



VIE 30292

Summary of Thanh Hoa Resettlement Plan for Central Region Water Resources Project

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SUMMARY OF THANH HOA RESETTLEMENT PLAN

1. **The Project.** The Central Region Water Resources Project (the project) is to assist the Government of Viet Nam (the Government) in addressing water and poverty related problems in six of the 4 coastal provinces in central Viet Nam. As part of the project's preparation, a social analysis was carried out in each of the six subproject areas, and a resettlement plan has been prepared for the Thach Thanh scheme in Thanh Hoa.

2. **Project Entitlements.** The project's resettlement policy and entitlements have built upon the laws of the Government of Viet Nam, principally the revised Land Law (2003), and Decree 197 and Decree 188, the ADB's *Policy on Involuntary Resettlement* (1995), and frameworks and entitlement matrices approved by Government for other projects in the water, transport and energy sectors. The policies and entitlements have been updated to reflect the requirements of the new Decrees. Provisions and principles adopted in the resettlement plans for the project will supersede the provisions of relevant decrees currently in force in Viet Nam wherever a gap exists. Such waivers of Vietnamese law and decrees are provided for under Decree 17/ND-CP (May 2001), which regulates the management and use of official ODA. Article 29 stipulates that where an international aid agreement has provisions that are inconsistent with the provisions of Viet Nam law, the provisions of the ODA agreement shall prevail.

3. **Project Principles.** For the implementation of the above principles, the following policies shall apply:

- (i) Acquisition of land and other assets, and resettlement of people will be minimized as much as possible by identifying possible alternative project designs, and appropriate social, economic, operational and engineering solutions that have the least impact on populations in the project area.
- (ii) The people affected by the project (APs) are defined as those who may stand to lose, as a consequence of the project, all or part of physical and nonphysical assets, including homes, homesteads, productive lands, commercial properties, tenancy, income-earning opportunities, social and cultural activities and relationships, and other losses that may be identified during the process of resettlement planning.
- (iii) All APs who will be identified in the project impacted areas as of the date of the detailed measurement survey, will be entitled to be compensated for their lost assets, incomes and businesses at full replacement cost and provided with rehabilitation measures sufficient to assist them to improve or at least maintain their pre-project living standards, income earning capacity and production levels.
- (iv) All affected populations will be equally eligible for compensation and rehabilitation assistance, irrespective of tenure status, social or economic standing, and any such factors that may discriminate against achieving the objectives outlined above.

- (v) Lack of legal rights to the assets lost or adversely affected will not bar the affected persons from entitlement to such compensation and rehabilitation measures¹. Those without legal title to land and/or structures occupied or used by them (for e.g. squatters) are entitled to various options of resettlement assistance, provided they cultivated/occupied the land before the eligibility cut-off date. Resettlement assistance to non-titled APs will include compensation for lost assets and restoration of income and living standards. Assistance may also include replacement land, although there is no such entitlement to this for such APs. The resettlement package may include measures to ensure that such APs are able to find alternative sites or income sources, depending on their losses.
- (vi) Replacement residential and agricultural land will be as close as possible to the land that was lost, and acceptable to the AP. Where there is not sufficient paddy land available in villages, the project will assist the communes to develop new paddy land wherever this is possible (i.e. conversion of unused land or other non-agricultural land owned by the commune). The project will also assist communes to prepare level residential land and sites for livestock and fishponds.
- (vii) The rehabilitation measures to be provided are: (i) cash compensation at replacement cost without deduction for depreciation or salvageable materials for houses and other structures; (ii) full title to replacement agricultural land for land of equal productive capacity acceptable to the AP as a priority, or cash in lieu of land at replacement cost at current market value²; full title to replacement residential and commercial land of equal size acceptable to the AP; (iv) cash compensation for crops and trees and current market value; and (v) relocation allowances and rehabilitation assistance.
- (viii) Temporarily affected land and communal infrastructure will be restored to pre-project conditions.
- (ix) The compensation and resettlement activities will be satisfactorily completed and rehabilitation measures in place before the Government and ADB will approve award of contract of civil works.
- (x) The Executing Agency (EA) will see that institutional arrangements are in place to ensure effective and timely design, planning, consultation and implementation of the land acquisition, compensation, resettlement and rehabilitation program.

¹ People without legal rights are referred to as 'non-titled' in the Operations Manual, and include those who have no recognizable rights or claims to the land that they are occupying and/or using. The policy also states that restoration measures must be determined in consultation with affected communities, including those people who might not be formally recognized in national legislation.

² Agricultural land for land of equal productive capacity: means that the land provided as compensation should be able to produce the same or better yield the AP was producing on his/her previous land. The production should be in the planting season immediately following the land acquisition. It can be for a future period if transitional allowance equal to the household's previous yield is provided to the AP household while waiting for the land to get back to the same productivity as the previous land.

- (xi) Existing cultural and religious practices shall be respected and, to the maximum extent practical, preserved.
- (xii) Adequate budgetary support will be fully committed and be made available to cover the costs of land acquisition and resettlement and rehabilitation within the agreed implementation period.
- (xiii) Special measures shall be incorporated in the resettlement plan and complementary mitigation and enhancement activities to protect socially and economically vulnerable groups such as ethnic minority peoples, women-headed families, children and elderly people without support structures and people living in extreme poverty.
- (xiv) There shall be effective mechanisms for hearing and resolving grievances during the implementation of the resettlement plan.
- (xv) Details of the resettlement plans shall be distributed to the APs and placed in project and commune offices for the reference of affected people as well any interested groups.
- (xvi) Appropriate reporting, monitoring and evaluation mechanisms will be identified and set in place as part of the resettlement management system.

4. **Scope of Land Acquisition and Resettlement.** The subproject in Thanh Hoa (Thach Thanh scheme) will require land acquisition of 19.3 hectares (ha) accounting for some 13.7 ha of agricultural land, 4.8 ha of forest land, 0.7 ha of residential land, affecting a total of 1,397 households; 1,351 households lose agricultural land, 30 lose residential land and sixteen lose forest land. In addition there will be temporary effects on 569 households (564 households experience short term effects on 3.5 ha of agricultural land, three have 0.1 ha of residential land affected and two lose 1 ha of forest land on a temporary basis; this land will need to be rented by the project for one year. Very few structures are affected. One household will lose its simple house, and another thirteen households are affected through impacts on secondary structures such as animal pens, yards, walls, and a well.

5. There are also 13.5 ha of crop (predominantly rice, sugar cane and maize) and 43,255 trees to be cleared from the subproject area. Some 890 households will lose crops and 53 households will lose trees.

Table 1: Loss of Land

Commune	Temporary Land Loss (m ²)				Permanent Land Loss (m ²)					
	Total H'holds Temp Losing Land	Res	Agri	Forest	Total Temp Land Effects	Total H'holds Perm Losing Land	Res	Agri	Forest	Total Perm Land Lost
Thanh Van	6		1,318		1,318	3		504		504
Thanh Tam					0	26	385	4,200	48,790	53,375
Thach Binh	19		4,441	10,000	14,441	36	200	15,805		16,005
Thach Cam					0	33	755	4,096		4,851
Thach Quang					0	15	650	2,634		3,284
Thach Long					0	2	300	2,400		2,700
Thach Dinh	65		2,339		2,339	66		3,506		3,506
Thach Son					0	89	3,175	13,538		16,713
Thach Cam	73		6,812		6,812	252		22,916		22,916
Thach Quang	18	600	2,000		2,600	133	1,850	14,815		16,665
Thanh Truc					0	257	20	29,145		29,165
Thanh Vinh	388	400	18,716		19,116	434	54	21,383		21,437
Thanh My					0	51	64	2,234		2,298
Total	569	1,000	35,626	10,000	46,626	1,397	7,453	137,176	48,790	193,419

6. **Scope of the Resettlement Plan and Framework.** This resettlement plan has been prepared to cover the Thach Thanh scheme as one of the project's six subprojects. A census and inventory of lost assets was carried out for all households potentially affected by loss of land and structures for the irrigation canals and reservoir areas in each core project area. Based on the information collected, six resettlement plans have been prepared for the project in compliance with the ADB's *Policy on Involuntary Resettlement (1995)* and the *Handbook on Resettlement: A Guide to Good Practice*.

7. The resettlement plans will be updated following detailed design during project implementation. Also during the updating of the resettlement plan, the costs will be revised in line with the new decrees.

8. **Entitlement Matrix.** The project entitlements have been designed to provide compensation, resettlement and rehabilitation for lost assets and restore or enhance the livelihoods of all categories (directly and indirectly affected, title holders and non-title holders) of affected people. The entitlement matrix for the project (Table 2) summarizes the main types of losses and the support entitled for each type of loss, and has been updated based on the requirements of Decree 197.

9. Replacement costs and rates will be through an appraisal of market prices undertaken in consultation with commune administrations in each subproject area to verify that PPC rates are in fact replacement cost or market value. These rates will be used as the basis of the resettlement cost estimates. Final rates can be determined during the detailed measurement survey.

Table 2: Summary Entitlement Matrix

Types of Losses	Entitlements
<p>Loss of Land</p> <p>All land temporarily affected (< 1 year)</p> <p>Residential and garden – permanent loss</p> <p>Agricultural and forest - permanent loss</p> <p>Severe effects (10 % or more loss of prod. land)</p>	<p>Rent for period of disruption, compensation for loss of crops or trees, compensation for loss of income for period of disruption for subsequent crops that can not be planted, land restored to pre-project condition</p> <p>Full title to replacement land as a priority, or cash compensation at full replacement cost at current market value</p> <p>Full title to replacement land as a priority, or cash compensation at full replacement cost at current market value</p> <p>Livelihood stabilization (income restoration & transition allowances)</p>
<p>Loss of Structures (residential & commercial)</p> <p>Shops & houses</p> <p>Secondary structures</p> <p>Total loss & relocation</p>	<p>Loss of structure compensated in cash or kind at full replacement cost with no deduction for depreciation or salvaged materials</p> <p>Compensation in cash or kind at full replacement cost with no deduction for depreciation or salvaged materials</p> <p>Allowances for transportation of household effects, transition subsistence and bonus payment if AP clears area on time</p>
<p>Crop & Tree Loss</p> <p>Standing crop</p> <p>Trees/fruits</p>	<p>Cash compensation at market price for loss of crops/fruits</p> <p>Compensation based on the type and age of the tree to be determined in consultation with APs and approved by the local Department of Finance & Price</p>
<p>Allowances & Assistance for Livelihood Stabilization</p> <p>Transportation (relocating APs)</p> <p>Transition subsistence (relocating & sev. affected APs)</p> <p>Assistance for agricultural land located in urban areas</p> <p>Training for occupational change</p> <p>Agricultural extension</p> <p>Special allowance for poor & vulnerable APs</p> <p>Other measures</p>	<p>APs relocating within province 3 million VND, households relocating to another province 5 million VND</p> <p>Allowance of 30 kg of rice/person/month for 6 months (or lump sum equiv. to 450,000 per person)</p> <p>In addition to compensation, cash assistance for agri. land in urban, peri-urban or rural residential areas of between 20 and 50% of the current market value of agricultural land.</p> <p>The training will be of a value up to a pre-agreed sum of US\$200 per AP, given directly to the training institution involved. Trainees entitled to a subsistence allowance during training period (to a maximum of six months) or to a maximum value of US\$100 per AP. The unit costs of the skills training will be US\$300 per AP</p> <p>Assistance to improve productivity on remaining agricultural land by linking them with pre-existing government –run programs such as agricultural extension. Agricultural assistance will be of a value of US\$110 per severely affected household.</p> <p>Allowance of 30 kg of rice/person/month for 6 months (or lump sum equiv. to 450,000 per person)</p> <p>As provided under gender action plan including access to project-related employment</p>

10. **Ethnic Minorities and Vulnerable Groups.** If the social analysis shows that there are high proportions of ethnic minority groups living within the subproject areas, special attention will need to be given to identifying and addressing the special needs of these groups and these will be addressed in an Ethnic Minority Development Plan (EMDP) to be prepared in accordance with the Ethnic Minority Development Framework. Despite an overall subproject area proportion of 58%, an EMDP has not been prepared for the Thach Thanh scheme. The social assessment showed that for 200 years the Muong have been totally integrated with the Kinh. They have adopted Kinh style of dress, language, farming methods and social systems and no longer maintain any traditions or customs that reflect a uniqueness or potential vulnerability of culture. During detailed design if any social development issues/concerns are identified they will be fully addressed as per the Project's resettlement entitlement framework and the ethnic minority development framework of the Project.

11. The ADB's policy on ethnic minority is clear to state that where ethnic minority and non-ethnic minority live in one area, and the ethnic minority group does not maintain unique cultural systems or values, the project should not make distinctions based on ethnicity but prepare a community action plan to cover all poor and vulnerable households regardless of ethnicity. These households will be addressed through the gender action plan. Special attention will also be given to identifying and addressing the special needs of any disadvantaged groups such as the landless, poor, female headed households, and the disabled, through measures included in the project's gender action plan.

12. **Income Restoration Strategy for Severely Affected Households.** All households that are required to relocate, or suffer a loss of 10% or more of productive assets will be provided with additional support. For households that have to move, the project will assist communities and households by leveling land identified by the commune administrations for residential and garden land plots and livestock pens. Relocating households will be assisted with house dismantling and rebuilding. For agricultural households losing land, they will be entitled to replacement land of equal productivity as a priority, or an income restoration and subsistence allowance if there is no land of equal productive value available in the commune. If there is a shortage of paddy rice land in the commune, but sufficient other land, the project will assist communes to prepare paddy land by clearing and initially preparing land.

13. In consultation with communes, the project will develop fishponds at appropriate locations in the subproject area. During the detailed design, every effort will be made to reduce the need for relocation. Measures identified in the resettlement plans prepared for the six sub projects projects will be further developed during detailed design. Under the Thach Thanh scheme only one household is potentially required to relocate, this household will be provided with a materials transport, transition subsistence and income restoration allowance, and will also be eligible for a bonus payment if it clears the area according to the approved schedule. There are also 70 households (5%) which are severely affected through loss if 10% or more of agricultural land.

14. **Participatory Process of Resettlement Planning and Implementation and Grievance Mechanism.** Consultation shall be undertaken prior to any finalization of design in order that community needs can be incorporated into the design of the subprojects as far as is practicable. Stakeholders will be encouraged to participate in the process. The resettlement and ethnic minority development surveys undertaken will continue the dialogue with affected communities. There must also be a process established to deal with any issues or concerns raised during project implementation. Affected communities will be provided opportunities to participate in the detailed measurements survey, validation of compensation rates and

entitlements, delivery of entitlements, monitoring of impacts and benefits, and design and participation in a grievance mechanism.

15. **Disclosure.** Key information in the resettlement plans, including compensation and rehabilitation options, will be disclosed to the affected communities before appraisal. This will be in the form of a resettlement information leaflet or brochure, a summary resettlement plan, or a complete resettlement plan in a form and language which they can readily understand, in an accessible place, so that they may respond if necessary during appraisal. The resettlement plans, or their summary, will be translated and approved and endorsed by each province as well as MARD, and they will also be disclosed on ADB's website following ADB Board approval.

16. **Total Cost of Plan.** The total cost of compensation and allowances (including 20% administrative charges and 20% contingency) and the costs for independent monitoring is 16,008 million VND (US\$1,013,162).

Table 3: Summary of Resettlement Plan Costs

Item	Cost (VND)	Cost (US\$)
Resettlement	15,595,595,042	987,062.98
Monitoring	412,380,000	26,100.00
Total	16,007,975,042	1,013,162.98