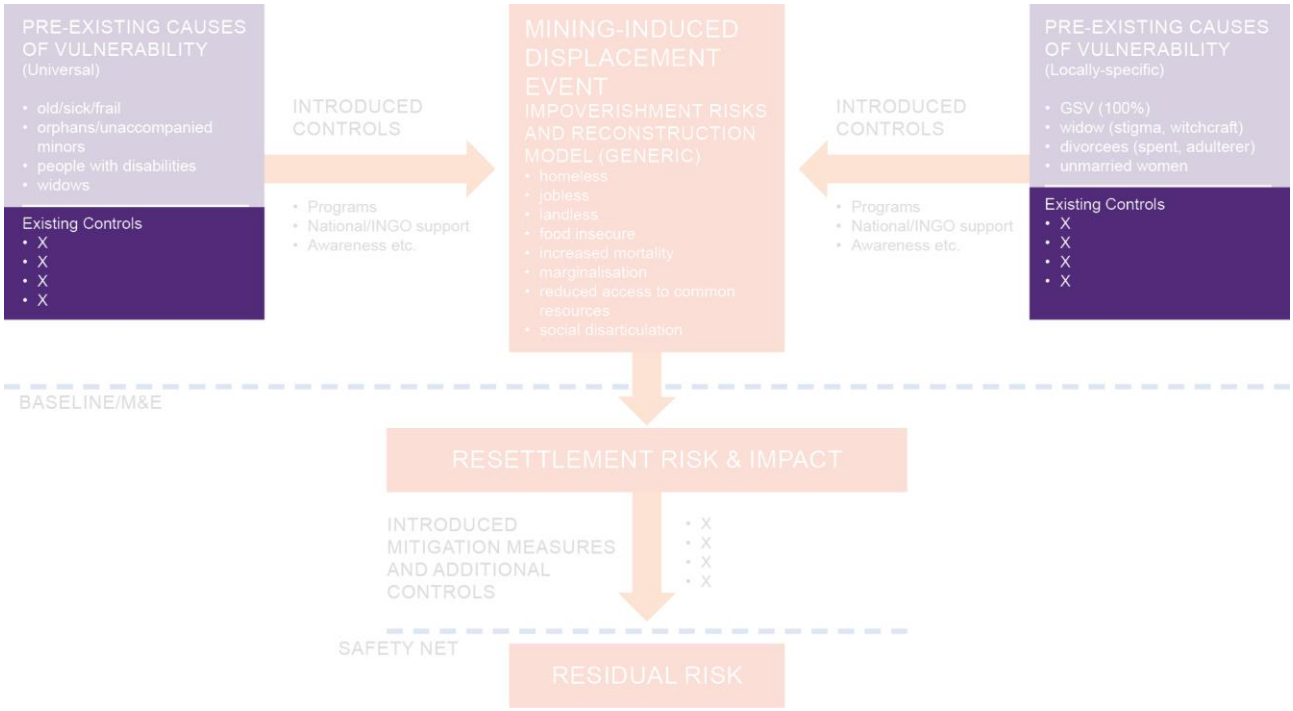


Step 1. In the context of the area of interest (AOI), define general types of vulnerability. A variety of sources are available that provide these types. The IFC Performance Standards (2012) and the DFID (1999) Sustainable Livelihoods Approach Framework provide useful descriptions.3 It is useful to start with general types of pre-existing vulnerability before moving to context or locality specific types of vulnerability.4 In the AOI, it is important to understand how local people define and categorise vulnerability because local people may not always see vulnerability in the same way as someone from outside that context. This step involves testing local mechanisms for understanding and responding to vulnerability.

3 For an overview of the Sustainable Livelihoods Approach see Ashley, C and Carney, D (1999) Sustainable livelihoods: Lessons from early experience. Department for International Development (DFID). UK, London.

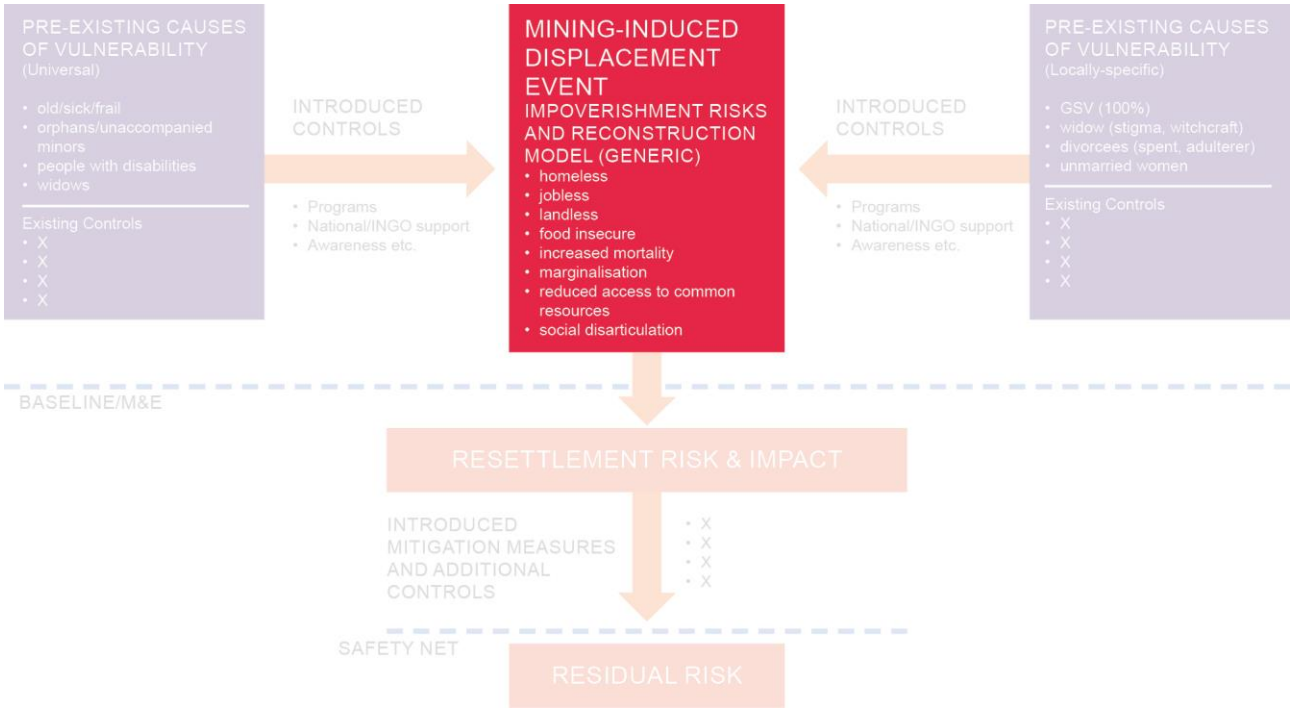
4 For an application of the Sustainable Livelihoods Approach to MIDR see Owen, J., Muriuki, G., & Kemp, D. (2018). Livelihoods, Food Security and Mining-Induced Displacement and Resettlement. Centre for Social Responsibility in Mining (CSRM), The University of Queensland: Brisbane.

Figure 3. Step 2: Identify local welfare systems that prevent vulnerability risks.



Step 2. Identify the local welfare functions (or "controls") that are present in the local environment and understand how these are used to manage different types of vulnerability. Most societies have mechanisms for providing support to people who are disadvantaged or vulnerable. At this step, the task is to identify mechanisms used locally to support vulnerable people and to understand how they operate. For example, are there special provisions or supports made available for people who are elderly, sick, or severely poor in the community? How are people identified as being in need? How do these support structures work? Who provides the support and how? Is there a reciprocal demand placed on the recipient?

Figure 4. Step 3: Understand the displacement and resettlement risks.



Step 3. Understand the effect that the MIDR event is going to have in this context. For this step:

a. Utilise the risk categories provided in Michael Cernea's Impoverishment Resettlement Risks (IRR) Framework – that is the eight (8) stated risks.[5] These are considered to be "generic" or commonplace risks that can occur in any displacement and resettlement event:

   i. Joblessness

   ii. Homelessness

   iii. Landlessness

   iv. Food insecurity

   v. Increased mortality

   vi. Marginalisation

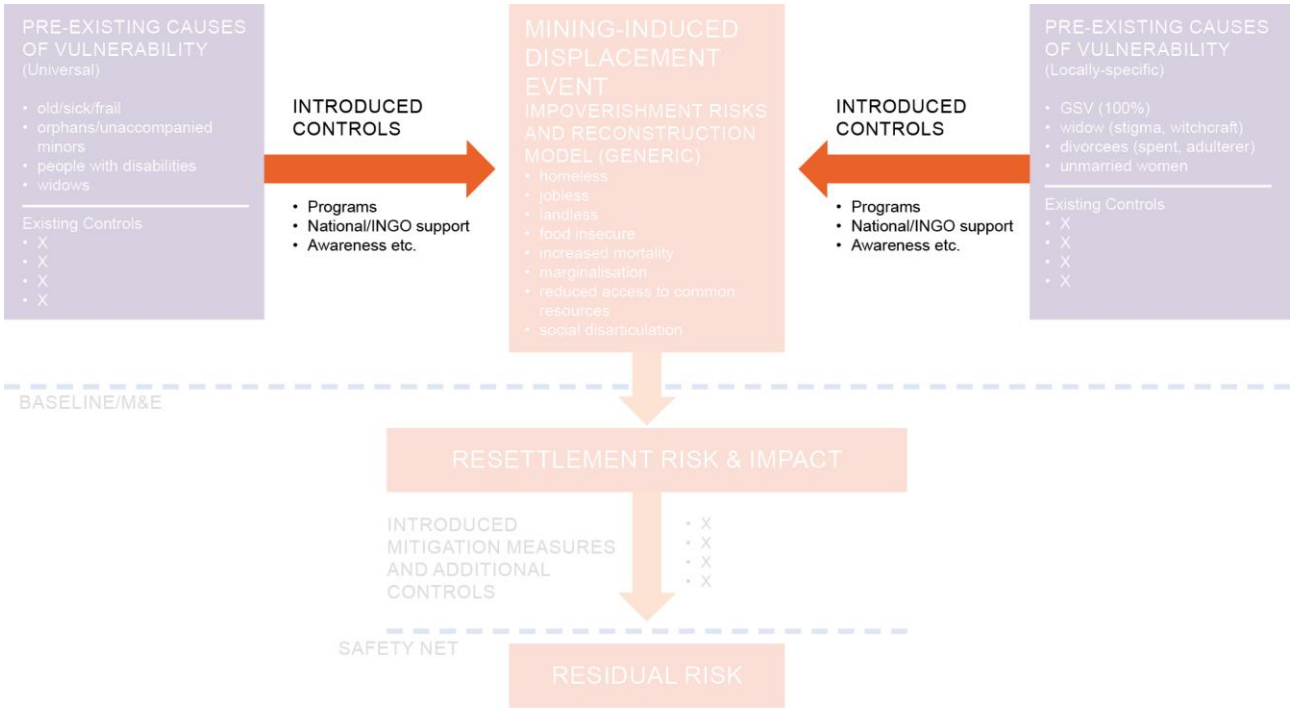
   vii. Reduced access to common resources

   viii. Social disarticulation

b. Identify particular types of risk that might emerge from the operation, or the resettlement, on either the displaced or receiving population. It is important to remember that receiving communities can also become displaced as a result of a developer or resettled people acquiring lands for resettlement.

[5] Cernea, M.M. (1997) The Risks and Reconstruction Model for Resettling Displaced Populations, World Development, 25 (10), 1569-1588.

Figure 5. Step 4: Identify management controls for the displacement and resettlement risks

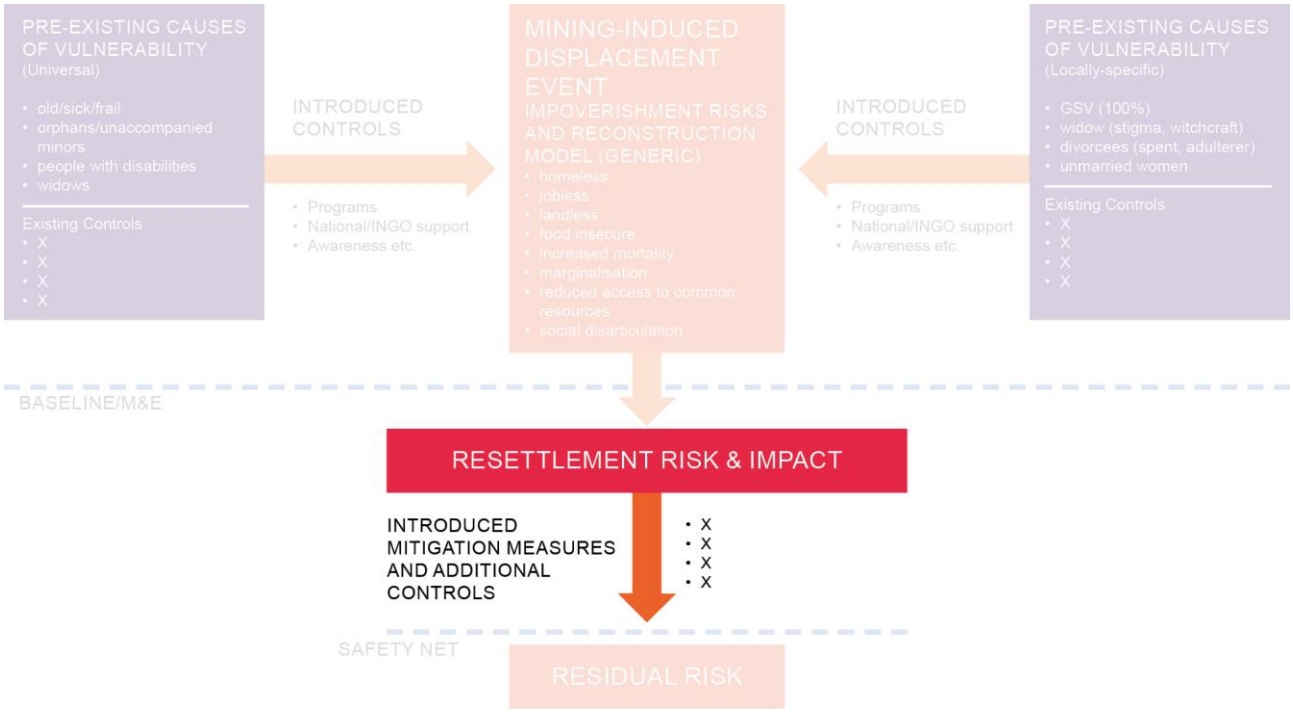


Step 4. Identify any introduced controls that have been, or could be, put in place to manage risks or vulnerabilities created by the mining-induced resettlement event. Controls is a common industry term used for systems, procedures or interventions designed to achieve a particular objective or set of objectives. In this step of the process, the controls can be provided by a range of parties: internally by the company, externally by the government or NGOs, or in a partnership involving a combination of these stakeholders.

In this preliminary note we are taking Steps 1-4 as the basic components of a vulnerability baseline. Our focus is on displacement and resettlement in the mining industry, but this framework could easily be adapted for use in climate change or disaster management scenarios.

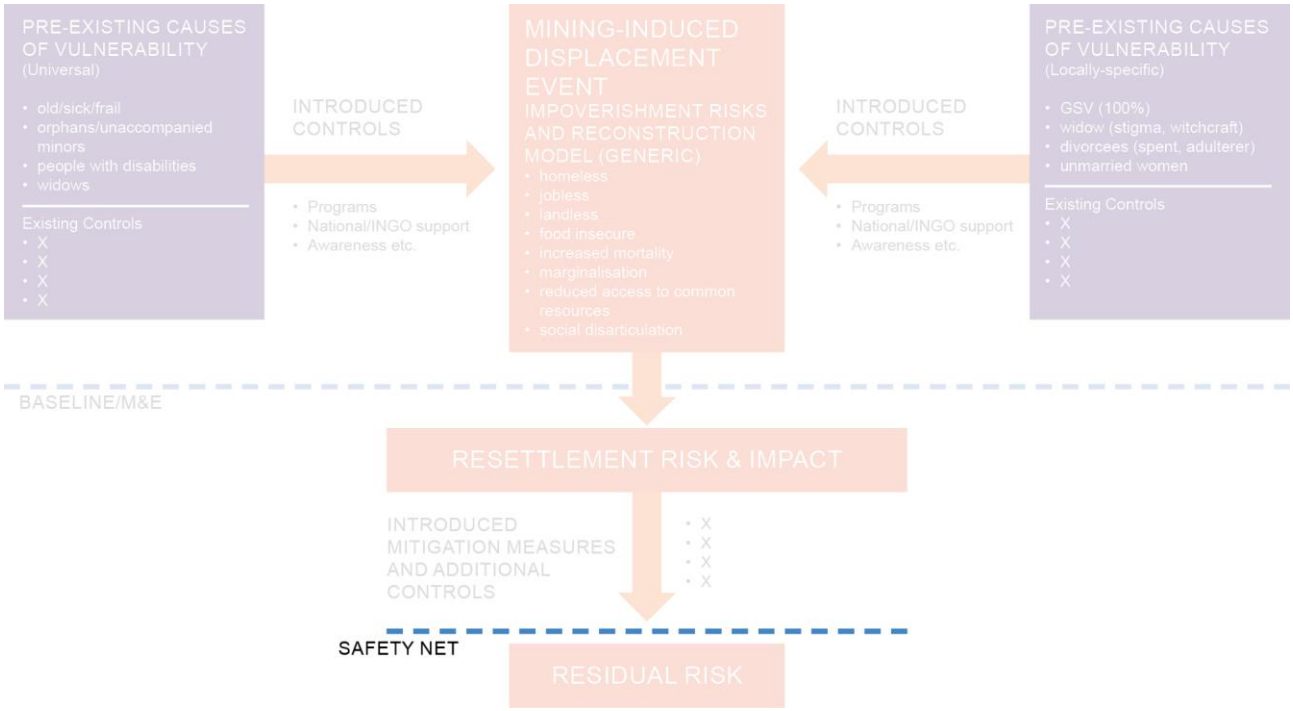
3. Designing, Managing and Monitoring – Steps below the line

Figure 6. Step 5: Establish a system of additional controls with assurance measures.



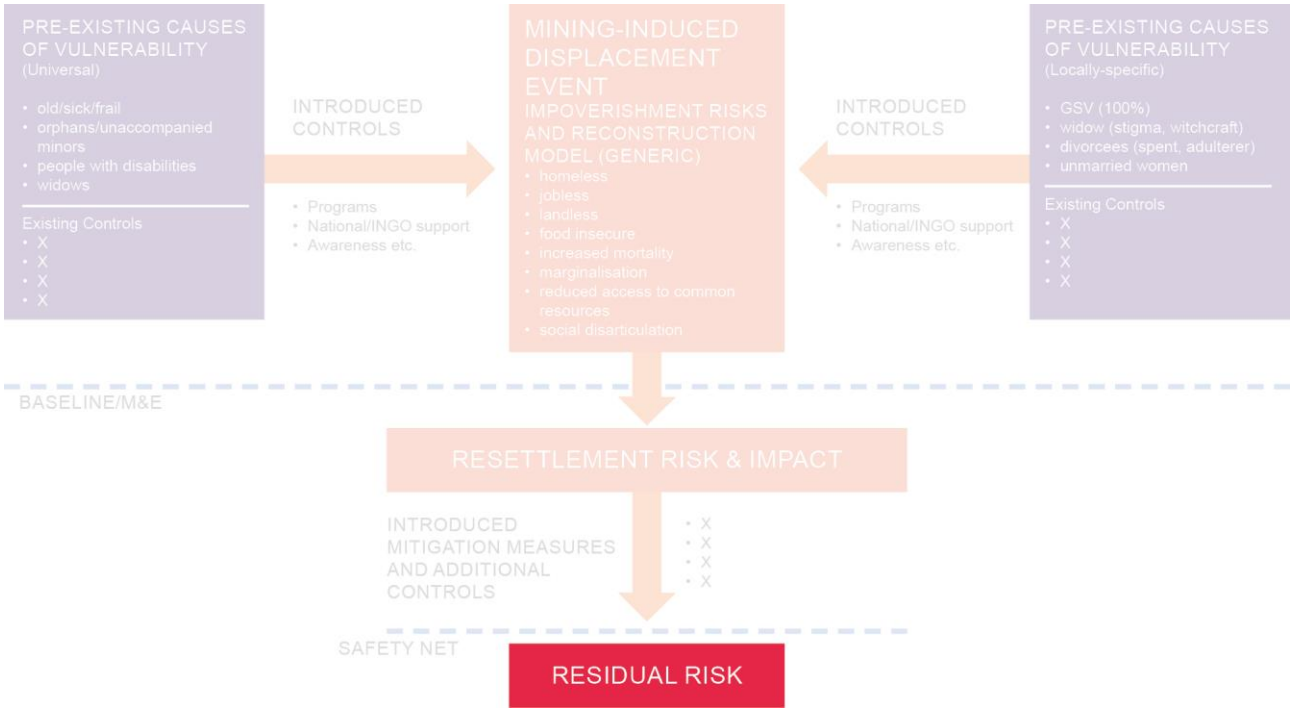
Step 5. Having developed the vulnerability baseline, the next step is to establish a comprehensive system of "additional controls" to manage the risks and impacts that stem from the resettlement. This system is to include objectives, interventions and activities, activity and process indicators, data sources, as well as financial and technical resources to provide assurance that the controls are having the planned effect.

Figure 7. Step 6: Understand the extent to which the controls safeguard against vulnerability.



Step 6. In this step the idea is to establish the effectiveness of the controls and guard against control failure. The overall objective of these controls is to address risks and impacts. We have referred to this part of the conceptual framework as the “safety net” because at this stage the focus is on knowing which vulnerabilities are being managed or safeguarded and which vulnerabilities or impacts are not (ie. those that are falling through the net).

Figure 8. Step 7: Determine the level of residual vulnerability risk.



Step 7. In this part of the conceptual framework we assess the level of residual risk. These are the vulnerability risks and impacts that have essentially fallen through the "safety net" identified in Step 6. When looking at the framework as a whole, we take residual risk as being the sum of the vulnerability baseline risks and controls (Steps 1-4 above the line), plus or minus the controls established in the design and management stages (Step 5). The objective in working through these steps is to "manage out" as much vulnerability risk as possible. Once the residual risk is determined, it must also be characterised. It is helpful to ask:

- Are these risks-to-people or risks-to-project?
- Who will take responsibility for managing these risks?
- Are these stakeholders aware that they will be carrying these risks?
- Is it possible that these un-managed risks will intensify and give rise to new forms of risk?
- Are there alternative pathways for managing these risks?
- What resources are required to manage these risks, and are they available?
- Can the safety net be strengthened?

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