

Resettlement Benchmarking

Michiquillay

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1 Introduction

The assessment focused on issues pertaining to:

- Policies, Assessment and Planning
- Stakeholder Engagement
- Packages and Assistance
- Implementation
- Monitoring and Evaluation

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1.1 Projects Assessed

This report is based on information obtained from a review of the following projects in Peru:

Table 1-1: Projects assessed: South America; Peru

Project	Proponent	Sector	Land Access Achieved/ Status	Years Under-taken	Land Take Area	# Communities affected	# HHs affected
Michiquillay	Anglo American	Copper (99%) and Gold	Yes through a "compensation" agreement with the communities authorizing access to the mine area for the purpose of exploration. The land acquisition process is still in the design phase.	The land acquisition process is still in the design phase.	Concession area is approximately 6,000 ha.	2 communities (Michiquillay and La Encañada) and will be affected but this may change with the completion in sight of the feasibility study.	Approximately 4,000 people will be displaced representing 1,065 HH.

Commented [L1]: Here we really mean 'land access achieved' in the sense of all are resettled and bulldozers can move in. If it's still in design phase I assume this is not the case? The info here is more suitable under 'land acquisition' process.

Commented [L2]: When (what year) did it start/ did they start planning for it?

Table 1-2: Project Context

Project	Project Context
Michiquillay	<p>The Michiquillay project is located in the northern region of the country more specifically in the Department of Cajamarca, 47 km from the regional capital of the same name. In 2007 Peru's Energy and Mine Ministry awarded to Anglo American Plc the copper project. The mine is expected to go into production in 2018 and has a life expectancy of about 30 years. The project is currently at the start-up phase.</p> <p>The company is currently at the conceptual phase which was initiated in 2008 with some exploration drilling carried out in 2008-2009. In 2010, the activities were held up as the company had issues to clear up with the communities as a result of an agreement which was too broad, not focused enough and giving to much latitude for interpretation. In 2011, the agreements with the two affected communities were finalized and the Pre-Feasibility is expected to commenced in 2012. The services of a third party organization have been retained by the company to conduct additional work with the community and negotiated the compensation rates for land and crops.</p> <p>The Company has been given 5 by the Government years to complete the study. Beyond that the Company will have an additional 5 years,</p>

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Project	Project Context
	from the date of acceptance of the study to complete construction.

2 ASSESSMENT & PLANNING

2.1 Policies & Standards

2.1.1 Does project have appropriate policies & standards?

Table 2-1: Policies & Standards

Project	Policies & Standards
Michiquillay	The company complies with the World Bank/IFC and Internal policies, national legislation and ISO standards. The project has a preliminary resettlement plan, which is subject to change, according to the progress of the project. The project is at the pre-feasibility stage.

2.1.2 Does project formally comply with IFC PS 5?

Table 2-2: IFC Compliance

Project	Compliance with IFC PS5
Michiquillay	Compliance with IFC standards is voluntary, as this is a 100% self funded initiative. The project does not receive any external funding, but voluntarily complies with IFC PS5

2.2 Minimization of Resettlement

2.2.1 What measures were taken to avoid or minimize resettlement?

Table 2-3: Minimization of Resettlement

Project	Measures to Minimize Resettlement
Michiquillay	The engineering design of the mine facilities has been optimized and low-impact alternatives analyzed. The project is at the start-up phase and the pre-feasibility study will begin only next year.

2.3 Census & Surveys

2.3.1 Was a complete baseline data exercise undertaken, including census, asset inventory & socio-economic survey?

Table 2-4: Baseline Survey

Project	Baseline Survey
Michiquillay	A Socio-Economic Baseline was conducted but details have not yet been shared with Intersocial.

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2.4 Information Management/ Database

2.4.1 Was a suitable database/ information management system established that is operating effectively?

Table 2-5: Information Management

Project	Information Management
Michiquillay	An IMS has been established but no detail information has been yet been provided to Intersocial.

2.5 Land Acquisition

2.5.1 How was/ is land being accessed e.g. purchase or right-of-way?

Table 2-6: Land Acquisition

Project	Land Acquisition
Michiquillay	<p>Anglo American Plc bought the mining rights to the 6,000 ha concession in 2007. The local communities have authority for approval or disapproval of all mining operation activities where the local land is concerned. Federal mining authorities decisions can be overridden by local communities where they so choose. They are procedures in place and embedded in federal laws.</p> <p>In some cases the land was purchased and in others the company was given the right-of-way. In accordance to the Peruvian constitution, the Government owns the mineral rights but the land is owned by the community. Anglo American has been compensating the community for the drilling activities. The compensation rates were established between the Company and the community.</p> <p>Local communities have authority for approval or disapproval of all mining operation activities where the local land is concerned. Federal mining authorities decisions can be overridden by local communities where they so choose. The procedures are embedded in federal laws.</p>

2.6 Lessons Learnt

2.6.1 Policies & Standards

2.6.1.1 What Worked?

2.6.1.2 What Did Not Work?

2.6.1.3 Key Lessons

2.6.2 Minimization of Resettlement

2.6.2.1 What Worked?

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- Efforts made to minimize resettlement through design of project infrastructure/ approaches to land access & management: *(Michiquillay)*

2.6.2.2 What Did Not Work?

2.6.2.3 Key Lessons

- Resettlement can effectively be minimized through design of project infrastructure/ approaches to land access & management.

2.6.3 Census & Surveys

2.6.3.1 What Worked?

2.6.3.2 What Did Not Work?

2.6.3.3 Key Lessons

2.6.4 Database

2.6.4.1 What Worked?

2.6.4.2 What Did Not Work?

2.6.4.3 Key Lessons

2.6.5 Land Acquisition

2.6.5.1 What Worked?

- ~~Local communities have authority for approval or disapproval of all mining operation activities where the local land is concerned. Federal mining authorities decisions can be overridden by local communities where they so choose. The procedures are embedded in federal laws.~~
(Michiquillay)

2.6.5.2 What Did Not Work?

2.6.5.3 Key Lessons

3 STAKEHOLDER ENGAGEMENT

3.1 Stakeholder Engagement Plan

3.1.1 Was/ is there a formal Stakeholder Engagement Plan in place

Table 3-1: Stakeholder Engagement Plan

Project	Stakeholder Engagement Plan
Michiquillay	Although there is no formal SEP in place, a "Participation Plan" with the interested parties (communities) has been developed. In addition, a working group on land acquisition and resettlement has also been established. Members of the group include representative from the community and the company. The mandate of the group is to address specific land and resettlement issues that may arise. It is also a

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Project	Stakeholder Engagement Plan
	mean to maintain the line of communication open. Note that resettlement has not been initiated. As a mean to keep open the channel of communication, a census amongst the affected population has been conducted to identify and address any land and resettlement related issues. The issues have been addressed by the Working Group.

3.2 Community and Government involvement in planning and implementation

3.2.1 What level of community involvement was/ is there in planning & implementation

Table 3-2: Community involvement in planning & implementation

Project	Community involvement
Michiquillay	Extensive community involvement during this initial phase of drilling and pre-feasibility preparation. There will be a high level of community involvement throughout the planning and implementation.

3.2.2 What level of government involvement was/ is there in planning & implementation

Table 3-3: Government involvement in planning & implementation

Project	Government involvement
Michiquillay	The Government has not been involved <u>in the process yet</u> . Although the Company would like a greater involvement of the Government, the government doesn't see the need at the moment to get involved as the Company has developed a good relationship with the community. <u>In future the Project intends to work more closely with government representatives.</u>

3.3 Resettlement negotiation process

3.3.1 What type of resettlement negotiation process was/ is being followed e.g. group &/ or individual

Table 3-4: Type of Negotiation Process

Project	Type of Negotiation Process
Michiquillay	The Company and the community favors group negotiation although individual negotiations will not be ruled out.

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3.3.2 Was resettlement negotiation process successfully completed

Table 3-5: Completion of resettlement negotiation process

Project	Completion of resettlement negotiation process
Michiquillay	N/A. The project is at the start-up phase. The negotiation process is ongoing and not yet well define

3.3.3 How long did the negotiation process take

Table 3-6: Duration of resettlement negotiation process

Project	Duration of resettlement negotiation
Michiquillay	The resettlement process has not yet started and is not schedule to start for at least another year. (Information TBC by Anglo American). Once begun, planners anticipated that the process will take place over 4 years to complete with a number of negotiations through ongoing discussions.

3.3.4 Was free, prior & informed consent of indigenous people obtained

Table 3-7: Free, prior & informed consent of indigenous people

Project	Free, prior & informed consent
Michiquillay	The term "indigenous" is not considered in the context of this project. Free prior and informed consent will be obtained by the affected communities as stipulated in the "social Agreement" between the Company and the community.

3.4 Agreements

3.4.1 What formal agreements and other mechanisms were used to capture agreements reached on the elements of resettlement discussed with impacted communities and government agencies

Table 3-8: Agreements and documentation of negotiation process

Project	Agreements and documentation
Michiquillay	<p>In the first quarter of 2008, Anglo American reached a social agreement with the communities of Michiquillay and La Encañada for the development of the project. The agreement is the outcome of a participative, open, transparent and democratic process, through which both communities expressly gave the Company their "social" approval or permit to start the development of the Michiquillay project. It also defines compensation to the community as well as the role and responsibilities of both parties. This agreement is applicable only for the duration of the pre-feasibility and feasibility phases. A separate agreement will be concluded for the construction phase.</p> <p>Through these agreements, the communities have undertaken, together with the</p>

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Project	Agreements and documentation
	<p>company, to build and maintain an environment of dialogue, respect and harmony, for the development of the mining project. They have also served as the basis for aspects of the sustainable development program such as the establishment of a Community Development Foundation, environmental issues such as the creation of participative monitoring committees and the execution of an environmental base line study and a detailed study on soil usage before starting exploration activities.</p> <p>The resettlement process hasn't started yet and will not within the next year. The project is at the preparation stage for the pre-feasibility study which will begin in 2012. As mentioned above, the Company has a Social Agreement for the drilling and pre-feasibility phase. Another agreement will need to be negotiated and signed for the construction phase of the project.</p>

3.5 Grievance Mechanism

3.5.1 Is there an appropriate & properly functioning grievance mechanism in place

Table 3-9: Grievance Mechanism

Project	Grievance Mechanism
Michiquillay	<p>A program exist. The program consist of an 800 dialing number. This program was put in place one year ago. It is a US-based system. A summary of the complaint is sent to the company to audit. A response is provided to the complainer within 15 days –The caller receives a reference code for tracking purposes.</p> <p>In addition, another system is being developed which will be based at proximity to the community and will be administered by a third party -(CARE International)-. The Company is in the process of communicating the new system to the community.</p>

3.6 Lessons Learnt

3.6.1 Stakeholder Engagement Plan

3.6.1.1 What Worked

- Development of a participation plan in collaboration with affected communities (*Michiquillay*)

3.6.1.2 What Did Not Work?

3.6.1.3 Key Lessons

- Participation of the affected population should be ensured from the beginning of the process.

3.6.2 Community and Government involvement in planning and implementation

3.6.2.1 What Worked

3.6.2.2 What Did Not Work?

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- Confining stakeholder engagement to a select group of influential stakeholders/ community leaders/ representative bodies that may not represent the interests of the entire impacted population (*Michiquillay*)

3.6.2.3 Key Lessons

- Ensure that the broader community's interests are adequately represented by those with whom the project consults most frequently.

3.6.3 Resettlement Negotiation Process

3.6.3.1 What Worked?

3.6.3.2 What Did Not Work?

3.6.3.3 Key Lessons

3.6.4 Agreements

3.6.4.1 What Worked

3.6.4.2 What Did Not Work?

- Failure to comprehensively document the details of all commitments made by the project and affected households in formal agreements/ too broad agreements (*Michiquillay*)

3.6.4.3 Key Lessons

- Compile written documentation of all the company agrees to with respect to compensation as well as broader social development benefits.

3.6.5 Grievance Mechanism

3.6.5.1 What Worked

3.6.5.2 What Did Not Work?

3.6.5.3 Key Lessons

4 PACKAGES & ASSISTANCE

4.1 Valuation Methods/ Benchmarks

4.1.1 Describe methods/ benchmarks used for valuation of land, structures, assets

Table 4-1: Valuation Methods

Project	Valuation Methods/ Benchmarks
Michiquillay	Assets will be replaced at market value. An independent company has been hired to conduct a market survey and property value. A different has also been hired to conduct resettlement planning, compensation proposals and community negotiations.

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4.2 Eligibility

4.2.1 Were/ are there clear eligibility rules in place

Table 4-2: Eligibility Rules

Project	Eligibility Rules
Michiquillay	Not yet defined

4.3 Compensation

4.3.1 Cash or In-Kind Compensation Offered

Table 4-3: Cash/ In-kind

Project	Cash/ In-kind
Michiquillay	A combination of package will be offered. A preliminary plan for the compensation is being designed.

4.3.2 Land for Land Offered

Table 4-4: Land for Land

Project	Land for Land
Michiquillay	Program in the planning phase but the Land for land approach will be used.

4.3.3 Crop & Tree Compensation

Table 4-5: Clops and Trees

Project	Clops and Trees
Michiquillay	Crops and trees will be compensated but the details remain to be determined. The rates is expected to be based on market prices and negotiated with the affected community. (Information TBC by the project)

4.3.4 Resettlement Sites

Table 4-6: Resettlement Site Selection

Project	Resettlement Site Selection
Michiquillay	The project and the community have identified resettlement sites in three geographic zones: Coastal, mountainous/jungle and the area near PGI (Costa Norte, Cajamarca, Eje Vial and in the vicinity New Cajamarca). No specific sites have yet been identified. This will be done with the involvement and approval of the community.

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4.3.5 Public Facilities and Infrastructure

Table 4-7: Public Facilities & Infrastructure

Project	Public Facilities & Infrastructure
Michiquillay	In addition to improve/replace in the new resettled areas, the project has plans to do the same for the broader communities.

4.3.6 Residential Plots, Housing & Infrastructure

Table 4-8: Housing

Project	Housing
Michiquillay	The type of construction will resembled that found locally. This is in the design phase.

Table 4-9: Plot Allocation

Project	Plot Allocation
Michiquillay	To be determined

4.3.7 Businesses

Table 4-10: Commercial Buildings/ Businesses

Project	Commercial Buildings/ Businesses
Michiquillay	Not yet define. A study is ongoing.

4.3.8 Other Structures

Table 4-11: Other Structures

Project	Other Structures
Michiquillay	None have yet been identified. When this occur they will be compensated. The type of compensation has yet been determined.

4.3.9 Socio-Cultural Impacts, Including Graves

Table 4-12: Socio-cultural Impacts, including graves

Project	Socio-cultural Impacts
Michiquillay	N/A

4.3.10 Loss of Access

Table 4-13: Loss of Access

Project	Loss of Access
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Project	Loss of Access
Michiquillay	There will be a loss of access but the project is building alternative routes.

4.3.11 Communal Resources

Table 4-14: Communal Resources

Project	Communal Resources
Michiquillay	The project will impact grazing land and is defining a compensation package.

4.3.12 Other Assistance

Table 4-15: Other Assistance

Project	Other Assistance
Michiquillay	Assistance and support will be provided to the communities in the sectors of education and health. Job and training opportunities will also be provided to the communities.

4.3.13 Land Tenure

Table 4-16: Land Tenure

Project	Land Tenure
Michiquillay	<p>The intent of the project is to replace the land taken. Land is community owned.</p> <p>The location of the replacement land will be contingent to the PAPs interest. It is foreseen that some PAPs will choose to remain close to the mine and others will prefer moving to the jungle and on the coast.</p> <p>Houses will be replaced on a house to house basis. The house ownership has not yet been discussed with the project.</p>

4.4 Livelihoods Restoration & Improvement Packages

4.4.1 Agricultural Programs

Table 4-17: Agricultural Programs

Project	Agricultural Programs
Michiquillay	Programs aimed at restoring and improving livelihoods are in the design phase.

4.4.2 Local Employment

Table 4-18: Local employment

Project	Local employment
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Project	Local employment
Michiquillay	<p>The HR Department has a number of programs in place.</p> <ul style="list-style-type: none">• Skilled Employment: If there is any employment requirement, the HR will send a list of the positions to the Community Leaders who through a committee in place will gather CVs and references for the Company. If there are no suitable candidates, the Department will extend its search outside the concession.• Unskilled and Semi- Skilled Employment: The company has agreed to hire 200 people on a rotation basis. The community leader decides who will be employed on a monthly basis. On a monthly basis the salary is paid to the worker by a third party. This program is at no real benefit to the Company. The work undertaken focuses mostly on improving the roads and the community buildings. This program has not been monitored closely. It is difficult to assess the success of the program.

4.4.3 Local Procurement

Table 4-19: Local procurement

Project	Local procurement
Michiquillay	<p>Over time the Company has developed a local procurement program.</p> <p>In 2007, at the time of the purchase, the Company signed a generous agreement with 2 communities which has also become a bone of contention with the community. The agreement stipulated that the community would have 1st refusal option but the company requirements were not clearly stated i.e. safety procedures. A census of the existing companies was conducted which allowed the Company to establish a list of potential companies and their potential area of expertise.</p>

4.4.4 Other Livelihoods Initiatives/ Activities

Table 4-20: Other Livelihoods Initiatives

Project	Other Livelihoods Initiatives
Michiquillay	See Table 4-23: Community Development Initiatives/ Benefits Sharing

4.5 Special Groups

4.5.1 Vulnerable Households

Table 4-21: Vulnerable Households

Project	Vulnerable Households
Michiquillay	Approximately 2,130 vulnerable households were identified. The profile of the population is not clear nor is the policy for identifying and assisting the vulnerable.
Antamina	Although it was not possible to do an ex-ante analysis to determine the vulnerability and volatility of the participants in the Post Relocation Program, the CMA social team identified some potentially vulnerable families with the following characteristics: large families; families comprised predominantly, or headed by the elderly; and families headed by persons with alcohol problems. Other variables that were considered in identifying vulnerability included level of education (e.g. illiterate household heads

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[Project Title]

Project	Vulnerable Households
	with primary or incomplete education); and difficulty in speaking in Castilian. ⁴ The CMA plan to deal with these families was established in 2003. These cases were analyzed separately in the GRADE evaluation of 2003 for two reasons. On the one hand, CMA recognizes that they need special treatment because of the difficulty to adapt to new surroundings. It is therefore interesting to analyze if, indeed, these families face greater problems than the others. Furthermore, it would be useful to find out how vulnerable or unstable families have received special treatment. ²
Minas Conga	Households and individuals deemed particularly vulnerable include: Households with many children; Households/ individuals lacking access to land; Those without livestock; Disabled; Unemployed; Elderly. Single mothers; Based on classification according to socio-economic strata, a total of 25 ex-landowners, or 10 ex-landowner households, were classified as particularly vulnerable and requiring special monitoring. Households in Stratum 3 & 4 (more vulnerable) will receive additional support through PASAT— this includes eligibility to stay in the program for 5 years of project implementation and one year of support (Stratum C), and Continuous support throughout the duration of the Conga project for Stratum D.

4.5.2 Indigenous Peoples

Indigenous persons were not found to be a factor considered for any of the projects assessed in Peru.

4.5.3 Host Communities

Table 4-22: Host Communities

Project	Host Communities
La Granja	Recognition of the rights of host communities to be included in consultation processes, and equitably benefit from project investments is acknowledged throughout the La Granja Pre-negotiation RAP.
El Galeno	All people who are physically or economically displaced are directly affected by the Project. However, there are a number of communities that are not displaced but which are in the area of influence of the Project and who could look across at people being displaced, compare how they are benefiting from the Project, and ask whether they are getting reasonable benefits from the Project.
Cerro Corona	The majority of impacted households moved to other land within the same community. Some community residents decided to move to Cajamarca and other neighboring cities. Assistance to other areas that may be considered as host communities can be considered as part of the Company's general community development initiatives.
Teromeche	The proposed resettlement site is currently an agricultural camp of the former Hacienda Pucara, which houses the workers of that company. This population is

⁴GRADE 2003

²GRADE 2003

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Project	Host Communities
	<p>composed of 22 workers and their families dependent on Hacienda Pucara, responsible primarily for raising sheep. These workers have migrated to this area in search of work and have received temporary residence in the place. The presence of these agricultural workers in the camp is possible because of their grazing work, and is considered temporary as a function of their status as employees of the SAIS Tupac Amaru.</p> <p>As part of negotiations for the purchase of land, Chinalco has undertaken to transfer the facilities to another nearby site, thus, it will not affect the development of livestock activities are conducted there. It also plans to develop briefings for these workers to let them know about the project and the implications it will have for them, in terms of the relocation of the camp and the installation of the new city of Morococha in the fields of former Hacienda Pucara.</p> <p>The current location of Morococha city is close to the rural community of Pucara. The location of the new city would maintain the relationship of interdependence between these two populations, without involving additional impacts. For this reason, this community is not considered as a receiving resettlement.</p>
Michiquillay	In the process of identification

4.6 Social Responsibility

4.6.1 Community Development Initiatives/ Benefits Sharing

Table 4-23: Community Development Initiatives/ Benefits Sharing

Project	Community Development Initiatives/ Benefits Sharing
Michiquillay	<p>Anglo American paid \$403 million for the mining concession, of which half, \$201.5 million, will go, at the request of the state, towards the Social Fund to undertake development projects for the direct benefit of the communities of Michiquillay and La Encañada. Today, the social fund is worth approximately \$120 million and is considered the biggest private social fund in the industry.</p> <p>At the request of the Government, Anglo American Plc created a Social Fund. Fifty percent (50%) of the concession purchase price went towards the fund. The Social Fund which has been converted into a Community Trust Fund and will be worth \$ 201.5 million US by 2013 once all the monies have been deposited. The Company was asked by the Government to define an agreement with the community to manage the fund. A board of trustee was established. The representation of the board is equally shared by the community and the Company. The local government is not represented but has the right and obligation to audit the fund. The participation of the local authority (at their request) is limited to issue arbitration between the community and the Company. A strategic plan which is being finalized will define and manage the disbursement of funds. Issues on the disbursement of funds has been raised but details have not been shared.</p>

4.7 Handover & Maintenance

4.7.1 Is there a handover and maintenance plan in place

Table 4-24: Handover & Maintenance

Project	Handover & Maintenance
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[Project Title]

Project	Handover & Maintenance
Michiquillay	Provisions for maintenance and plans have not yet been finalized but the Company is looking at local Companies to ensure the initial maintenance. The handover program is not clear.

4.8 Lessons Learnt

4.8.1 Valuation Methods

4.8.1.1 What Worked?

4.8.1.2 What Did Not Work?

4.8.1.3 Key Lessons

4.8.2 Eligibility

4.8.2.1 What Worked?

4.8.2.2 What Did Not Work?

4.8.2.3 Key Lessons

4.8.3 Compensation

4.8.3.1 Cash/ In-kind

4.8.3.1.1 What Worked?

4.8.3.1.2 What Did Not Work?

4.8.3.1.3 Key Lessons

4.8.3.2 Land for land

4.8.3.2.1 What Worked?

4.8.3.2.2 What Did Not Work?

4.8.3.2.3 Key Lessons

4.8.3.3 Resettlement Sites

4.8.3.3.1 What Worked?

4.8.3.3.2 What Did Not Work?

4.8.3.3.3 Key Lessons

4.8.3.4 Infrastructure

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4.8.3.4.1 What Worked?

4.8.3.4.2 What Did Not Work?

4.8.3.4.3 Key Lessons

4.8.3.5 Housing

4.8.3.5.1 What Worked?

4.8.3.5.2 What Did Not Work?

4.8.3.5.3 Key Lessons

4.8.3.6 Loss of Access and Communal Resources

4.8.3.6.1 What Worked?

4.8.3.6.2 What Did Not Work?

4.8.3.6.3 Key Lessons

4.8.3.7 Land Tenure

4.8.3.7.1 What Worked?

4.8.3.7.2 What Did Not Work?

4.8.3.7.3 Key Lessons

4.8.4 Livelihoods Restoration & Improvement Packages

4.8.4.1 Farming

4.8.4.1.1 What Worked?

4.8.4.1.2 What Did Not Work?

4.8.4.1.3 Key Lessons

4.8.4.2 Local Employment/ Procurement

4.8.4.2.1 What Worked?

- Establishing a database of eligible job seekers, and offering preferential access to available opportunities to members of affected households (*Michiquillay*)
- Establishment of community work functions (*Michiquillay*)
- Provision of training to improve affected household member's skills and ability to fill available positions (*Michiquillay*)

4.8.4.2.2 What Did Not Work?

4.8.4.2.3 Key Lessons

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- Rather than promising jobs as part of the compensation process, it may be preferable to create job opportunities which impacted households can seize/ not.

4.8.5 Special Groups

4.8.5.1 Vulnerable Groups

4.8.5.1.1 What Worked?

4.8.5.1.2 What Did Not Work?

4.8.5.1.3 Key Lessons

4.8.5.2 Host Communities

4.8.5.2.1 What Worked?

4.8.5.2.2 What Did Not Work?

4.8.5.2.3 Key Lessons

4.8.6 Social Responsibility

4.8.6.1 What Worked?

- Commitment of funds for community development (*Michiquillay*)

4.8.6.2 What Did Not Work?

4.8.6.3 Key Lessons

- The identification of social development projects to benefit the broader community can be important to prevent friction between resettled households and others who feel that they have been excluded from potential benefits of the program despite being indirectly impacted by the Project.

4.8.7 Handover & Maintenance

4.8.7.1 What Worked?

4.8.7.2 What Did Not Work?

4.8.7.3 Key Lessons

5 IMPLEMENTATION

5.1 Use of Local Contractors and Labor for Resettlement Site Construction

5.1.1 To what extent was/ is resettlement site construction being undertaken using local contractors?

Table 5-1: Local Contractors

Project	Local Contractors
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Project	Local Contractors
Michiquillay	The Company intends to use local contractors to build the resettlement sites. (See Table 4-19: Local procurement)

5.1.2 To what extent was/ is resettlement site construction being undertaken using local labor?

Table 5-2: Local labor

Project	Local Labor
Michiquillay	See local employment section -5.4.3

5.2 Resettlement process

5.2.1 Was move of people completed on time

Table 5-3: Completed on time

Project	Completed on Time
Michiquillay	N/A. The resettlement activities have not yet started.

5.2.2 What was final duration of land acquisition & resettlement planning & implementation (up to move of all people)?

Table 5-4: Total Duration

Project	Total Duration
Michiquillay	Although the resettlement program has yet started, the Company is anticipating that the resettlement activities will take 4 years.

5.3 Restoration/ improvement of livelihoods and standard of living

5.3.1 Were the livelihoods & standard of living of people restored/ improved?

Table 5-5: Livelihood Restoration

Project	Livelihood Restoration
Michiquillay	Resettlement has not yet started but the Company is conducting a number of studies to identify resettlement and agricultural land. Income-generating options to be implemented in the resettled area are also being look at and identified to ensure the sustainability of the actions taken by the Company.

5.4 Total cost of resettlement: Budget vs. Actual

5.4.1 Was move of people completed on budget?

Table 5-6: Completed on budget?

Project	Completed on budget
La Granja	Not started

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Project	Completed on budget
El Galene	Not yet completed
Cerro Corona	Yes — managed budget well, maybe ~ 5% differences.
Toromecho	N / A yet
Michiquillay	N/A
Antamina	In the first relocation the budget was minimally exceeded. The second most significant relocation (20 families) exceeded the budget by 40% of what was initially planned.
Minas Conga	Budget only available for PASAT — as this program is still to be implemented, it is not yet possible to assess whether it will be completed on budget.

5.4.2 What was the final overall land acquisition & resettlement budget?

Table 5-7: Total Resettlement Budget & Costs

Project	Total Resettlement Budget & Costs
Michiquillay	No budget has been shared.

5.5 Lessons Learnt

5.5.1 Use of local contractors and labor for resettlement site construction

5.5.1.1 What Worked?

5.5.1.2 What Did Not Work?

5.5.1.3 Key Lessons

5.5.2 Resettlement process

5.5.2.1 What Worked?

5.5.2.2 What Did Not Work?

5.5.2.3 Key Lessons

5.5.3 Restoration/ Improvement of Livelihoods and Standard Of Living

5.5.3.1 What Worked?

5.5.3.2 What Did Not Work?

5.5.3.3 Key Lessons

5.5.4 Total cost of resettlement: Budget vs. Actual

5.5.4.1 What Worked?

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5.5.4.2 What Did Not Work?

5.5.4.3 Key Lessons

6 MONITORING, EVALUATION & REPORTING

6.1 M&E Plan

6.1.1 Was/ is there formal M&E Plan in place?

Table 6-1: M&E Plan

Project	M&E Plan
Michiquillay	No information has been provided on M&E plan and reporting or framework. The M&E plan has not yet been developed. It remains in the design phase.

6.2 Affected Community Involvement in M&E

6.2.1 Was/ is there affected community involvement in M&E?

Table 6-2: Community Involvement in M&E

Project	Community Involvement in M&E
Michiquillay	The M&E plan has not yet been developed. It remains in the design phase.

6.3 External M&E

6.3.1 Is there external M&E in place?

Table 6-3: External M&E

Project	External M&E
Michiquillay	Not yet in place

6.4 Lessons Learnt

6.4.1 M&E Plan

6.4.1.1 What Worked?

6.4.1.2 What Did Not Work?

6.4.1.3 Key Lessons

6.4.2 Affected Community Involvement in M&E

6.4.2.1 What Worked?

6.4.2.2 What Did Not Work?

6.4.2.3 Key Lessons

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6.4.3 External M&E

6.4.3.1 What Worked?

6.4.3.2 What Did Not Work?

6.4.3.3 Key Lessons

7 CONCLUSIONS

7.1 Challenges

Table 7-1: What was/ is the biggest challenge faced?

Project	Biggest Challenge
Michiquillay	Convincing the population to accept reasonable compensation without excessive, unreasonable demands on the project.

7.2 Opportunities

Table 7-2: Looking back, what would you do differently if you could?

Project	Do different
Michiquillay	Establish better communication channels between the community, business and leadership and develop a communication plan to include strategies to enhance and improve the communication between all parties involved. Involve the broader community and not only the community leaders.

Table 7-3: What was the biggest opportunity missed?

Project	Biggest Opportunity Missed
Michiquillay	The delay in the activities could have been avoided if a more detailed and focused Social Agreement had been negotiated and signed between the Company and the Community at large – not only with the Sector Leaders representing the community members-.

7.3 Achievements

Table 7-4: What was the most important thing the project did well?

Project	Most Important Achievement
Michiquillay	Making the decision to involve the community in developing the project, as well as establishing a social fund supporting projects of direct benefit to the villagers. This was done with involvement of both project management and business communities within the envelope of State control.

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7.4 Legacy

Table 7-5: Are there legacy issues that have not been addressed?

Project	Legacy Issues
Michiquillay	Nothing has been identified

7.5 Social License

Table 7-6: Is the project able to operate without community opposition?

Project	Operate without opposition
Michiquillay	After a number of initial problems which were addressed, the Company is now operating well with the communities. The Company emphasizes the importance to respect the rights and customs of the communities in which they are working.

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