

**A COMPREHENSIVE GUIDE
FOR
SOCIAL IMPACT ASSESSMENT**

2006

Centre for Good Governance

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Chapter 1: INTRODUCTION

1.1 BACKGROUND

1.1 Economic development projects brought innumerable benefits but also had unintended detrimental effects on people and natural resources. Human activities have resulted in the disruption of social and communal harmony, the loss of human livelihood and life, the introduction of new diseases, and the destruction of renewable resources. These and other consequences can negate the positive benefits of economic development.

1.2 Social impacts are the impacts of developmental interventions on human environment. The impacts of development interventions take different forms. While significant benefits flow in from different development actions, there is also a need to identify and evaluate the negative externalities associated with them. Such impacts not only need to be identified and measured but also need to be managed in such a way that the positive externalities are maximized and the negative externalities are minimized.

1.3 A balanced development planning takes into account the environmental, social and biodiversity impacts of economic development. Environmental Impact Assessment (EIA), Social Impact Assessment (SIA) and biodiversity impact assessments are some of the methods that aid in the planning and decision making process. These impact assessments help in identifying the likely positive and negative impacts of proposed policy actions, likely trade-offs and synergies, and thus facilitate informed decision-making. Moreover, the need for impact assessment stems from the fact that:

- Impact assessments enhance positive and sustainable outcomes associated with project implementation

- They support the integration of social and environmental aspects associated with the numerous subprojects into the decision making process.
- They enhance positive social and environmental outcomes;
- They minimize social and environmental impacts as a result of either individual subprojects or their cumulative effects;
- They protect human health and minimize impacts on cultural property.

1.2 DEVELOPMENT PROJECTS AND THEIR IMPACTS

1.4 Sustainable development is increasingly accepted as a fundamental objective for public policy and decision-making. It encompasses the economic, environmental and social dimensions of the development process. The growing acceptance of sustainable development as an over-arching policy goal has stimulated interest in assessing the impact of particular interventions on sustainable development at aggregate, sectoral or project levels. Good environmental and social management practice is a well-established element of project preparation and implementation. Projects are usually situated within the ambit of specific policies and programmes. The impact of these projects can be economic, social and environmental.

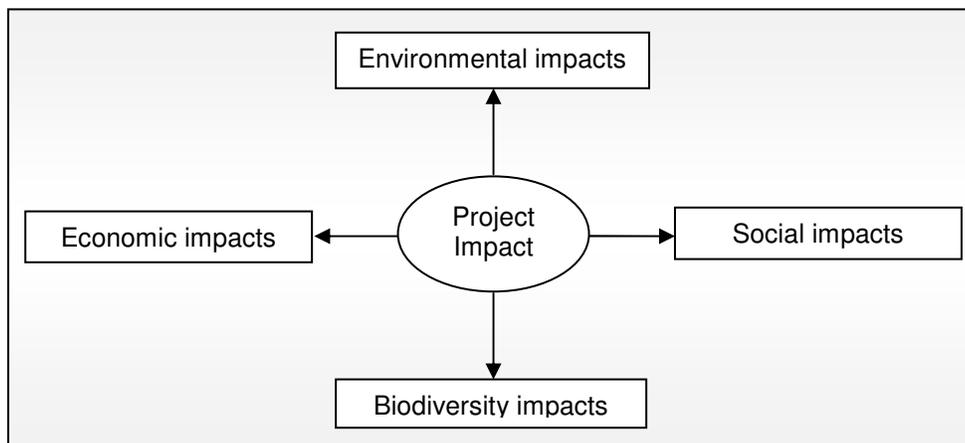


Figure 1: Multi-dimensional impacts of projects

1.5 The multidimensional nature of development interventions call for identification of not only potential economic impacts but also potential social and

environmental impacts (see figure 1). The fallouts of greater urbanization, population growth and globalization can have adverse social impacts in the form of increasing poverty, dislocation of vulnerable sections of the society, loss of livelihood etc. Simultaneously, the environment could also be adversely affected viz. increase in air and noise pollution, water pollution, land degradation etc. Even though these impact assessment processes are applied in many countries, biodiversity considerations are often inadequately addressed.

1.3 WHAT ARE IMPACT ASSESSMENTS?

1.6 Social problems arise largely due to conflicts between economic development and natural resources. Economic losses and social costs from environmental degradation often occur long after the economic benefits of development have been realized. Most often, the development projects provide economic benefits and better living environment, but they also affect local people adversely. Social impact assessments help in understanding such impacts.

1.7 Impact Assessments in the context of social development are:

- Processes through which the government departments/ agencies can better understand how the socio-cultural, institutional, historical and political contexts influence the social development outcomes of specific investment projects and sector policies
- The means to enhance equity, strengthen social inclusion and cohesion, promote transparency and empower the poor and the vulnerable in the design and/or implementation of the project
- The mechanisms to identify the opportunities, constraints, impacts and social risks associated with policy and project design
- A framework for dialogue on development priorities among social groups, civil society, grassroots organizations, different levels of government and other stakeholders

- Approaches to identify and mitigate the potential social risks, including adverse social impacts, of investment projects.

1.8 It is in this context that Social Impact Assessments (SIAs) assume great relevance. SIA mainly involves the processes of analysing, monitoring and managing the intended and unintended social consequences, both positive and negative, of planned interventions (policies, programs, plans, projects) and any social change processes invoked by those interventions. These assessments can enable the project implementing authorities to not only identify social and environmental impacts, but also to put in place suitable institutional, organizational and project-specific mechanisms to mitigate the adverse effects. They can also aid in bringing about greater social inclusion and participation in the design and implementation stages of the project.

1.9 This guide is aimed at enabling agencies, institutions and government departments to understand and undertake an SIA and, thereby, ensure development interventions subscribe to the overarching principles of sustainable development.

1.4 WHAT ARE SOCIAL IMPACTS?

1.10 The Inter-organisational Committee on Guidelines and Principles for Social Assessment (1994) (cited in Glasson 2000) defined social impacts as ‘the consequences to human populations of any public or private actions that alter the ways in which people live, work, play, relate to one another, organize to meet their needs, and generally cope as members of society’. Social impacts are the ‘people impacts’ of development actions. Social impact assessments focus on the human dimension of environments, and seek to identify the impacts on people who benefits and who loses. SIA can help to ensure that the needs and voices of diverse groups and people in a community are taken into account.

1.11 Social impacts include changes in people's way of life, their culture, community, political systems, environment, health and wellbeing, their personal and property rights and their fears and aspirations. Examples of projects with significant social impacts include: landfill and hazardous waste disposal sites (perceived health risks, loss of amenity); power and industrial plants (community stress from influx of work force, pressure on infrastructure); dams and reservoirs (lifestyle disruption resulting from relocation, land use alteration or long lead time to full impoundment); and roads and linear developments (dislocation of activity networks and relationships).

1.12 The main types of social impacts that occur as a result of these project-related changes can be grouped into five overlapping categories:

- **Lifestyle impacts** – on the way people behave and relate to family, friends and cohorts on a day-to-day basis
- **Cultural impacts** – on shared customs, obligations, values, language, religious belief and other elements which make a social or ethnic group distinct
- **Community impacts** – on infrastructure, services, voluntary organisations, activity networks and cohesion
- **Quality of life impacts** – on sense of place, aesthetics and heritage, perception of belonging, security and livability, and aspirations for the future
- **Health impacts** – on mental, physical and social well being, although these aspects are also the subject of health impact assessment

Social Impact

It means the consequences to human populations of any public or private actions-that alter the ways in which people live, work, play, relate to one another, organize to meet their needs and generally cope as members of society. The term also includes cultural impacts involving changes to the norms, values, and beliefs that guide and rationalize their cognition of themselves and their society.

1.5 WHAT IS SOCIAL IMPACT ASSESSMENT?

1.13 Social Impact Assessment (SIA) can be defined in terms of efforts to assess or estimate, in advance, the social consequences that are likely to follow specific policy actions (including programs/ projects and the adoption of new policies), and specific government actions. It is a process that provides a framework for prioritizing, gathering, analyzing, and incorporating social information and participation into the design and delivery of developmental interventions. The SIA ensures that the development interventions: (i) are informed and take into account the key relevant social issues; and (ii) incorporate a participation strategy for involving a wide range of stakeholders. Social Assessment (SA), on the other hand, is a process that provides framework for prioritizing, gathering, analyzing and incorporating social information and participation into the design and delivery of development operations (Rietbergen-McCracken and Narayan 1998).

1.14 Some of the common questions in social assessment include:

- a) Who are the stakeholders of the project/proposed action?
- b) Are project objectives consistent with their needs, interests and capacity?
- c) What social and cultural factors affect the ability of stakeholders to participate or benefit from the proposed policy or project?
- d) What will be the impact of the project or program on the various stakeholders, especially women and vulnerable groups?
- e) Are there plans to mitigate adverse impacts?
- f) What social risks might affect project or program success?
- g) What institutional arrangements are needed for participation and project delivery?
- h) Are there plans to build capacity at appropriate levels?

1.15 SIA is a process of analyzing the impact of public/government intervention on the social aspects of the human environment. These aspects include:

- The ways people cope with life through their economy, social systems, and cultural values.
- The ways people use the natural environment, for subsistence, recreation, spiritual activities, cultural activities, and so forth.
- The ways people use environment for shelter, making livelihoods, industry, worship, recreation, gathering together, etc.
- Organization of the community, social and cultural institutions and beliefs
- Preservation of the community identity.
- Art, music, dance, language arts, crafts, and other expressive aspects of culture.
- A group's values and beliefs about appropriate ways to live, family and extra-family relationships, status relationships, means of expression, and other expressions of community.
- The esthetic and cultural character of a community or neighborhood-its ambience.

1.16 SIA essentially involves characterizing the existing state of such aspects, forecasting how they may change if a given action or alternative is implemented and developing means of mitigating changes that are likely to be adverse from the point of view of an affected population. The impact value chain and role of SIA is illustrated in the figure 2.

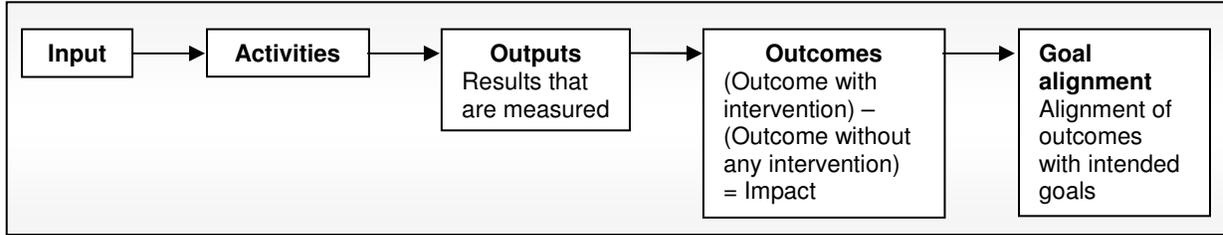


Figure 2: The impact value chain
(Adopted from The Goldman Sachs Foundation, 2003)

1.17 The output could be any measurable results from an organization's activities, e.g., units of housing, number of people placed into employment, number of youth served, etc. The outcomes would be the specific changes in attitudes, behaviours, knowledge, skills, status, or level of functioning that result from enterprise activities, such as finding a job, avoiding getting sick, or reducing emissions by a certain amount. Social Impact Assessment uses any of the tools of social science, program evaluation, or business practice to determine the social outputs, outcomes, or impact of an intervention, program, organization, or company. Many a times, these make use of workshop-based methods and participatory assessment methods.

1.18 The major advantages of undertaking a systematic SIA include:

- Identifying project/ programme stakeholders
- Identifying and prioritizing social issues associated with project
- Mitigating negative impact on communities or individuals
- Enhanced benefits to those affected
- Avoids delays and obstruction in gaining development approval
- Acts as a precautionary measure and avoids costly errors in the future
- Builds the trust and cooperation between community and stakeholders that is necessary for successful implementation of the project.

1.6 PURPOSE AND USE OF THE GUIDE

1.19 The broad objective of this document is to bring out operational guidelines for social impact assessment that would enable policy makers to make balanced and informed policy decisions. The purpose of this document is to serve as a guide to policy makers to:

- Elucidate the importance of social impacts of economic developmental activities to the policy makers
- Enable greater sensitivity of the target audience to social impacts
- Provide a step-by-step procedures for undertaking social impact assessments in a participatory manner
- Help project implementers evolve mechanisms whereby adverse social impacts can be effectively mitigated
- Make available a set of tools that can be of use while undertaking social impact assessments.

1.20 The purpose of the guide is to provide clear and comprehensive knowledge about SIA. It helps the decision-making process to achieve social goals and to engage the community in the process. The guide would mainly benefit:

- Regulatory agencies
- Policy and program developers to ensure that policy and program development considers social impacts
- Affected people and NGOs to be able to participate effectively in SIA processes
- Developers and financiers
- Development agencies (multilateral and bilateral aid organisations) SIA practitioners

Chapter 2: THE SOCIAL IMPACT ASSESSMENT PROCESS

2.1 Social Assessment or Social Impact Assessment is process for ensuring that development activities are (i) informed by and take into account the key relevant social issues and formulate mitigative measures, and (ii) incorporate a strategy for participation of wide range of stakeholders. Social Assessment is an iterative process that has to be organized in a phased manner in several stages. Figure 3 provides an overview of the social assessment process featuring various phases of actions of the social assessment process.

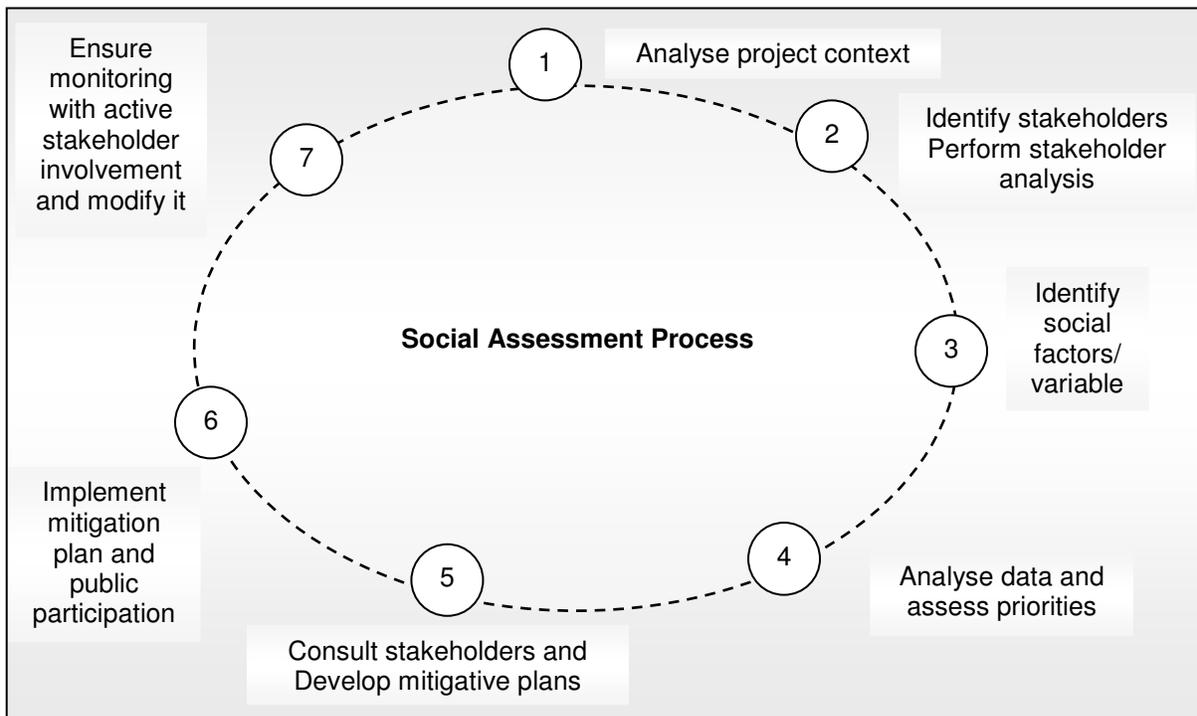


Figure 3: Social Assessment Process Cycle
(Adapted from Rietberg-McCracken and Narayan 1998)

2.2 It follows that the process of an SIA (or SA) is similar to the EIA process. The different stages of SIA (or SA) are illustrated in the form of flow chart in figure 4. Although, the major stages involved/steps followed in conducting SIA (or SA) are logically sequential, they often overlap in practice.

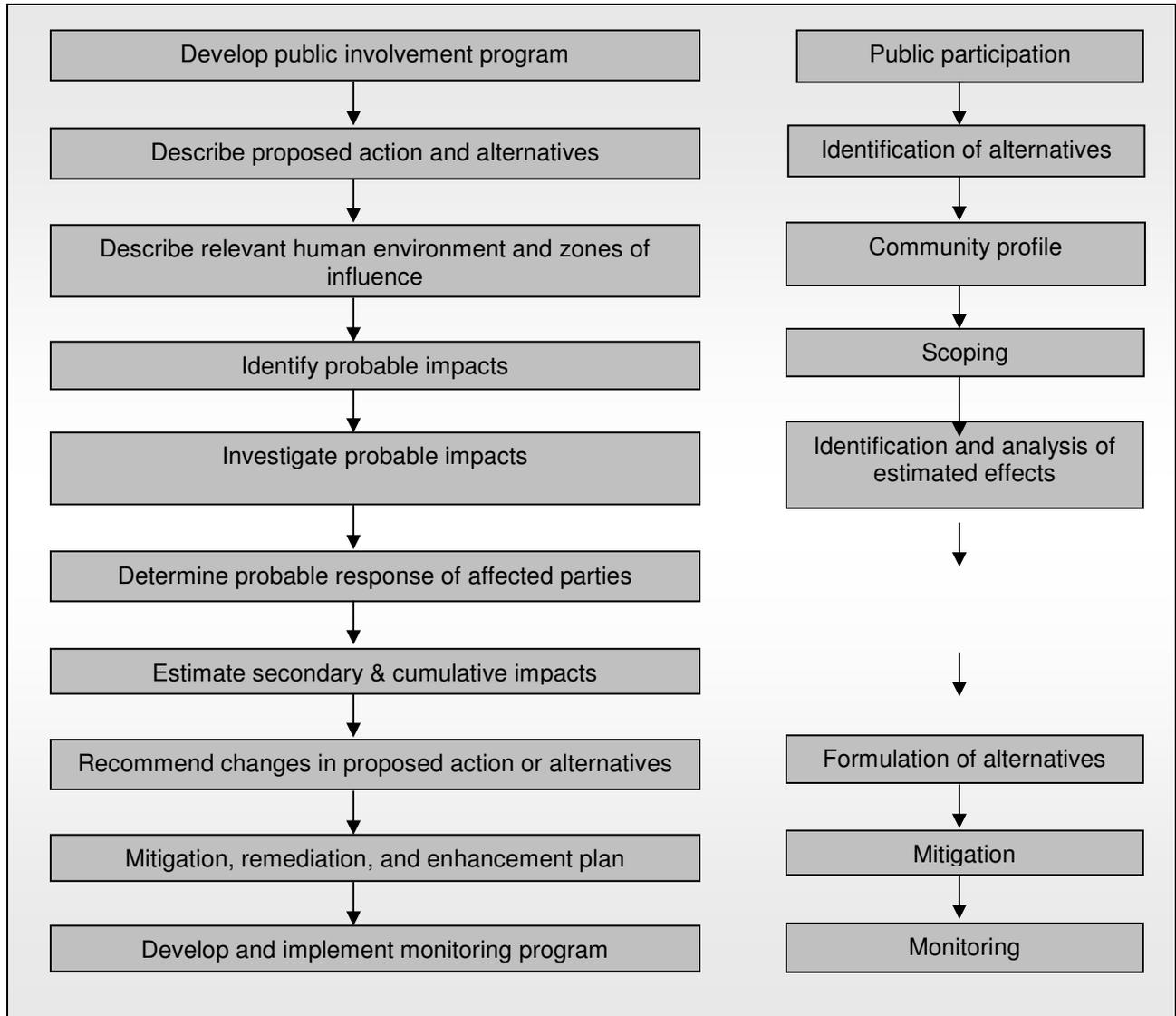


Figure 4: Stages in Social Impact Assessment
 (Adapted from *Impact Assessment and Project Appraisal*, 2003)

2.3 According to the Inter-organizational Committee on Guidelines and Principles for Social Impact Assessment (1994), the SIA involves undertaking various actions in the following major stages which are explained hereunder. Further, some of the guide principles are discussed in the next chapter.

2.1 PUBLIC PARTICIPATION

2.4 Developing and implementing an effective public participation plan to involve all interested and affected stakeholders is the vital first step. This involves identifying the client population that will either benefit or be adversely affected by the project. Groups affected by proposed actions include: (a) those that live nearby; (b) those that may be affected by the development intervention; (c) those that may be displaced because of a project; and (d) those that have interest in a new project or policy change but may not live in proximity. Some others include those residents affected by the seasonal influx of people who may have to pay higher prices for food or rent, or pay higher taxes to cover the cost of expanded community services etc. A wide range of public participation techniques should be used to collect information about public response to a proposed action. This first step is vital as the public participation program follows throughout the implementation and monitoring.

2.2 IDENTIFICATION OF ALTERNATIVES

2.5 It involves describing the proposed action and reasonable alternatives to it, including the no action alternative. During this stage, the proposed action is described in detail so as to identify the data requirements needed for the proponent to do a preliminary assessment. For example, in a new road construction project, the assessor would need to know the project location, land requirements, need for ancillary facilities (transmission lines, sewer and water lines), construction schedule, size of the work force (construction and operation, by year or month), facility size/shape, need for local work force and institutional resources. This apart from the social issues such as poverty, age, ethnicity and gender would provide a broader context of the project and its stakeholder profile. The project alternatives, including no project option, shall be identified and their suitability can be examined on the basis of the information on the project, area and social issues and in consultation with the wider stakeholders.

2.3 PROFILE OF BASELINE CONDITION

2.6 Document the relevant human environment/area of influence of the project and the existing social conditions and trends. Baseline simply means a geographical and time line to start the assessment. For example, with construction projects, a geographical area is identified along with the distribution of special populations at risk; but for policies, plans, programs, or other special assessments (such as, technology, health), the relevant human environment may be a more dispersed collection of interested and affected parties, pressure groups, organizations, and institutions. This information should describe the socio-economic traditions of the client group to be affected by the project (gender, no. of single headed households, family size, occupation, income and asset levels, education, access to health services, social organization, cultural distinctions, etc.).

2.7 Social impact assessment can be performed some times to get an overview of the social issues associated with the project in terms of some of the parameters:

- (a) **Demographic factors:** number of people, location, population density, age etc.
- (b) **Socio-economic determinants:** factors affecting income and productivity, such as risk aversion of the poorest groups, land tenure, access to productive inputs and markets, family composition, kinship reciprocity, and access to labour opportunities and migration.
- (c) **Social organization:** organization and capacity at the household and community levels affecting participation in local level institutions as well as access to services and information.
- (d) **Socio-political context:** implementing agencies' development goals, priorities, commitment to project objectives, control over resources, experience, and relationship with other stakeholder groups.

- (e) **Needs and values:** stakeholder attitudes and values determining whether development interventions are needed and wanted, appropriate incentives for change and capacity of stakeholders to manage the process of change.

2.4 SCOPING OF THE IMPACTS

2.8 This essentially involves identification and prioritization of the range of likely social impacts through a variety of means, including discussions or interviews with members of all potentially affected. The principal methods to be used by experts are reviews of the existing social science literature, public scoping, public surveys and public participation techniques. Figure 5 gives an illustration of the process. The methods for social analysis and participation include (Rietbergen-McCracken and Narayan 1998):

- (a) **Workshop based methods:** Collaborative decision making often takes place in the context of stakeholder workshops, which bring stakeholders together to assess issues and design development projects collaboratively. A trained facilitator guides stakeholders through a series of activities to promote learning and problem solving
- (b) **Participatory Assessment Methods:** Social assessments can also be informed by field visits to communities and other local-level stakeholders to learn about their perspectives and priorities. The consultations make use of participatory assessment methodologies such as participatory rural appraisal (PRA), SARAR or Beneficiary Assessment. These methodologies provide tools for collaborating with local people in analysis and planning, and can contribute to the development of action plans and participation strategies.

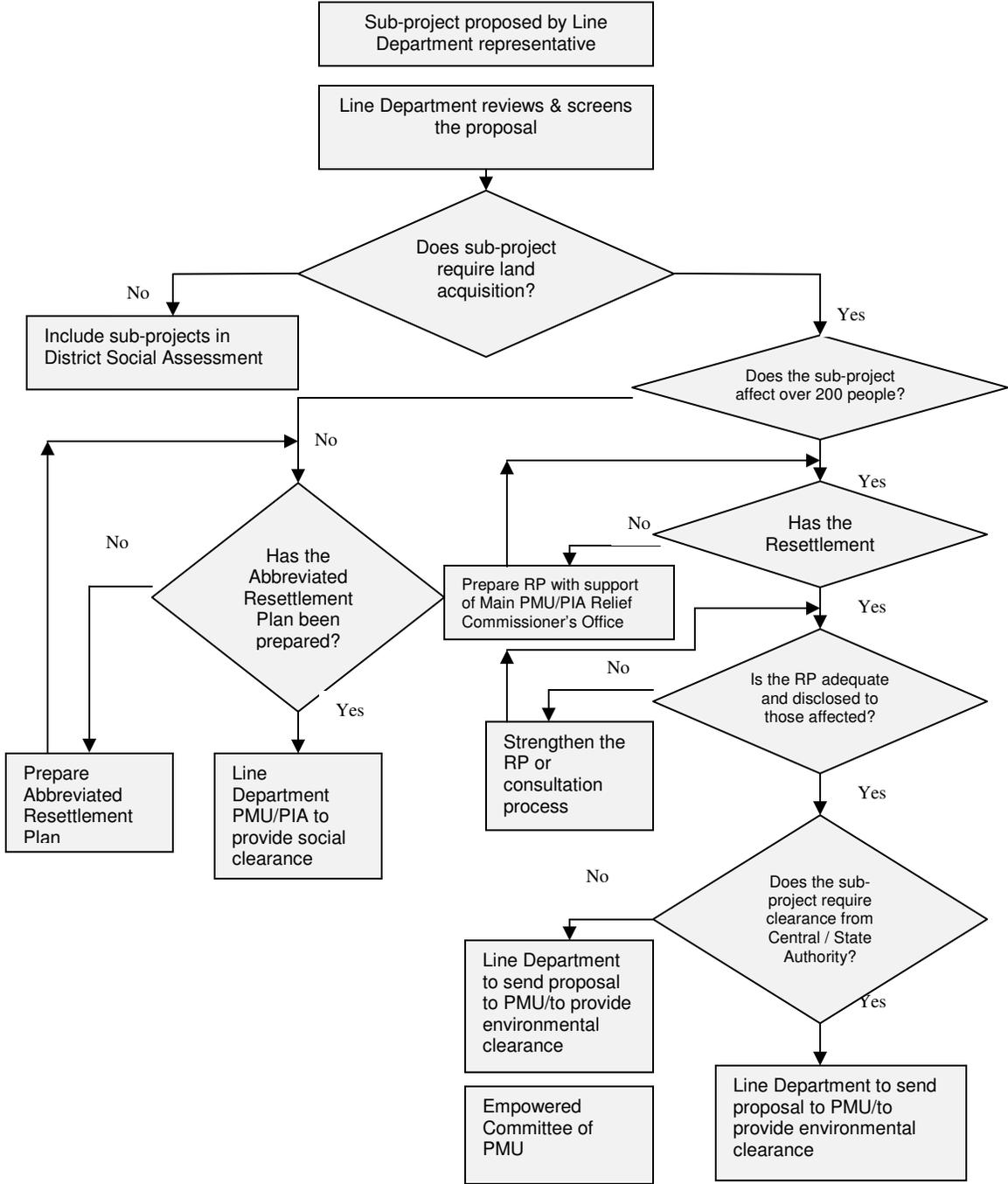


Figure 5: Scoping process for social impacts – An Example
 (Adapted from Emergency Tsunami Reconstruction Project, Government of Tamil Nadu and Pondicherry)

2.5 IDENTIFICATION AND ANALYSIS OF ESTIMATED EFFECTS

2.8 This essentially involves analyzing and predicting probable impacts of the project proposal and the alternatives against baseline conditions (with versus without the action). This involves investigating the probable social impacts in terms of (i) predicted conditions without the actions (baseline condition) and (ii) predicted conditions with the actions and the predicted impacts. Investigation of the probable impacts involves five major sources of information: (a) detailed data from the sponsoring agency on the proposed action; (b) record of previous experience with similar actions as represented in reference literature to include other SIAs; (c) census and vital statistics; documents and secondary sources; (d) field research, including informant interviews, hearings, group meetings and, if funds are available, (e) surveys of the general population.

2.9 Methods of predicting the future impacts are at the heart of the SIA process. Care must be taken to ensure the quality and transparency of methods and data, and to provide for critical review. The following are some of the methods for analyzing and predicting social impacts [adapted from Taylor et al., 1998 and Impact Assessment and Project Appraisal, 2003]:

- **Comparative method:** This method examines how an affected community has responded to change in the past, or the impact on other communities that have undergone a similar action. The present is compared to the future with the proposed action. Based on past research and experiences in similar cases, determination of significance is made based on the comparative data presented.
- **Straight-line trend projection:** This method takes an existing trend and simply projecting the same rate of change into the future; we assume that what happened in the past is likely to happen in the future. For example, visitations for recreation increase each year at about the same rate they did in the past.

- **Population multiplier methods:** In this method, each specified increase in population implies designated multiples of other variables, such as jobs, housing units and other infrastructure needs.
- **Statistical significance means:** It involves calculations to determine probabilistic differences between with and without the proposed action. A social assessor could employ comparative statistical methods to determine statistical significance for appropriate SIA variables.
- **Scenarios:** These refer to logical-imaginings based on construction of hypothetical futures through a process of mentally modeling the assumptions about the SIA variables in question. Scenarios include exercises to develop the likely, alternative or preferred future of a community or society. Scenarios can be used to compare different outcomes (e.g., best versus worst case).
- **Consulting experts:** Use of expert knowledge such as researchers, professional consultants, local authorities, or knowledgeable citizens. Such persons familiar with the study area could be asked to present scenarios and assess the significant implications for the proposed action.
- **Calculation of 'futures forgone':** a number of methods have been formulated to determine what options would be given up irrevocably as a result of a plan or project, for instance, river recreation and agricultural land use after the building of a dam. The wetlands mitigation strategy is such an example.

2.6 PREDICTION AND EVALUATION OF RESPONSES TO IMPACTS

2.9 This is made to determine the significance of the identified social impacts to those who will be affected. Projecting the impacts through analysis is an important and also a difficult task, but the responses of affected parties frequently will have higher order significance impacts. After the direct impacts have been estimated, the assessor must next estimate how the affected public would respond in attitude and actions. The actions of affected public can be estimated

using comparable cases and interviews with those affected about what they expect to do. Again, this involves targeted public participation.

2.7 THE INDIRECT AND CUMULATIVE IMPACTS

2.10 These are estimated to identify the subsequent, flow-on effects of the proposal, including the second/third order impacts and their incremental impacts when added to other past, present and foreseeable current activities. Secondary or indirect impacts are those caused by the primary or direct impacts; they often occur much later, both in time and geographic distance, than primary impacts. Cumulative impacts are those resulting from the incremental impacts of an action added to other past, present, and reasonably foreseeable future actions regardless of which agency or person undertakes them.

2.8 EVALUATION OF ALTERNATIVES AND IMPACT MITIGATION

2.11 This involves evaluating alternatives in terms of projection of their consequences for affected and interested stakeholders. Each alternative or modification to the proposed action should be assessed separately. The estimation methods described in step five apply here but usually on a more modest scale. Subsequently, a mitigation plan needs to be developed and implemented, in order of preference to firstly avoid, secondly minimise and thirdly compensate for adverse impacts. If the predicted impact is minimal and can be managed, mitigation measures must be put in place. These could be in the form of modification of the specific event in the project, operation and redesign of the project or policy or compensation for the impact by providing substitute facilities, resources and opportunities.

2.9 MONITORING PLAN

2.12 This involves developing and implementing a monitoring programme to identify deviations from the proposed action and any important unanticipated

impacts. This should track project and program development and compare real impacts with projected ones. It should spell out (to the degree possible) the nature and extent of additional steps that should take place when unanticipated impacts or those larger than the projections occur.

Chapter 3: PRINCIPLES OF SOCIAL IMPACT ASSESSMENT

3.1 This chapter gives an overview of the principles that guide the concepts, the process, and the method of conducting social impact assessment. These principles are based on the expert judgment of widely varied professionals like sociologists, anthropologists, social psychologists, geographers, land-use planners, economists, natural resource social scientists and landscape architects. These principles are meant to ensure sound scientific inquiry and are based on the best practices established in the field over the last three decades. This section draws heavily from the guidelines and principles for Social Impact Assessment prepared by the Inter-organizational Committee on Guidelines and Principles for Social Impact Assessment consisting of U.S. Department of Commerce, Oceanic and Atmospheric Administration and National Marine Fisheries Service.

Principle 1: Involve the diverse public

3.2 The first step is to identify and involve all potentially affected groups and individuals. Public involvement should be an active and interactive process, in which members of the public are full participants in the SIA enterprise. Public involvement must reach out to groups that do not routinely participate in government decision making because of cultural, linguistic, and economic barriers.

Principle 2: Analyze impact equity

3.3 Identification of all groups likely to be affected an agency action is central to the concept of impact equity. Trade-off always exists regarding a decision to construct a dam, build a highway or close an area to timber harvesting. But the cost of adverse social impacts should not be borne by one single category of

persons or sections of the society that are considered as vulnerable due to age, gender, ethnicity, race, occupation or other factors.

3.4 While most proposed projects or policies are not zero-sum situations, and there may be varying benefits for almost all involved, SIA has a special duty to identify those whose adverse impacts might get lost in the aggregate benefits. Impact equity must be considered in close and sympathetic consultation with affected communities, neighborhoods, and groups, especially low-income and minority groups. Analysis should begin during scoping to ensure that important issues are not left out.

Box 1: Identifying Social Impact Assessment Variables

Social impact assessment variables point to measurable change in human population, communities, and social relationships resulting from a development project or policy change. After research on local community change, rural industrialization, reservoir and highway development, natural resource development, and social change in general, we suggest a list of social variables under the general headings of:

1. Population Characteristics
2. Community and Institutional Structures
3. Political and Social Resources
4. Individual and Family Changes
5. Community Resources

1. Population Characteristics mean present population and expected change, ethnic and racial diversity, and influxes and outflows of temporary residents as well as the arrival of seasonal or leisure residents.

2. Community and Institutional Structures mean the size, structure, and level of organization of local government including linkages to the larger political systems. They also include historical and present patterns of employment and industrial diversification, the size and level of activity of voluntary associations, religious organizations and interests groups, and finally, how these institutions relate to each other.

3. Political and Social Resources refer to the distribution of power authority, the interested and affected publics, and the leadership capability and capacity within the community or region.

4. Individual and Family Changes refer to factors which influence the daily life of the individuals and families, including attitudes, perceptions, family characteristics and friend-ship networks. These changes range from attitudes toward the policy to an alteration in family and friendship networks to perceptions of risk, health, and safety.

5. Community Resources include patterns of natural resource and land use; the availability of housing and community services to include health, police and fire protection and sanitation facilities. A key to the continuity and survival of human communities are their historical and cultural resources. Under this collection of variables we also consider possible changes for indigenous people and religious sub-cultures.

Principle 3: Focus the assessment

3.5 Most often, time and resource constraints affect the scope of the assessment and the extent to which it can be done within the time available. Social impact assessment practitioners need to focus on the most significant impacts in an order of priority, and all significant impacts for all impacted groups must be identified early using a variety of rapid appraisal or investigative techniques.

Principle 4: Identify methods and assumptions and define significance

3.6 The methods and assumptions used in the SIA should be made available and published prior to a decision in order to allow decision makers as well the public to evaluate the assessment of impacts. It should clearly describe how the SIA is conducted, what assumptions are used and how significance is determined. A social impacts statement needs to focus on impacts found to be significant in terms of context and intensity considerations. Context includes such considerations as society as a whole, affected regions, affected interests and locality (e.g., when considering site-specific projects, local impacts assume greater importance than those of a regional nature).

Principle 5: Provide feedback on social impacts to project planners

3.7 Identify problems that could be solved with changes to the proposed action or alternatives. Findings from the SIA should feed back into project design to mitigate adverse impacts and enhance positive ones. The impact assessment, therefore, should be designed as a dynamic process involving cycles of project design, assessment, redesign, and reassessment. This process is often carried out informally with project designers prior to publication of the draft assessment for public comment; public comments on a draft EIS can contribute importantly to this process of feedback and modification.

Principle 6: Use SIA practitioners

3.8 A trained social scientist employing social science methods will provide the best results. An experienced SIA practitioner will know the data, and be familiar and conversant with existing social science evidence pertaining to impacts that have occurred elsewhere, which may be relevant to the impact area in question. This breadth of knowledge and experience can prove invaluable in identifying important impacts that may not surface as public concerns. A social scientist will be able to identify the full range of important impacts and then will be able to select the appropriate measurement procedures.

3.9 Having social scientist as part of the interdisciplinary EIS team will also reduce the probability that an important social impact could go unrecognized. In assessing social impacts, if the evidence for a potential type of impact is not definitive in either direction, then the appropriate conservative conclusion is that it cannot be ruled out with confidence. In addition, it is important that the SIA practitioner be conversant with the technical and biological perspectives brought to bear on the project, as well as the cultural and procedural context of the agency they work with.

Principle 7: Establish monitoring and mitigation programs

3.10 Monitoring significant social impact variables and any programs that have been put into place to mitigate them are crucial to the social impact assessment process. Identifying a monitoring infrastructure needs a key element of the local planning process. Monitoring and mitigation should be a joint agency and community responsibility and both activities should occur on an iterative basis throughout the project life cycle. Trust and expertise are key factors in balancing agency and community monitoring participation. Few agencies have the resources to continue these activities for an extended period, but local communities should be provided resources to assume a portion of the monitoring and mitigation responsibilities.

Principle 8: Identify data sources

3.11 Published scientific literature, secondary data and primary data from the affected area should be consulted for all SIAs. Published scientific literature includes journal articles, books, and reports available from similar projects. Secondary data sources are the Census, vital statistics, geographical data, relevant agency publications, and routine data collected by state and federal agencies. Examples of other secondary data sources include: agency caseload statistics (e.g., from mental health centers, social service agencies and other human service providers, law enforcement agencies, and insurance and financial regulatory agencies); published and unpublished historical materials (often available in local libraries, historical societies, and school district files); complaints produced by booster and/or service organizations (such chambers of commerce, welcome wagon organizations, and church groups); and the files of local news-papers. Primary Data from the Affected Area includes surveys, oral histories and informant interviews.

Principle 9: Plan for gaps in data

3.12 SIA practitioners often have to produce an assessment in the absence of all the relevant or even the necessary data. Evaluation of the missing information and developing a strategy for proceeding becomes important even if the information is approximate.

Box 2: Some guide principles of social impact assessment

1. Achieve extensive understanding of local and regional settings to be affected by the action or policy
2. Focus on key social and cultural issues related to the action or policy from the community and stakeholder profiles
3. Identify research methods, assumptions and significance that are holistic, transparent and replicable
4. Provide quality information that prescribe to scientific norms for use in decision-making
5. Ensure that any environmental justice issues are fully described and analyzed by taking into consideration the vulnerable stakeholders and populations
6. Undertake evaluation/monitoring and mitigation measures

Source: *Impact Assessment and Project Appraisal*, volume 21, number 3, September 2003

Chapter 4: APPLICATION OF SOCIAL IMPACT ASSESSMENT

4.1 The importance of social impact assessment and its application in specific projects can be understood clearly by some of the examples or application case studies that are provided in boxes 3 and 4.

Box 3: Social impact of the Sardar Sarovar scheme, India: Key findings and conclusions from SIA (Berger, 1994)

Sardar Sarovar became the focus of the debate, in India and internationally, on how to balance economic development on the one hand, and human rights and environmental protection on the other. The environmental and social impact of the project components is immense and extends over a wide area. At least 100,000 people, in 245 villages, live in the area affected by submergence. In Gujarat and Maharashtra almost all of those affected are tribal people. In addition, there are 140,000 families who will be disrupted by the construction of the canal and irrigation system.

The issues in Sardar Sarovar were complicated because the majority of those displaced were tribal people who usually have no formal title to the land they occupy and were considered by two state governments of Gujarat and Maharashtra to be encroachers and not entitled to resettlement. The review found this position to be non-compliant with recognized norms of human rights. In addition, it concluded that a number of issues of related to the environmental impact of the scheme were unresolved and questioned the assumptions used in project design and mitigation.

Box 4: Environmental and social impact assessment of the Vanimo Timber Area, Malaysia: Key findings

The WTK Reality Group of Malaysia through their operation of Vanimo Forest Products (VFP) has violated at least 13 of the key standards from the PNG Logging Code of Practice.

- VFP failed to fully comply with the project agreement concerning the Vanimo Timber Area.
- The East-West Highway has never been completed by VFP.
- Poor quality road and bridge construction has severely limited development and transport options for people in the Vanimo region.
- Culturally significant areas, including gravesites, have been negligently damaged by VFP.
- A fledgling palm seed export business has been threatened by VFP.
- Sediment and nutrient runoff from negligent logging operations damaged stream ecosystems.
- Clean water sources near villages for drinking/processing sago have been damaged by VFP.
- Undersized logs are regularly cut from the forests.
- Extensive damage from logging has retarded the regeneration capacity of the forest.
- Sago palms have been damaged by logging operations.
- The time taken for villagers to find food sources in the forests have increased.
- Malnutrition, low birth weight babies, malaria and sexually transmitted diseases have become more common in the region.
- Limited numbers of local men and no local women are employed by VFP.
- Birds of Paradise and New Guinea Pigeons are reportedly smuggled out on the logging boats.
- Police have been used to protect the interests of VFP.
- The Forestry Authority has not enforced the PNG Logging Code of Practice

4.2 However, SIA practitioners need to guard against the following factors while performing social impact assessments:

- **Spatial bias:** Information gathering focuses on accessible locations and overlooks remote or nomadic tribes
- **Seasonal bias:** SIA may be carried out at a time when it is difficult to gain representative information on an affected community, for example during harvest time or hunting season
- **Personal bias:** Consultation and interviews may be dictated by cultural traditions or power structures, for example limited to political leaders, elders or men
- **Professional bias:** Lack of interaction between disciplinary specialists may result in important links between the environment and society being omitted.

4.3 Some of the factors and considerations that need to be taken into consideration while undertaking social impact assessment include:

- **Taking account of initial response to project announcement** – support or opposition may be an impact itself or an indicator of the likely degree of community cohesion or conflict over social issues
- **Qualifying data sufficiency and reliability** – where SIA is hampered by a lack of adequate data, err on the conservative side in reporting any potentially significant impacts (e.g. stating that it cannot be ruled out with confidence rather than concluding it is not proven)
- **Predicting key issues** – it is better to be roughly correct on the matters that count, rather than quantifying the impacts that can be counted
- **Team building** – experienced social scientists need to be an integral part of the EIA team to predict these key issues and establish linkages to biophysical impacts. Often, team building must address cultural style as

well as disciplinary differences, for example when relating an SIA to the EIA and project planning timetable on the one hand and the norms and traditions of an affected community on the other.

The appendices attached are suggested formats, matrices and guidelines to help the practitioners in undertaking a Social Impact Assessment. They cover some of the important components of the SIA process. However changes can be made to the suggested appendices according to the project objective and need.

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Appendices

Appendix – I

I. Sample Information Format for Social Screening

1. Project details

Description	Details
Type of Investment	
Type of Project	
Project Area and Location	
Project Implementing Agency	

2. Assessments

2.1 Land assessment

Description	Details
Location of the land required	
Total quantity of land required in acres	
Ownership of land	Government
	Private
	Others
Land utility or land use details in the project area	Commercial
	Housing
	Agriculture
	Others
Determining the necessity for Land Acquisition	
Alternatives, if any	

2.2 Assessment of structures

Description	Details
Total number of structures that would be disturbed	
Type of structures (in Numbers)	Pucca
	Semi - Pucca
	Kutcha
Usage of structures (in Number)	Residential
	Commercial
	Community
	Others

2.3 Institutions Assessment

Description	Details	
NGOs working in the project area (Name and Number)		
Community Groups (Number)	Self-Help Groups	
	Neighbourhood Action Committees	
	Citizens Groups	
	Colony or Slum Associations	
	Others	

2.4 Socio – Economic Assessment

Description	Details	
Name and number of localities in the project area		
Type of Localities (Name and Numbers)	Slum	
	Non-Slum	
Total population of project area (Number)	Male	
	Female	
Social Group (Families in Number)	OC	
	BC	
	SC	
	ST	
Religion (Families in Number)	Hindu	
	Muslim	
	Christian	
	Others	
Literacy Rate (Persons Number)	Male	
	Female	
Occupation Details (Families in Number)	Agri – Labourer	
	Non-agri – Labourer	
	Farmers	
	Business	
	Private Services	
	Government Services	
	Others	
Population of Project Affected Families (PAFs) (Number)		
Vulnerable Families among PAFs (Number)	SC	
	ST	
	Women Headed Households	
	Physically disabled	
	Aged	
Income Details of the PAFs	BPL	
	APL	

Appendix – II
Matrix Relating Project Stage to Social Impact Assessment Variables

Social Impact Assessment Variable	<i>Planning/ Policy Development</i>	<i>Implementation/ Construction</i>	<i>Operation/ Maintenance</i>	<i>Decommissioning / Abandonment</i>
Population Characteristics				
Population Change				
Ethnic and racial distribution				
Relocated populations				
Influx /outflows of temporary workers				
Seasonal residents				
Community and Institutional Structures				
Voluntary associations				
Interest group activity				
Size and structure of local government				
Historical experience with change				
Employment/income characteristics				
Employment equity of minority groups				
Local/regional/national linkages				
Industrial/commercial diversity				
Presence of planning and zoning activity				
Political and Social Resources				
Distribution of power and authority				
Identifications of stakeholders				
Interested and affected publics				
Leadership capability and characteristics				
Individual and Family Changes				
Perceptions of risk, health & safety				
Displacement/relocation concerns				
Trust in political & social institutions				
Residential stability				
Density of acquaintanceship				
Attitudes toward policy/project				
Family and friendship networks				
Concerns about social well-being				
Community Resources				
Change in community infrastructure				
Access to community infrastructure				
Indigenous groups				
Land use patterns				
Effects on cultural, historical, and archaeological resources				

These variables are suggestive and illustrative and are only intended to provide a beginning point for the social assessor.

Appendix – III
Format for Social Management Plan

Identified Social Impacts / Issues	Review of actions and methods adopted	Mitigation & Other Proposed Measures	Monitoring Strategy & Contingency Measures	Reference Safeguard policies & agencies to be involved
Loss of land and loss of built up property				
Loss of productive assets				
Loss of livelihood				
Loss of public utility lines				
Loss of access to civic services and common property resources				
Loss of cultural properties				
Displacement of vulnerable groups				
Lack of coordination among departments				
Community Participation				

Appendix – IV
Social Capital Format

The objective is to list various types of social institutes/bodies working in the district so as to enlist them for the possible inclusion in the management and monitoring of the projects. List the name of social institutes/ bodies under the given categorization along with the following information. Use separate sheet for each category of social institute/body. The information can be collected through secondary sources such as District Collectorate / Bureau of Economics and Statistics / Office of Society Registration, etc.

Sl. No	Type of Social Institutes/bodies	Name of the Institution	Contact Person and Address and phone number	Primary areas of Work	Geographical coverage (list name of the places)
1	Non-Governmental Organizations which are supportive institutional mechanisms to the government	1.			
		2.			
		3.			
2	Voluntary Organizations whose members form an institution on voluntary basis with specific social goals. e.g. youth associations, <i>Mahila Mandals</i> etc.	1.			
		2.			
		3.			
3	Self Help Groups are those, which come together to help themselves and achieve development. E.g. DWCRA, DWCUA, Thrift, Neighborhood groups etc.	1.			
		2.			
		3.			
4	Community Based Organizations are those, which constitute the members of the community working towards social development. E.g. Agriculture, irrigation, thrift, Women empowerment etc.	1.			
		2.			
		3.			

Sl. No	Type of Social Institutes/bodies	Name of the Institution	Contact Person and Address and phone number	Primary areas of Work	Geographical coverage (list name of the places)
5	Pressure or Activist Groups have political agendas and work closely with people and highlight social issues through specified tactics and organizational goals.	1.			
		2.			
		3.			
6	Trusts are organizations, which are managed by a group of people. They are more or less funding agencies that may work towards social development.	1.			
		2.			
		3.			
7	Common Interest Groups are formed due to people who come together pursuing a common interest. E.g. Trade, market, user, farmer association.	1.			
		2.			
		3.			
8	Missionaries are religious institutions propagating religious principles but are also involved in many social development activities. E.g. Christian Missionary Organizations	1.			
		2.			
		3.			
9	Government Driven Organizations , which are informal in nature but work closely with the government for achieving social development goals. E.g. <i>Anganwadi</i> Centers and institutions under the CDS etc.	1.			
		2.			
		3.			

Appendix – V
Public Participation Techniques

Level of Public Contact Achieved	Ability to Handle Specific Interest	Degree of 2-way Communication	Public Participation/Communication Technique	Inform / Educate	Identity Problems/ Values	Get Ideas/Solve Problems	Feed back	Evaluate	esolve Conflict/Con sensus
2	1	1	Public Hearings		X		X		
2	1	2	Public Meetings	X	X		X		
1	2	3	Informal Small Group Meetings	X	X	X	X	X	X
2	1	2	General Public Information Meetings	X					
1	2	2	Presentations to Community Organization	X	X		X		
1	3	3	Information Coordination Seminars	X			X		
1	2	1	Operating Field Offices		X	X	X	X	
1	3	3	Local Planning Visits		X		X	X	
2	2	1	Information Brochures and Pamphlets	X					
1	3	3	Field Trips and Site Visits	X	X				
3	1	2	Public Displays	X		X	X		
2	1	2	Model Demonstration Projects	X			X	X	X
3	1	1	Material for Mass Media	X					
1	3	2	Response to Public Inquiries	X					
3	1	1	Press Releases Inviting Comments	X			X		
1	3	3	Workshops		X	X	X	X	X
1	3	3	Advisory Committees		X	X	X	X	
1	3	3	Task Forces		X	X		X	
1	3	3	Employment of Community Residents		X	X			X
1	3	3	Community Interest Advocates			X		X	X
1	3	3	Ombudsman or Representative		X	X	X	X	X
2	3	1	Public Review of Initial Assessment Decision Document	X	X	X	X	X	X

Level of participation: 1=Low; 2=Medium; 3=High Source: *Adapted from UNEP EIA Training Resource Manual, Second Edition 2002*

Appendix – VI
Sample Terms of Reference (ToR) for Social Assessment

This Terms of Reference is offered as guidance only; task teams are expected to adapt this general framework based on sector and project specific needs and specificities.

Introduction

This section should state the purpose of the terms of reference, identify the development project to be assessed and explain the implementing arrangements for the social assessment.

Background Information

Pertinent background for potential parties who may conduct the social assessment, whether they are consultants or government agencies, would include a brief statement of the rationale for the project, its intended objectives, a description of its major components, the implementing agency(ies), its current status and timetable, and whether there are any associated projects.

Purpose and Objectives

Summarize the general objectives and scope of the social assessment, briefly lay out the main design and methodological issues related to completing the social assessment, and discuss its timing in relation to the project preparation, design and implementation.

Task 1: Description of the Proposed Project

Provide a full description of the project to the extent known when the social assessment is undertaken. Include the following information: location, size, schedule and planned sequence of activities, resources available, expected implementation arrangements and life span. If the proposed project has more than one component, describe each one as it relates to social analysis.

Task 2: Description of the Socio-Cultural, Institutional, Historical and Political Context

Conduct a rapid review of available sources of information to describe the socio-cultural, institutional, historical and political context in which the project operates. The review should include qualitative descriptions and quantitative indicators of development trends relevant to the project, such as significant demographic changes, patterns of asset ownership and livelihoods, external political or economic environment, etc. The purpose of this exercise is to describe what constraints and opportunities the context poses to the project.

Task 3: Legislative and Regulatory Considerations

Review all national legislation and regulations pertinent to the project, as well as the broader policy and reform context within which the project takes place. Pay particular attention to laws and regulations governing the project's

implementation and the access of poor and excluded groups to goods, services and opportunities provided by the project. In addition, review the enabling environment for public participation and development planning. Social analysis should build on strong aspects of the legal and regulatory systems to facilitate program implementation and identify weak aspects while recommending alternative arrangements. (The TOR should specify those that are known and require the consultant to investigate other arrangements.)

Task 4: Key Social Issues

The social analysis provides the baseline information for designing the social development strategy. The analysis should determine what the key social and institutional issues are in relation to project objectives; identify the key stakeholder groups in this context and determine how relationships between stakeholder groups will affect or be affected by the project; and identify expected social development outcomes and actions proposed to achieve those outcomes. The key elements and entry points for the social analysis relevant to the project encompass:

- (a) Social diversity and gender:** Examine how people are organized into different social groups, based on the status ascribed to them ways in which such diversity interacts with social and power relations and the implications this has for questions of access, capabilities and opportunities;
- (b) Institutions, rules and behavior:** Examine social groups' characteristics, intra-group and inter-group relationships, and the relationships of those groups with public and private (e.g. market) institutions (including the norms, values and behavior that have been institutionalized through those relationships). Possible institutional constraints and barriers to project success, as well as methods to overcome them, should be described.
- (c) Stakeholders:** Identify the various groups who have an interest or a stake in the project. Stakeholders are those who are likely to be affected by a project, as well as those that may influence the project's outcomes.
- (d) Participation:** Examine opportunities and conditions for participation by stakeholders – particularly the poor and vulnerable – in the development process. Otherwise excluded groups affected by the project as well as project beneficiaries should be brought into the social assessment process, and appropriate mechanisms to sustain such participation in project implementation and monitoring should be deployed.

- (e) **Social risk:** Social risk analysis examines the social groups vulnerable to stress and shocks and the underlying factors that contribute to this vulnerability. Drawing on this, risk management plans should be prepared with an eye to addressing these concerns during project design, implementation, and monitoring and evaluation.

Task 5: Data Collection and Research Methods

Describe the design and research methodology for the social analysis. In this regard:

- Clarify the research objective by stating the research hypotheses and identifying the social processes and relationships to be examined by the social assessment;
- Build on existing data;
- Clarify the units of analysis for the social assessment: intra-household, household level, as well as communities/settlements and other relevant social aggregations on which data is available or will be collected for analysis;
- Choose appropriate data collection and analytical tools and methods
- Provide the rationale for sampling employed, including criteria for research sites and selection of respondents.
- Establish baselines and/or benchmarks with indicators for use in future monitoring.

Task 6: Strategy to Achieve Social Development Outcomes

Identify the likely social development outcomes of the project and propose a social development strategy, including recommendations for institutional arrangements to achieve them, based on the findings of the social assessment. The social development strategy could include measures

- (a) that strengthen social inclusion by ensuring that both poor and excluded groups and intended beneficiaries are included in the benefit stream and in access to opportunities created by the project (i.e. a *social inclusion framework*);
- (b) that empower stakeholders through their participation in the design and implementation of the project, their access to information, and their increased voice and accountability (i.e. a *participation framework*); and
- (c) that enhance security by minimizing and managing likely social risks and increasing the resilience of intended beneficiaries and affected persons to socioeconomic shocks (i.e. a *risk management framework*).

Task 7: Implications for Analysis of Alternatives

Review the proposed approaches for the project, and compare them in terms of their relative impacts and social development outcomes. Consider what implications the findings of the social assessment might have on those approaches. If the social analysis and consultation process indicate that alternative approaches are likely to have better development outcomes, such alternatives should be described and considered, along with the likely budgetary and administrative effects these changes might have.

Task 8: Recommendations for Project Design and Implementation Arrangements

Provide guidance to project management and other stakeholders on how to integrate social development issues into project design and implementation arrangements. As much as possible, suggest specific action plans or implementation mechanisms to address relevant social issues and potential impacts. These can be developed as integrated or separate action plans, for example, as Resettlement Action Plans, Indigenous Peoples Development Plans, Community Development Plans, etc.

Task 9: Developing a Monitoring Plan

Through the social assessment process, a framework for monitoring and evaluation should be developed. To the extent possible, this should be done in consultation with key stakeholders, especially beneficiaries and affected people. The framework shall identify expected social development indicators, establish benchmarks, and identify organizational responsibilities in terms of monitoring, supervision, and evaluation procedures. Additionally, identify institutional strengthening and capacity building requirements, if any.

Expected Outputs, Schedule and Reporting

Prepare a detailed schedule of the social assessment activities described in the terms of reference. Explain what kinds of outputs the social assessment plans to produce. Include a note on the social assessment process itself, stating any difficulties faced by the team in conducting the social assessment, and recommend the most appropriate dissemination strategy for the findings.

Consultant Team

Social assessment usually requires a multidisciplinary team to meet the different demands of the assignment. The terms of reference should specify key positions on the team. Individual time requirements should be specified for each assignment. One team member should be appointed team leader, and be responsible for the team's performance.