

4. Social Assessment

4.1 Introduction

It has been demonstrated that the incorporation of social analysis and the participation of project stakeholders in the planning and implementation of projects results in improved project efficiency, effectiveness and sustainability. Therefore, social assessment should be included as an integral part of the planning process, and carried out in parallel with the project identification, feasibility study and environmental assessment procedures described in the previous chapters.

HMG/N has not adopted any specific regulations or guidelines for social assessment in the manner that the Environmental Protection Act, 2053 (1997) and supporting rules have been enacted and applied in all major projects. The principal donors, such as the Asian Development Bank and the World Bank, have developed policies and guidelines which address social factors and/or participation which they require be followed in projects funded by them. The principal donor policy or guideline documents are listed at the end of this chapter.

This chapter provides guidelines for carrying out a social assessment following the procedures adopted by the major donors.

4.2 Definition and Objectives of Social Assessment

Social Assessment (SA) is a process that enables project planners to understand the influences a project may have on the affected population. Specifically, SA helps to explain social diversity, reflect relevant gender and ethnic factors, recognise vulnerable groups and identify the structural reasons for their vulnerability. It is both an analytical and participatory process that gathers and analyses information about the project affected population. It enables project planners, in consultation with the affected population, to identify and prioritise critical social and economic issues and to address them in the design and implementation of the project.

SA is carried out within a project context to accomplish the following:

- Identify all major stakeholders.
- Ensure that project objectives and incentives for change are appropriate for the range of intended beneficiaries including gender and other social differences.
- Identify adverse impacts and determine how they can be overcome or substantially mitigated.
- Suggest mechanisms to enable participation, resolve conflict, permit service delivery and carry out mitigation measures as required.
- Increase social inclusion.
- Establish an appropriate framework for the participation of key stakeholders in all the stages of the project cycle including monitoring and evaluation.
- Analyse the key social contributions of investment projects based on empirical information.
- Assess the social impact of investment projects, including evaluation of the adequacy of mechanisms for involving the poor and vulnerable groups.

4.3 Types of Project Where Social Assessment is Required

Awareness of social dimensions and issues is required in all projects regardless of size. A specific SA may not be required for all projects but it is advisable where there are:

- Populations who historically have been disadvantaged or excluded from development projects.
- Large social and economic inequalities.

- Post-conflict or acute social problems.
- Large-scale plans (e.g. use of users' committees in place of contractors).
- Anticipated adverse impacts upon indigenous people or cultural heritage.
- Involuntary resettlement.
- Changes in existing patterns of behaviour, norms or values will be required.
- Insufficient understanding of local needs and problems.
- Identification criteria and mechanisms for targeting beneficiaries are unclear.

4.4 Social Assessment in the Project Cycle

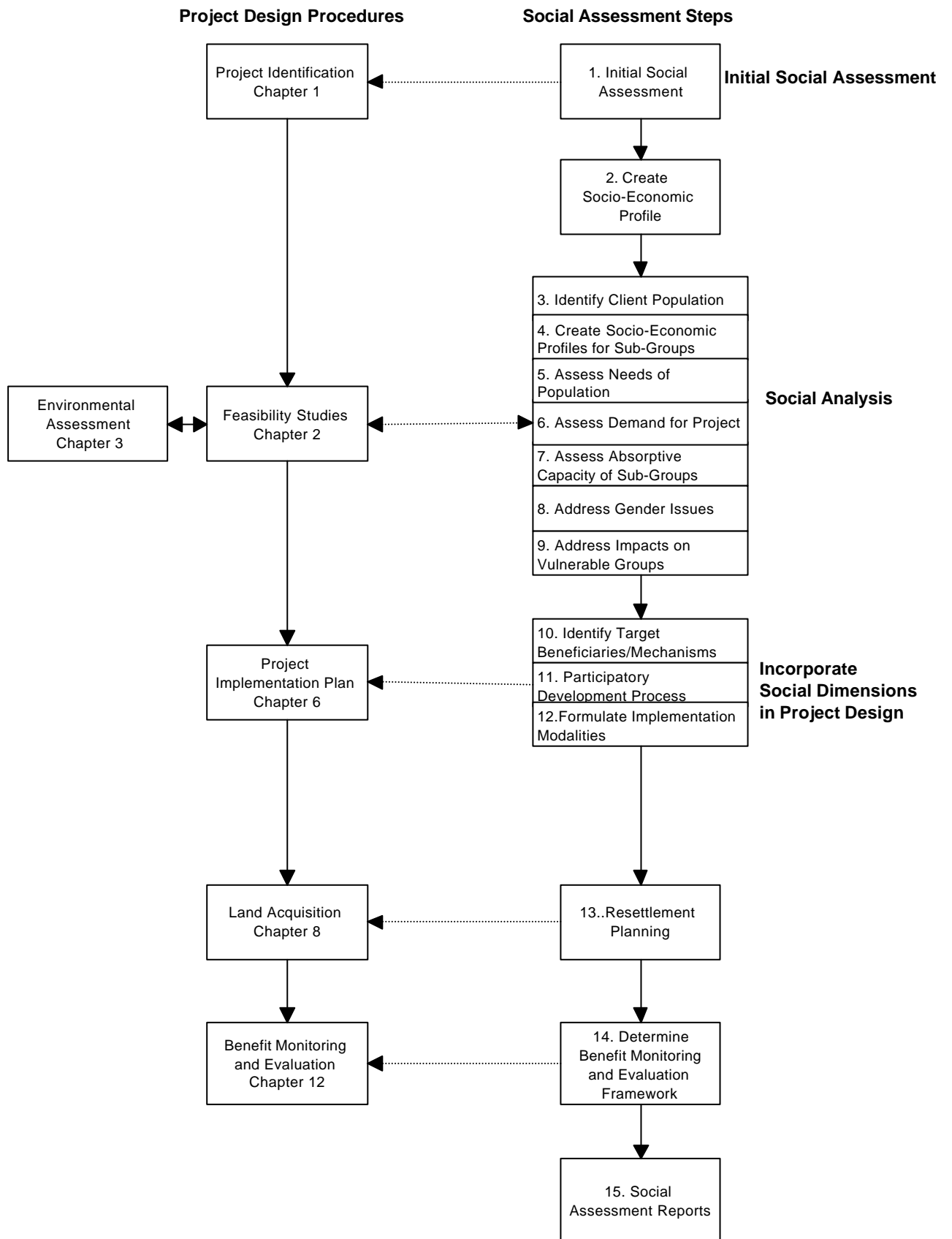
The SA should be an integral part of the project cycle. Figure 4.1 illustrates the relationship between the major steps in SA and other stages in the project cycle described in PWD Part II. The SA should be conducted either as an integral part of the project feasibility study, or as a separate study which should be carried out in close coordination with the feasibility study and environmental assessment. The SA will assist in determining the scope of the project, mitigation measures and implementation arrangements which should be incorporated into the project design and implementation plan.

The following guidelines for conducting the SA are based principally upon the Asian Development Bank Handbook for Incorporation of Social Dimensions in Projects, May 1994 and other references listed at the end of this chapter.

The core aspects which should be examined include identification and assessment of the following:

- The client population which includes beneficiaries, and others affected without benefiting from the project.
- Needs of the client population.
- Demands of the client population.
- Absorptive capacity of the client population.
- Gender issues.
- Potential adverse impacts, especially on vulnerable groups.

Figure 4.1 Relation Between Social Assessment and Other Stages in the Project Cycle



4.5 Steps in Social Assessment

Table 4.1 Steps in Social Assessment

Step	Activity	Responsibility	Time*
1	Initial Social Assessment	Project Staff, Consultant or NGOs	2.0 month
2	Create Socio-Economic Profile	Project Staff, Consultant or NGOs	2.0 month
Social Analysis			
3	Identify Client Population	Consultant or NGOs	1.0 month
4	Create Socio-Economic Profiles for Sub-Groups	Consultant or NGOs	1.0 month
5	Assess Needs of Client Population	Consultant or NGOs	1-2 months
6	Assess Demand for Proposed Project	Consultant or NGOs	1-2 months
7	Assess Absorptive Capacity of Sub-Groups	Consultant or NGOs	1-2 months
8	Address Gender Issues	Consultant or NGOs	1-2 months
9	Address Impacts on Vulnerable Groups	Consultant or NGOs	1-2 months
Incorporate Social Dimensions in Project Design			
10	Identify Target Beneficiaries and Targeting Mechanisms	Consultant or NGOs	1.0 month
11	Participatory Development Process	Project Staff with assistance from Consultant, NGOs	2-3 month
12	Formulate Implementation Modalities	Project Staff with assistance from Consultant, NGOs	0.5 month
13	Resettlement Action Plan	Project Staff with assistance from Consultant, NGOs	2-3 months
14	Determine Benefit Monitoring and Evaluation Procedures	Project Staff with assistance from Consultant, NGOs	0.5 month
15	Social Assessment Reports	Preparation: Consultant	1 month
	Total Elapsed Time	All	Up to 12 months

* Time required for a major central level project. Time required for smaller projects should be no more than 1-2 months. Many steps can be carried out simultaneously.

Step 1. Initial Social Assessment

The initial social assessment (ISA) identifies the major population groups that may be affected, positively or negatively, by a proposed project, the specific development issues that should be examined and the scope of further social analysis required. The assessment should be undertaken as early as possible in the development of a project. The principal objectives of an ISA are to:

1. Identify the major population groups that may be affected beneficially and otherwise by the proposed project for study in the SA.
2. Identify the specific social issues for study in the SA.
3. Prepare Terms of Reference for the SA.
4. Identify and assess alternative means of conducting the SA (consultants, NGOs, etc).
5. Assess the time, resources and costs of conducting the SA to be included in the total cost of project preparation.

The ISA is normally conducted through field visits to all or a sample of the communities directly affected by the proposed project. Project planners need to observe the community and discuss the needs, issues, proposed alternatives etc. with proponents of the project, members of the community who may benefit, community leaders and NGOs as well as potential opponents of the project.

Step 2. Create Socio-Economic Profile

An overall socio-economic profile of the project area should be created to provide the basis for the SA. This initial socio-economic profile will be further refined during the social analysis. A suggested outline is given in Table 4.2.

Table 4.2 Socio-Economic Profile

Location and Physical Characteristics	Map (showing roads, land use, rivers, bridges, major settlement areas) Description of location.
Economic	Ownership of assets Land (e.g., amount, type, distribution, security of tenure) Non land (e.g., livestock, equipment, buildings) Type of livelihood (subsistence, commercial or both) Household income/expenditures Skills Employment and allocation of labour Use and access to credit Use and access to marketing services Use and access to commercial inputs
Social Infrastructure	Access to health services Education (primary, secondary, informal) Water and sanitation Housing Roads and communications Energy Government services and security
Demographic	Age/Sex/Family size Birth/Death rates Health and nutrition (children and adults) Migration (in and out) Number of single parent households Gender differentiation of households
Social Organisation	Family structures Social structures in the community Ethnic groupings Information about how collective decisions are made Local institutional structure NGOs in the community Level of social respect and initiative

Social Analysis

Step 3. Identify Client Population

The first step in the social analysis is to identify the population who will be served by the project (beneficiaries) and others who may be affected but are not direct beneficiaries. In many projects in Nepal the active participation of the beneficiaries is essential for achieving the objectives and sustainability of the project (e.g. users' committees drawn from the beneficiaries who construct and maintain agricultural roads, irrigation and water supply works).

Step 4. Create Socio-Economic Profiles for Sub-Groups

The second step is to identify the sub-groups within the affected population whose needs, demands and absorptive capacities may differ, and who may require different project objectives and implementation arrangements. In Nepal, the typical sub-groups who need to be distinguished include:

- Landowners
- Tenants
- Landless and squatters
- Ethnic and tribal groups
- Depressed occupational castes (Dalits)
- Gender division of labour
- Vulnerable and excluded social groups

A socio-economic profile should be prepared for each client population with as much detailed information as possible on the differences in the needs, demands and absorptive capacity of each sub-group.

Step 5. Assess Needs of Client Population

The needs of the client population should be assessed and compared with the facilities and services which the project proposes to provide. There may be a discrepancy between the 'objective needs' of the community (e.g. improve sanitation as a means to improve health) and the 'felt needs' (e.g. less emphasis is placed on sanitation because of a lack of understanding of the link between it and health). In other cases the felt need may exceed an objective need which is defined by level-of-service standards (e.g. people may want a sealed road where traffic only justifies a gravel road).

The reasons for the needs should be understood. Inadequate facilities and services may be linked to inability to pay user fees, or the lack of users' groups to maintain existing facilities.

Step 6. Assess Demand of the Proposed Project

The demand for a project is normally expressed in terms of the willingness of the targeted beneficiaries to make investments, or participate in the implementation, operation and maintenance of facilities constructed under a project. Demand may be indicated by the beneficiaries' willingness to pay for the products or services of the proposed project. Assessment of demand must often depend on surveys of the beneficiaries. These results are usually less certain than assessment of needs based on norms and objective standards. Nonetheless it is important to gauge the level of the beneficiaries support by their willingness to participate in implementation activities.

Step 7. Assess Absorptive Capacity

For projects which provide facilities and services to beneficiaries with low incomes, skills and levels of literacy, it is necessary to assess their capability to acquire, operate and maintain those

facilities and services. This information is needed to determine the most effective means of delivering the project assistance or training essential to the sustainability of the project benefits. The following are factors that may influence the ability of the targeted groups to absorb the inputs provided through the project:

- Motivation to change as indicated by attitudes and aspirations toward change, and recognition of the need to change through participation and cooperation in self-help activities.
- Level of knowledge and skills of the target population, exposure to ideas from outside the community, and experience with similar projects.
- Social and political environment as indicated by social customs, support mechanisms within the community, the role of women, community discipline, incidence of crime and political support or interference.
- Capabilities of community organisations as indicated by the quality of leadership, capacity for building consensus and settlement of disputes.
- Community resources such as common facilities and equipment.
- Health and nutritional status.

If the assessment shows that the absorptive capacity is low, it may be necessary to incorporate a component for social mobilisation to assist the targeted groups in developing capabilities to implement and maintain the facilities and services provided by the project.

Step 8. Assess Gender Issues

There are often important differences in the roles between men and women that may have an important bearing on the project. If these differences are ignored, the success of the project may be adversely affected if women do not have the opportunity to benefit on equal terms with men.

The starting point in addressing gender issues is to ensure that the information gathering process and the socio-economic profiles make a distinction between men and women. Guidelines for data collection are:

- Sample population for assessment should contain both men and women.
- Use both men and women as researchers and interviewers.
- Where culturally appropriate, interview men and women separately as women may not always speak freely in front of men.
- Ensure interviews are conducted taking account of the different work schedules of men and women (e.g. do not schedule meetings when women are preparing the meal).
- Ensure data are gender-disaggregated during collection and analysis.

In some projects, targeting women as beneficiaries may automatically lead to an improvement in the design of the project and the prospect of improved performance such as in sectors where women are often more active than men (e.g. water supply).

There are three major areas where differences in the roles of men and women may have a significant impact on the design and implementation for a project:

- Differences in the allocation of time and work performed within the household which may influence the delivery of technical assistance and training.
- Differences in the control and disposition of assets and money.
- Differences in making decisions which influence the allocation of time and resources.

These differences must be incorporated in the design of the project, economic analysis and evaluation of impacts.

Step 9. Adverse Impacts on Vulnerable Groups

Many projects (e.g. urban upgrading, watershed protection and road improvements) may have adverse impacts on some population groups. These impacts may be involuntary resettlement, loss of livelihood, price changes or adverse changes in the social and physical environment. It is necessary to identify vulnerable groups which may be adversely affected and to formulate measures, in consultation with these groups, to avoid, mitigate or compensate them for the adverse effects.

Where it is not possible to avoid adverse effects, those affected groups should be identified and a detailed socio-economic profile created for each group. Meetings should be held with each group to obtain their views and priorities for measures which may mitigate, or compensate for, the adverse effects. It is necessary to obtain the groups' concurrence with mitigation or compensation measures and to record all steps in the process. It may be necessary for these analyses and consultations to be conducted by specialists in conflict resolution.

Involuntary resettlement is a specific issue which is addressed in Step 13 below. Environmental assessment is described in PWD Part II Chapter 4.

Incorporate Social Dimensions in Project Design

The social analysis is carried out to gain a detailed understanding of the social dimensions of the client population so that these may be incorporated in the project design to improve the potential success of the project.

Step 10. Identify Target Beneficiaries and Targeting Mechanisms

In many projects, the achievement of the project objectives is linked to utilisation of facilities or services by specific groups (target beneficiaries). However, other groups may gain benefits from the project facilities and the originally targeted group(s) may not benefit to the extent planned. It is necessary to specify the various target groups within the affected population by income level, land tenure, size of landholding, location etc. who are intended to be the main beneficiaries of the project. This analysis of the affected population can form the basis for targeting the project benefits.

Targeting is useful in two ways. The first reason is to design targeting mechanisms within the project to ensure, or maximise the likelihood that, the intended beneficiaries actually do benefit from the project. The division of construction works into small packages, which can be executed by users' committees or locally-based contractors, is one of the most commonly used mechanisms in Nepal. Project planners should develop other mechanisms as well, whose the implementing agency has the capacity to implement and control the proposed mechanisms effectively.

The second reason for targeting is to enable more accurate monitoring and evaluation of the project impacts.

Step 11. Participatory Development Process

Post-evaluations of projects show that projects with active participation of stakeholders have been more successful than those without participation. Participation is a process whereby people influence policy formulation, design alternatives, management and monitoring of development in their communities.

There may be several objectives for participation:

- Improve project efficiency through more timely inputs from stakeholders, with less time and resources spent on project alternatives that prove to be impractical.

- Share project costs by users contributing time and resources on data collection, etc.
- Improve the effectiveness of the project in achieving its objectives through better project design.
- Build absorptive capacity to share in the implementation and operation and maintenance of the project facilities.
- Empowerment of weaker groups in society to initiate actions and influence the processes and outcomes of development to increase their project benefits.

There are varying levels of stakeholder involvement which project planners should consider:

- Information dissemination: one-way flow of information from the project planners to stakeholders
- Consultation: two-way flow of information between the project planners and stakeholders.
- Collaboration: shared control over decision-making.
- Empowerment: transfer of control over decisions and resources to stakeholders.

There are a variety of instruments for organising and sustaining participation:

- Implementing agency field workers may mobilise and interact with beneficiary groups.
- Users' committees and associations are used to plan and implement projects.
- The Ward Committees, VDCs and DDCs organise community participation.
- NGOs may be used to facilitate the participation of communities and mobilise stakeholder groups.

To achieve meaningful participation, it is necessary that the project documents describe in detail the type of participation expected and arrangements through which it will be achieved.

If the social analysis indicates that the absorptive capacity of the target groups is low, it will be difficult to obtain a high level of participation without support services. The nature of the low absorptive capacity needs to be determined before participation arrangements are made. It is common practice to use NGOs to mobilise community groups or to act as facilitators between beneficiaries and project planners.

The effectiveness of the participatory process also depends upon policies and regulations which provide the legal framework for interaction between community groups and the implementing agency. In Nepal, local bodies are increasingly adopting the Participatory District Development Planning Process which provides well-defined processes for including inputs from local community groups into the District annual plans. This process is described in PWD Part II Chapter 17.

Step 12. Formulate Implementation Modalities (Project Delivery Mechanisms)

At this stage the SA relates to components of the Feasibility Study as described in PWD Part II Chapter 2, namely Step 10 Identification of Institutional and Training Requirements (of the implementing agencies) and Step II Proposed Implementation Modalities. In both processes the following steps apply:

- Identify the executing and implementing agencies who will be responsible for the execution of the project. Assess the capacity of the implementing agencies and identify any special arrangements that may be required for the duration of the project.
- Determine how the project works will be packaged and executed, whether by contractors or users' committees. Assess the capabilities of the contractors and users' committees and determine what technical assistance may be required.

- Identify the community group or government agency which will become the owner and operator of the completed project facilities. Assess the group/agency capacity in terms of staff and resources such as transport, office, communications and equipment. Examine the mandate, organisational structure and management systems of the owner/operator.

Step 13. Involuntary Resettlement Planning

HMG/N does not have a policy on involuntary resettlement. Both the World Bank and the Asian Development Bank have very clear involuntary resettlement policies and procedures which they require be followed in projects funded by them. The main features of their policies and procedures are summarised below. Further details are provided in the reference documents listed at the end of this chapter.

Policies

1. Involuntary resettlement should be avoided wherever feasible.
2. Where unavoidable, population displacement should be minimised by exploring all viable options.
3. Individuals or communities who lose their lands, means of livelihood, social support systems etc. should be compensated and assisted so that their economic and social future will generally be as favourable with the project as without it.
4. Involuntary resettlement must be conceived and executed as part of the project and resettlement plans should be prepared with appropriate time-bound actions and budgets.
5. Affected peoples should be fully informed and closely consulted on resettlement and compensation options.
6. Appropriate patterns of social organisation should be promoted and the existing social and cultural institutions of resettlers and their hosts should be supported.
7. The absence of formal legal title to land by some affected groups should not be a barrier to compensation.
8. The full costs of resettlement and compensation should be included in project costs and benefits.

Resettlement Plan

The ISA and SA will identify if population displacement is unavoidable. If unavoidable, a detailed resettlement plan, with time-bound actions and a budget, are required. The contents and level of detail of a resettlement plan will vary with circumstances, especially the magnitude of resettlement, but should normally contain the following:

1. A statement of objectives, policies and strategies.
2. A description of organisational responsibilities.
3. Arrangements for community participation and integration with host populations.
4. A socio-economic description.
5. The legal framework including mechanisms for resolution of conflicts and appeals procedures.
6. Identification of alternative sites and selection.
7. Valuation and compensation for lost assets.
8. Land ownership, tenure, acquisition and transfer.
9. Access to training, employment and credit.
10. Shelter, infrastructure and social services.
11. Environmental protection and management.

12. Implementation schedule, monitoring and evaluation.

Cost estimates should be prepared for these activities. They should be budgeted and implementation activities should be scheduled with time-bound actions in coordination with the project.

Responsibility for implementing the resettlement plan may be either with the executing agency or the implementing agency depending upon how the project is designed. It may be necessary to employ specialist consultants or NGOs to assist in the implementation of the plan.

Step 14. Framework for Monitoring and Evaluation of Project Benefits

The SA findings are closely linked to the framework for monitoring and evaluating the benefits of the project developed for the feasibility study (refer to PWDs Part II Chapter 2).

Indicators for measuring the project achievements should be selected from those obtained in the socio-economic profile and preferably be precise in terms of quantity, quality, time and possibly place and cost.

The benchmark values of these indicators should be contained in the socio-economic profile. These indicators should be monitored and evaluated during implementation and after completion of the project following the procedures described in PWDs Part II Chapter 12.

Step 15. Social Assessment Reports

A report on each aspect of the social assessment shall be prepared. The findings and recommendations should be consistent with the feasibility study and environmental assessment reports if the studies were undertaken in a coordinated manner.

A resettlement plan report shall fully document all aspects of the proposed resettlement actions.

4.6 Resources for Social Assessment

The executing and implementing agencies are advised to employ specialist assistance in carrying out a SA:

1. Consultants who have the academic qualifications and experience to undertake SA studies. Examples of specialities include: gender studies, involuntary resettlement, poor and vulnerable groups, indigenous peoples.
2. NGOs are commonly used for the social mobilisation component of a project during the project design stage. If their assistance is used during the implementation stage, the role and responsibilities of NGOs must be clearly defined.
3. Facilitators who specialise in organising and implementing the participatory development process.

4.7 Reference Documents

1. Handbook for Incorporation of Social Dimensions in Projects, ADB, May 1994.
2. Policy on Indigenous Peoples, ADB, 1999
3. Social Development, ADB, 1999.
4. Social Assessment, World Bank.
5. Handbook on Resettlement : A Guide to Good Practice, ADB
6. Involuntary Resettlement, Operational Manual OD4.30, World Bank