



Resettlement Framework

Project Number: 37579-03
September 2008

Proposed Asian Development Fund Grant and Technical Assistance Grant

Lao Peoples Democratic Republic: Sustainable Natural Resource Management and Productivity Enhancement Project

Prepared by the Ministry of Agriculture and Forestry, Government of Lao PDR

The resettlement framework is a document of the borrower. The views expressed herein do not express those of ADB's Board of Directors, Management, or staff, and may be considered preliminary in nature.

DEFINITION OF TERMS

- Affected person (AP) - means any person or persons, household, firm, private or public institution that, on account of changes resulting from the Project, will have its (i) standard of living adversely affected; (ii) right, title or interest in any house, land (including residential, commercial, agricultural, forest, and/or grazing land), water resources or any other moveable or fixed assets acquired, possessed, restricted or otherwise adversely affected, in full or in part, permanently or temporarily; and/or (iii) business, occupation, place of work or residence or habitat adversely affected, with or without displacement.
In the case of a household, it includes all members residing under one roof and operating as a single economic unit, who are adversely affected by a project or any of its components.
- Compensation - means payment in cash or in kind (e.g. land-for-land) to replace losses of land, housing, income and other assets caused by the Project. All compensation is based on the principle of replacement cost, which is the method of valuing assets to replace the loss at current market value, plus any transaction costs such as administrative charges, taxes, registration and titling costs. In the absence of functions markets, a compensation structure is required that enables affected people to restore their livelihoods to level at least equivalent to those maintained at the time of dispossession, displacement, or restricted access.
- Cut-off date - This refers to the date prior to which the occupation or use of the project area makes residents/users of the same eligible to be categorized as AP, regardless of tenure status. In this Project, the cut-off date will be the final day of the census of APs and the detailed measurement survey (DMS) of APs' land and/or non-land assets.
- Entitlement - means a range of measures comprising compensation in cash or in kind, income restoration support, transfer assistance, income substitution and relocation support which are due to affected people, depending on the nature of their losses, to restore their economic and social base.
- Land acquisition - means the process whereby an AP is compelled by a public agency to alienate all or part of the land it owns or possesses to the ownership and possession of that agency for public purposes in return for compensation equivalent to the replacement costs of affected assets.
- Rehabilitation - means assistance provided in cash or in kind to project affected persons due to the loss of productive assets, incomes, employment or sources of living, to supplement payment of compensation for acquired assets, in order to achieve, at a minimum, full restoration of living standards and quality of life.
- Relocation - means the physical relocation of an affected household from her/his pre-project place of residence.
- Severely affected persons - This refers to affected households who will be physically displaced from housing and/or having 10% or more of their productive, income generating assets lost.
- Vulnerable groups - are distinct groups of people who might suffer disproportionately or face the risk of being marginalized by the effects of resettlement and specifically include: (i) households headed by women, elderly, or disabled, (ii) households falling under the generally accepted indicator for poverty, (iii) landless households, and (iv) ethnic minorities.

Contents

I.	INTRODUCTION	1
	A. Project	1
	B. Resettlement Framework	1
II.	LEGAL FRAMEWORK, POLICIES AND GUIDELINES	1
	A. Government Laws, Decrees and Guidelines	1
	B. ADB Policies	2
	C. Resolving Inconsistencies	2
III.	PROJECT PRINCIPLES, ELIGIBILITY AND ENTITLEMENTS	3
	A. Project Principles	3
	B. Eligibility and Entitlements	4
IV.	SCREENING AND RESETTLEMENT PLAN PREPARATION	7
	A. Screening	7
	B. RP Preparation	8
V.	RELOCATION AND INCOME RESTORATION STRATEGY	9
VI.	VULNERABILITY, GENDER AND ETHNICITY	9
VII.	INSTITUTIONAL FRAMEWORK	10
	A. Ministry of Agriculture and Forestry and Provincial Governors' Office	10
	B. Resettlement Committees	10
	C. Water Resources and Environment Agency	11
	D. Project Safeguards Consultant	11
VIII.	CONSULTATION, DISCLOSURE AND GRIEVANCE REDRESS	11
	A. Consultation and Disclosure	11
	B. Grievance Redress	11
IX.	MONITORING AND BUDGET	13
X.	IMPLEMENTATION SCHEDULE	13
XI.	DISCLOSURE OF RESETTLEMENT PLANNING DOCUMENTS	13
APPENDIXES		
1.	Involuntary Resettlement Screening/ Categorization	14
2.	Voluntary Contribution Form For Strips Of Residential Land (Sample)	16

I. INTRODUCTION

A. Project

1. The Sustainable Natural Resources Management and Productivity Enhancement Project referred to as “the Project” comprises (i) capacity building of central and provincial agencies in natural resource management techniques and procedures; (ii) the implementation of a number of subprojects of approximate value of less than \$400,000 to facilitate rural development within the target provinces of Savannakhet, Salavane, Sekong, Chapassak and Attapeau, and (iii) project management and implementation support.

2. The subprojects to be included in the Project will only be selected during implementation on the basis of agreed criteria including the number of people expected to benefit, poverty level of beneficiaries, minimal amount of resettlement and environmental impact, and cost. Implementation of the subprojects will enable rural communities in the project area to maximize their benefits from the proposed intervention. Eligible rural infrastructure projects would include rehabilitation of feeder roads, access tracks and the construction and/or rehabilitation of small and medium scale irrigation. Other subprojects might include non infrastructure related initiatives such as the extension of technical support services to common interest farming groups or to improve the linkages between producer groups and processors. The detailed design of subprojects, regardless of their nature, will, to the extent feasible, explore all viable options to reduce the requirements for land acquisition and resettlement.

B. Resettlement Framework

3. It is envisaged that since improvement of rural access roads, irrigation facilities and other rural infrastructure will be, as much as possible within the existing road alignments, irrigation facilities etc. and priority given to avoiding or minimizing resettlement impacts during subproject selection, resettlement impacts are expected to be not significant or Category B. Therefore, it is expected that short resettlement plans will be prepared for selected subprojects.

4. The Resettlement Framework sets out the resettlement policy, screening and planning procedures that the executing and implementing agencies will follow when preparing a Resettlement Plan (RP) if any is required.

II. LEGAL FRAMEWORK, POLICIES AND GUIDELINES

5. This Resettlement Framework is developed from the laws and decrees of the Government of Lao PDR and ADB’s relevant policies and guidelines. Provisions and principles adopted in this resettlement framework will supplement the provisions of relevant decrees currently in force in Lao PDR wherever a gap exists.

A. Government Laws, Decrees and Guidelines

6. In Lao PDR, compensation principles and policy framework for land acquisition and resettlement are governed by several laws, decrees and regulations as follows: (i) The Constitution (1991), (ii) the Land Law (2003)¹, (iii) Road Law (1999). (iv) Decree of the Prime Minister on Compensation and Resettlement of People Affected by Development Project (No.192/PM, dated 7 July 2005), and (v) Regulations for Implementing Decree of the Prime

¹ The Land Law 04/NA of 21 October 2003 supersedes the earlier Law 01/NA 12 April 1997.

Minister on Compensation and Resettlement of People Affected by Development Project (No.2432/STEA, dated 11 November 2005).

B. ADB Policies

7. The aim of the ADB **Policy on Involuntary Resettlement** (1995) is to avoid or minimize the impacts on people, households, businesses and others affected by the land acquisition required by a project. Where resettlement is not avoidable, the overall goal of the ADB policy is to compensate and assist affected people to restore their living standards to levels equal to, if not better than, that which they had before the project.

8. The ADB **Policy on Indigenous Peoples** (1998) defines indigenous or ethnic minority peoples as “those with a social or cultural identity distinct from the dominant or mainstream society, which makes them vulnerable to being disadvantaged in the processes of development.” The Policy recognizes the potential vulnerability of indigenous peoples in the development process; that indigenous peoples must be afforded opportunities to participate in and benefit from development equally with other segments of society; and, have a role and be able to participate in the design of development interventions that affect them.

9. The ADB **Policy on Gender and Development** (1998) adopts gender mainstreaming as a key strategy for promoting gender equity, and for ensuring that women participate in and that their needs are explicitly addressed in the decision-making process for development activities. For projects that have the potential to have substantial gender impacts, a gender plan is prepared to identify strategies to address gender concerns and the involvement of women in the design, implementation and monitoring of the project. ADB’s OM F2/OP requires that the findings of a gender analysis be included in the RP, and at all stages, resettlement identification, planning, and management will ensure that gender concerns are incorporated, including gender-specific consultation and information disclosure. This includes special attention to guarantee women’s assets, property, and land-use rights; and to ensure the restoration of their income and living standards.

10. Other policies of the ADB that have bearing on resettlement planning and implementation are the (i) Public Communications Policy (2005) and Accountability Mechanism (2003).

C. Resolving Inconsistencies

11. The recent changes in the Government of Lao PDR legislation related to compensation and resettlement in development represents a significant improvement in the rights of citizens when their livelihoods, possessions and society are affected by development projects.

12. Both Lao PDR Law and ADB policies entitle APs to compensation for affected land and non-land assets at replacement cost. However, definition of severely affected APs varies between ADB (OMF2 para 5) at 10% and Decree 192/PM (Article 8) at 20% of income generating assets affected. However in accordance with Decree 192/PM (Article 6) which entitles all APs to economic rehabilitation assistance to ensure they are not worse off due to the Project, the 10% definition of severely affected will be adopted as part of the Project’s resettlement policy.

13. Both Lao PDR Law and ADB policies entitle APs to compensation for affected assets at replacement cost and other assistance so that they are not made worse off due to the Project.

Decree 192/PM goes beyond ADB's policy and provides APs living in rural or remote areas, or APs in urban areas who do not have proof of land-use rights and who have no other land in other places, compensation for loss of land-use rights at replacement cost, in addition to compensation for their other assets and other assistance. Should APs be found to be non-titled and required to relocate, the Project will ensure they are provided replacement land at no cost to the APs, or cash sufficient to purchase replacement land.

III. PROJECT PRINCIPLES, ELIGIBILITY AND ENTITLEMENTS

A. Project Principles

14. The basic principles of this project are the following:

- (i) Involuntary resettlement and impacts on land, structures and other fixed assets will be minimized where possible by exploring all alternative options.
- (ii) Affected people (APs) residing, working, doing business and cultivating land within the required project area as of the completion date of the census and detailed measurement survey will be entitled to compensation and rehabilitation assistance to assist them in improving, or at least maintaining their pre-project living standards and productive capacities. The Project will ensure that APs are able to find alternative sites or income sources.
- (iii) Lack of formal legal title or rights will not be a bar to eligibility for compensation and assistance under the Project. APs will not be displaced from affected land until the village allocates suitable alternative land or compensation is paid that is sufficient to purchase suitable land within the same or neighboring village. Landless APs will be provided replacement land at no cost to the APs, or cash assistance sufficient to purchase replacement land.
- (iv) All compensation will be based on the principle of replacement cost.
- (v) The process and timing of land and other asset acquisition will be determined in consultation with APs to minimize disturbance.
- (vi) Where houses and structures are partially affected to the degree that the remaining portion is not viable for its intended use, the Project will acquire the entire asset, and APs will be entitled to compensation at replacement cost for the entire asset.
- (vii) APs will be systematically informed and consulted about the Project, the rights and options available to them and proposed mitigating measures. The comments and suggestions of APs and communities will be taken into account.
- (viii) The key information in the RP such as measurement of losses, detailed asset valuation, compensation and resettlement options, detailed entitlements and special provisions, grievance procedures, timing of payments and displacement schedule will be disclosed to APs in an understandable format such as the distribution of public information booklets (PIBs) prior to submission to ADB for review and approval.
- (ix) Resettlement identification, planning and management will ensure that gender concerns are incorporated, including gender-specific consultation and information disclosure. This includes special attention to guarantee women's assets, property, and land-use rights, and to ensure the restoration of their income and living standards.
- (x) Existing cultural and religious practices will be respected and, to the maximum extent practical, preserved.

- (xi) Special measures will be incorporated in the resettlement plan to protect socially and economically vulnerable groups such as indigenous peoples, women-headed households, children, households headed by the disabled, the elderly, landless and people living below the generally accepted poverty line. Vulnerable APs will be provided with appropriate assistance to help them improve their standard of living through asset building strategies such as provision of land, replacement housing of minimum standards and increased security of tenure.
- (xii) There will be effective mechanisms for hearing and resolving grievances during updating and implementation of the RP. Resettlement committees will include representatives from APs especially women and vulnerable groups.
- (xiii) Institutional arrangements will be in place to timely and effectively design, plan, consult and implement the land acquisition, compensation, resettlement, and rehabilitation programs.
- (xiv) Adequate budgetary support will be fully committed and made available to cover the costs of land acquisition and resettlement within the agreed implementation period.
- (xv) Appropriate reporting, monitoring and evaluation mechanisms will be identified and set in place as part of the resettlement management system. Monitoring and evaluation of the land acquisition, resettlement and rehabilitation processes and the final outcomes will be conducted by an independent monitor.
- (xvi) Voluntary donation will not be applied for any assets except very minor losses of residential land.

B. Eligibility and Entitlements

15. **Eligibility.** All APs who are identified in the project-impacted areas on the cut-off date will be entitled to compensation for their affected assets, and rehabilitation measures sufficient to assist them to improve or at least maintain their pre-project living standards, income-earning capacity and production levels. The cut-off date will be the final day of the detailed measurement survey (DMS) in each subproject. Those who encroach into the subproject area after the cut-off date will not be entitled to compensation or any other assistance.

16. **Entitlements.** The entitlement matrix in Table 3 summarizes the main types of losses and the corresponding nature and scope of entitlements. Following detailed design, DMS and socio-economic surveys (SES) will be the basis for determining actual impacts, and replacement cost surveys (or asset valuation) will be carried out to determine actual replacement costs and rates.

17. Voluntary donation will not be applied for any assets except very minor losses of residential land. For small strips of residential land, the following criteria will be strictly complied with: a) the AP's total residential land area is not less than 300 m²; b) if the AP's total residential land area is more than 300 m², the strip of land that can be donated cannot be more than 5% of the total land area; and c) there are no houses, structures or fixed assets on the affected portion of land. Moreover, voluntary donation must meet the following criteria: (i) full consultation with and disclosure of project entitlements, (ii) does not severely affect living standards of households and are linked directly to benefits for the affected people, (iii) any voluntary contribution will be confirmed through verbal or written record and verified by an independent third party (such as representative of Lao Women's Union), (iv) adequate grievance redress mechanisms are in place, and (v) residential land does not belong to the poorest and most vulnerable household.

18. The entitlement matrix may not cover all types of impacts but can be enhanced in the resettlement plans based on the findings of the social assessment and detailed measurement survey. Standards described will not be lowered but can be enhanced in the subproject RPs as required.

Table 1: Project Entitlement Matrix

Type of Losses	Entitled Persons	Entitlements	Implementation Issues
Productive Land (paddy, garden, and Teak Plantation)	Legal owner or occupant identified during DMS.	<ul style="list-style-type: none"> • For marginal loss of land, cash compensation at replacement cost which is equivalent to the current market value of land within the village, of similar type, category and productive capacity, free from transaction costs (taxes, administration fees), • If the impacts on the total productive land is 10 % or more, as a priority, replacement land of similar type, category and productive capacity of land within the village, with land title if Land Titling Project is ongoing in the area, if not, land survey certificate. OR at the request of AP, cash compensation at replacement cost plus assistance to purchase and register land. 	<ul style="list-style-type: none"> • Legal owners are those who received land survey certificates or land titles from the Land Titling Project. • Voluntary donation of productive land will not be allowed by the Project.
Residential Land	Legal owner or occupant identified during DMS.	<ul style="list-style-type: none"> • <u>With</u> remaining land sufficient to rebuild houses/structures: (i) Cash compensation at replacement cost which is equivalent to the current market value of land of similar type and category, and free from transaction costs (taxes, administration fees), and (ii) Project contractor to improve remaining residential land at no cost to APs (e.g. filling and leveling) so APs can move back on remaining plot. • <u>Without</u> remaining land sufficient to rebuild houses/structures: (i) replacement land equal in area, same type and category, without charge for taxes, registration and land transfer, with land title if Land Titling Project is ongoing in the area; if not, land survey certificate, OR (ii) cash compensation at replacement cost which is equivalent to the current market value of land of similar type and category, free from transaction costs (taxes, administration fees) plus assistance to register land. 	<ul style="list-style-type: none"> • Legal owners are those who have land survey certificates or land titles from the Land Titling Project. • Voluntary donation of minor strips of residential land will only be allowed by the Project provided that the following criteria are strictly complied with: (i) the AP's total residential land area is not less than 300 m²; (ii) if the AP's total residential land area is more than 300 m², the strip of land that can be donated cannot be more than 5% of the total land area; and (iii) there are no houses, structures or fixed assets on the affected portion of land. • Voluntary donation according to these criteria will follow the process in accordance with ADB's Operations Manual (OM) F2, which is the same as the Government's Decree 192/PM/2005.
Fish Pond (Remaining area is still viable or can still meet	Owner of affected fishpond	<ul style="list-style-type: none"> • Cash compensation of affected portion at replacement cost which is equivalent to the current market value of fishpond, labor and rent of 	<ul style="list-style-type: none"> • Adequate time provided for AP to harvest fish stocks. • Voluntary donation of fishpond land, will not be allowed by the

Type of Losses	Entitled Persons	Entitlements	Implementation Issues
expected personal or commercial yield)		<p>equipment to excavate fishpond, free from transaction costs (taxes, administration fees).</p> <ul style="list-style-type: none"> • If the currently held fish stocks will not be harvested before the project takes possession of the fishpond, then cash compensation for the projected mature value of fish stock held at the time of compensation. • Construction contractor to restore/repair remaining fishpond. If support cannot be provided by the contractor, the AP will be entitled to cash assistance to cover for payment of labor and rent of equipment to restore/repair fishpond. 	Project.
<p>Totally Affected Houses/Shops, and Secondary Structures (kitchen, rice bins).</p> <p>Partially Affected Houses/Shops but no longer viable (Will require relocation).</p>	Owners of affected houses whether or not land is owned.	<ul style="list-style-type: none"> • Cash compensation at replacement cost for the entire structure equivalent to current market prices of: (i) materials, with no deduction for depreciation of the structure or salvageable materials; (ii) materials transport; and (iii) labor cost to cover cost for dismantling, transfer and rebuild; and • Excluding those who will move back to their residual land, timely provision of dump trucks for hauling personal belongings at no cost to the APs. 	<ul style="list-style-type: none"> • Adequate time provided for APs to rebuild/repair their structures. • Affected houses and shops that are no longer viable are those whose remaining affected portion are no longer usable/habitable.
Temporary Use of Land	Legal owner or occupant	<ul style="list-style-type: none"> • For agricultural and residential land to be used by the civil works contractor as by-pass routes or for contractor's working space: (i) rent to be agreed between the landowner and the civil works contractor but should not be less than the unrealized net income and revenue that could be generated by the property during the period of temporary use of the land; (ii) cash compensation at replacement cost for affected fixed assets (e.g. structures, trees, crops); and (iii) restoration of the temporarily used land within 1 month after closure of the by-pass route or removal of equipment and materials from contractor's working space subject to the conditions agreed between the landowner and the civil works contractor. 	<ul style="list-style-type: none"> • The construction supervision consultant will ensure that the: (i) location and alignment of the by-pass route to be proposed by the civil works will have the least adverse social impacts; (ii) landowner is adequately informed of his/her rights and entitlements as per the Project resettlement policy; and (iii) agreement reached between the landowner and the civil works contractor are carried out.
Partially Affected Houses and Shops and secondary structures	Owners of affected houses whether or not land is owned.	<ul style="list-style-type: none"> • Cash compensation at replacement cost for the affected portion of structure equivalent to current market prices of: (i) materials and labor, with no deduction for depreciation of the structure or for 	

Type of Losses	Entitled Persons	Entitlements	Implementation Issues
(Will not require relocation).		salvageable materials; (ii) materials transport; and (iii) cost of repair of the unaffected portion.	
Crops and Trees	Owner of crops and trees whether or not land is owned.	<ul style="list-style-type: none"> • If standing annual crops are ripening and cannot be harvested, cash compensation at replacement cost equivalent to the highest production of crop over the last three years. • For perennial crops and trees, cash compensation at replacement cost equivalent to current market value based on type, age, and productive capacity. • For timber trees, cash compensation at replacement cost equivalent to current market value based on type, age and diameter at breast height (DBH) of trees. 	
Relocating households , severely affected APs losing 10% or more of their productive assets, and loss of business income during relocation or during dismantling/ repair of affected portion (without relocation)	Households and shops – relocating on residual land or to other sites, Severely affected APs losing 10% or more of their productive land Regardless of tenure status	<ul style="list-style-type: none"> • Subsistence allowance in cash or in kind (e.g. rice) will be provided to ensure subsistence during transition or relocation. • Moving allowance in cash or in-kind (dump trucks) to move salvageable structures and personal belongings • For informal businesses (shops) cash compensation equivalent to the daily wage rate in the area multiplied by the number of days of business disruption • Appropriate livelihood restoration measures to be determined during DMS 	<ul style="list-style-type: none"> • The type and amount of allowance will be determined during DMS. • For example, 3 months supply of rice per person (16 kg per person x 3 months) as transition) for relocating APs. • The rate will be verified through interviews with informal shop owners to get an estimate of daily net profit.
Severe impacts on vulnerable APs	Vulnerable APs	<ul style="list-style-type: none"> • An additional allowance of 1 month supply of rice per person in the household. • Provision of labor and additional materials at no cost to APs to assist during rebuilding of houses. • Appropriate livelihood restoration measures to be determined during DMS 	The poorest will be those below the national poverty line as defined in the poverty partnership agreement with ADB.

IV. SCREENING AND RESETTLEMENT PLAN PREPARATION

A. Screening

19. Resettlement screening for subprojects will be carried out during the identification and prioritization process for funding by the Project. The concerned resettlement committees and project appointed consultants will determine the requirements for preparation of resettlement plans.

20. The resettlement committees will use the screening and categorization form in Appendix 1 to determine the nature and significance of resettlement effects. The screening criteria based on the degree of resettlement impacts are:

- (i) **Significant (Category A)** - as a result of the subproject, 200 or more people will experience major impacts, that is, being physically displaced from housing, or losing 10% or more of their productive (income-generating) assets.
- (ii) **Not significant (Category B)** - as a result of the subproject, fewer than 200 people will be physically displaced from housing or lose less than 10% of their productive (income-generating) assets. A short resettlement will be required; or
- (iii) **No resettlement effect (Category C)** - the subproject does not require temporary or permanent land acquisition, and there are no impacts involving the loss of land, structures, crops and trees, businesses or income. No resettlement plan is required.

21. Any subproject falling under Category A (significant impacts) will be excluded as it will not be eligible for funding.

B. RP Preparation

22. If resettlement impacts are unavoidable and preparation of a resettlement plan is therefore required, a short RP will be prepared using the following procedures:

- (i) Undertake a census of all APs.
- (ii) Undertake detailed measurement survey (DMS)² of all losses of all APs. At the same time, inform potential APs (without discrimination) of the subproject, its likely impacts, and principles and entitlements as per the RF.
- (iii) Undertake a SES³ of at least 10% of all APs, 20% of severely affected households and ethnic minorities population.
- (iv) Undertake a replacement cost survey for various types of affected assets as a basis for determining compensation rates at replacement cost. Determine the losses in accordance with the entitlement matrix.⁴
- (v) Provide project and resettlement information to all persons affected in a form and language that are understandable to them, and closely consult them on compensation and resettlement options, including relocation sites and economic rehabilitation.
- (vi) Prepare the draft RP with time-bound implementation schedule, procedures for grievance mechanism and monitoring and evaluation, and a budget.
- (vii) Finalize the subproject RP and translate in local language.
- (viii) Disclose the draft and final RP prior to submission to ADB for approval. The final RP will be disclosed after approval.

² Data will be disaggregated by gender and ethnicity.

³ It will include gender analysis and data will be gender and ethnic minority disaggregated.

⁴ If there are new categories of APs and/or losses identified during the DMS (other than those described in the entitlement matrix), the entitlements will be derived in accordance with ADB's policy and guidelines.

Table 2: Surveys for RP Preparation

Detailed Measurement Survey (DMS)	<p>The census and detailed measurement survey (DMS) of lost assets will collect data on the affected assets from 100% of APs following detailed engineering design. The data collected during the DMS will constitute the formal basis for determining AP entitlements and levels of compensation. For each AP, the scope of the data will include:</p> <ul style="list-style-type: none"> • Total and affected areas of land, by type of land assets; • Total and affected areas of structures, by type of structure (main or secondary); • Legal status of affected land and structure assets, and duration of tenure and ownership; • Quantity and types of affected crops and trees; • Quantity of other losses, e.g. business or other income, jobs or other productive assets, estimated daily net income from informal shops; • Quantity/area of affected common property, community or public assets, by type; • Summary data on AP households, by ethnicity, gender of head of household, household size, primary and secondary source of household income viz-a-viz poverty line, income level, whether household is headed by women, elderly, disabled, poor or indigenous peoples; • Identify whether affected land or source of income is primary source of income; and • AP knowledge of the subproject and preferences for compensation and, as required, relocation sites and rehabilitation measures.
Socio-Economic Survey	<p>At a minimum, the SES will collect information from a sample of 10% of affected people and 20% of severely affected APs, disaggregated by gender and ethnicity. The purpose of the socioeconomic survey is to provide baseline data on APs to assess resettlement impacts, and to be sure proposed entitlements are appropriate, and to be used for resettlement monitoring. The scope of data to be collected includes:</p> <ul style="list-style-type: none"> (i) Household head: name, sex, age, livelihood or occupation, income, education and ethnicity; (ii) Household members: number, livelihood or occupation, school age children and school attendance, and literacy, disaggregated by gender; (iii) Living conditions: access to water, sanitation and energy for cooking and lighting; ownership of durable goods; and (iv) Access to basic services and facilities.
Replacement Cost Survey	<p>The replacement cost survey (RCS) will be done in parallel with DMS and SES activities by collecting information from both secondary sources and primary sources (direct interviews with people in the affected area, material suppliers, house contractors), and from both those affected and those not affected. The government rates will be adjusted, as necessary, based on the findings of a RCS. Compensation rates will be continuously updated to ensure that APs receive compensation at replacement cost at the time of compensation payment.</p>

V. RELOCATION AND INCOME RESTORATION STRATEGY

23. Households that have to relocate will participate in identifying and selecting options to relocate on their existing plots, or to move to plots provided by the district or to receive cash compensation and to make their own arrangements for relocation. In the case that any businesses have to relocate, they will be assisted to find viable new sites. Households who are severely affected through the loss of 10% or more productive assets will be provided with replacement land or assisted to purchase replacement land. Appropriate livelihood restoration measures (such as provision of farm inputs to increase productivity on remaining land and/or replacement land) will be designed and implemented in consultation with APs. APs will not be displaced until the village allocates land within the same or neighboring village.

VI. VULNERABILITY, GENDER AND ETHNICITY

24. The Resettlement Framework recognizes that certain social groups may be less able to restore their living conditions, livelihoods and income levels; and therefore, at greater risk of impoverishment when their land and other assets are affected. The Project will identify any specific needs or concerns that need to be considered for the indigenous peoples groups and other vulnerable groups such as landless, poor, and households headed by women, disabled,

elderly or children without means of support. A gender strategy and ethnic minorities specific actions, as required will be included in the Resettlement Plan.

VII. INSTITUTIONAL FRAMEWORK

25. Responsibility for resettlement spans various levels of government from the national level to provincial and district levels but also includes the implementation consultants and project contractors. The main agencies responsible for resettlement include the Executing Agency (Ministry of Agriculture and Forestry), its provincial representatives (Provincial Agriculture and Forestry Offices), the provincial and district governors offices and the other implementing line agencies such as Departments of Communications, Transport, Post, and Construction in the case of rural roads - depending on the nature of subprojects, and specifically formed provincial, district and village resettlement committees. The role and functions of each of these organizations is detailed in this section.

A. Ministry of Agriculture and Forestry and Provincial Governors' Office

26. The Project will be managed by a Project Management Office (PMO) to be established within the Ministry of Agriculture and Forestry's (MAF) Department of Planning. The PMO will be responsible for day to day management of the Project. At the provincial level, the provincial governors' office with their Provincial Project Offices (PPOs) will be responsible for the overall coordination of organizations involved in resettlement and for RP preparation and updating, supervision and management of RP implementation. The PPOs will be responsible for ensuring RP updating and implementation activities are consistent with those described in the RP. It will also be responsible for internal quarterly monitoring of resettlement activities. For day to day management, PPOs will respond to the PMO for reporting and other implementation matters and will be responsible for: (i) awareness raising and dissemination of information informing about the proposed Project, (ii) supervising subproject identification, (iii) supporting the preparation of subproject proposals, (iv) reviewing and approving of proposals to proceed to feasibility study, (v) supporting the preparation of feasibility studies including safeguards, (vi) reviewing feasibility studies then prioritizing same for submission to national level, (vii) subproject implementation management, (viii) monitoring the impact from subprojects and (ix) attending to progress and financial reporting requirements of the Project. The PPOs will provide overall guidance and technical support to the provincial and district resettlement committees. The PPOs will also be supported by consultants with expertise in resettlement and other safeguards recruited under the Project.

B. Resettlement Committees

27. Article 34 of the Regulations for Implementing Decree states that local authorities will assist the Project in various resettlement planning and implementation activities. In the project area, this support will be formalized into Resettlement Committees established at the province, district and village levels as appropriate in accordance with the needs for the subprojects being proposed.

28. Provincial and/or District Resettlement Committees (RCs) will need to be established as required for subprojects where they require any resettlement. These committees draw membership from all agencies within the provincial authorities, including the Department of Agriculture and Forestry, Department of Planning, Department of Finance, Department of Public Works and Transport. The RCs will undertake critical roles, including: (i) undertaking consultation meetings with APs, (ii) establishing compensation rates (replacement costs) for

affected assets; (iii) census and DMS; (iv) undertake final agreement with APs on compensation; and (v) manage funds disbursed from the Provincial Department of Finance for disbursement to APs, (v) monitor and report on all RP activities; (v) act as grievance officers. The RC will also be composed of local authorities, representatives of mass organizations, village elders/traditional leaders and affected people.

C. Water Resources and Environment Agency

29. As per Decree 192/PM, the Water Resources and Environment Agency (WREA) and their respective provincial representative offices will review and approve the RP prior to submission to ADB. STEA is also responsible for monitoring of resettlement activities. WREA will review all internal and external monitoring reports and undertake periodic inspections.

D. Project Safeguards Consultant

30. A Safeguards Consultants (SC) will assist the PMO/PPOs in the implementation of subprojects ensuring that contractor complies with the terms of the contract, including social safeguards such as resettlement. The SC will also be responsible for ensuring the contractor adheres to the RP, and as such will be resourced with staff to facilitate this compliance. The SC will be composed of one international resettlement specialist and local resettlement specialist on an intermittent basis while the community mobilizers will work full time from RP preparation to RP implementation. The SC will also design and implement necessary training and capacity building to the resettlement committees. The international and domestic consultants and community mobilizers will work closely with the APs, concerned local authorities and resettlement committees, PMO and PPO staff and contractors.

VIII. CONSULTATION, DISCLOSURE AND GRIEVANCE REDRESS

A. Consultation and Disclosure

31. Consultation will be undertaken prior to finalization of detailed design in order that APs' requests and suggestions to minimize resettlement impacts can be incorporated into the design as far as is practicable. During preparation of the resettlement plan, consultation activities such as distribution of project information booklets, community information dissemination and feedback, key informant interviews, individual and public meetings, focus group discussions, and separate consultations with APs, especially severely affected and vulnerable APs will be carried out. Consultation and participation activities will continue throughout project implementation to ensure that information about the overall project and resettlement-related information is properly understood and accepted by the APs.

B. Grievance Redress

32. At the central level within the Department of Planning, MAF, a task force will be established to receive and resolve complaints/grievances or act upon reports from stakeholders on misuse of funds and other irregularities, including grievances due to resettlement and environmental issues. The task force will (i) make public the existence of this Grievance Redress Mechanism, through public awareness campaign, (ii) review and address grievances of stakeholders of the Project, in relation to either the Project, any of the service providers, or any person responsible for carrying out any aspect of the Project; and (iii) proactively and constructively responding to them. The PMO will be responsible for the resettlement and environment-related grievances.

33. At the project level, the project grievance redress procedure will operate as follows:
- (i) **Step 1. Village Level** - Initial points of contact will be between APs and their village officials. The resettlement consultants and community mobilizers (CM) will maintain regular contact with all village offices and represent the Project in consultations with aggrieved parties. All complaints and grievances will be properly documented by both the village offices and the resettlement consultants/CM and addressed through consultations in a transparent manner aimed at resolving matters through consensus. All meetings between the village officials, resettlement consultants/CM and complainants will take place in a public place and include participation of representatives of APs, concerned groups/organizations, and village heads to ensure transparency. Where the complaint is verbal, the village officer or resettlement consultants/CM (whichever is first contacted) is responsible for keeping a written record of the grievance. If, within 5 days of lodging the grievance, participants are not able to reach an amicable decision, or complainants are not satisfied with the project's decision, the complaint will be forwarded to the District Resettlement Committee. APs and local mass organizations may forward their grievance directly to the DRC, or with the assistance of the CMs. It will be the role of the CM to ensure that any unresolved grievance is forwarded in a timely manner to the DRC.
 - (ii) **Step 2. District Level** - If APs are not satisfied with, or do not receive a response from the DRC within 10 days of their complaint being lodged with the DRC, then the complaint can be forwarded to the Provincial Resettlement Committee (PRC). Again, elevation of the complaint to these bodies can be undertaken by the AP or with the assistance of the CMs. It will be the role of the CM to ensure that any unresolved grievance from the DRC is forwarded in a timely manner to the PRC.
 - (iii) **Step 3. Provincial Level** - If the complaint still remains unresolved within 10 days of being lodged to PRC, APs and local mass organizations may forward their grievance directly to the DOR Task Force on Grievance Redress.
 - (iv) **Step 4. Central Level** - MAF Task Force on Grievance Redress Mechanism will ensure to review and resolve all complaints within 10 days.
34. The complaint, as a last resort, will be lodged with the Court of Law and whose decision would be final. Although the technical guidelines for resettlement designate this elevating of the complaint to the local mass organizations, non-benefit organizations and AP representatives, in order to ensure the availability of adequate resources to carry out this procedure, the PMO/PPOs will be responsible for forwarding the complaint and ensuring its process in the courts.
35. The resettlement committees will provide quarterly reports to the PMO/PPOs on grievances received, including names and pertinent information about the APs, nature of complaint, dates the complaints are lodged, and resolution of the same. Grievances not resolved will also be recorded, detailing negotiations and proposals which could not be agreed on, and the date of these negotiations.
36. In addition the grievance mechanism described above, APs may also (or permit representatives on their behalf raise their concern or complaint with the ADB Southeast Asia Department, through the ADB Resident Mission office in Vientiane if APs are still not satisfied with the resolution of their complaints at the Project and central level.

IX. MONITORING AND BUDGET

37. Primary responsibility for internal monitoring lies with PPOs as the project implementing agency, responsible for overseeing the formation, function, and activities of each of the implementing agencies for subprojects and through quarterly monitoring reports. The PPOs will ensure that information on resettlement progress flows from the various resettlement committees and staff working with the resettlement consultants. All monitoring data will be collected to ensure gender and ethnicity disaggregation. The quarterly progress reports will also include resettlement audit statements to show disbursement of grant funds for resettlement.

38. The budget will cover compensation costs, allowances and rehabilitation measures, administration costs, and contingency. Land acquisition will be part of the Government's counterpart fund. The Ministry of Finance will be responsible for the disbursement of funds to each of the relevant Project Provincial Governor's Offices. These funds will be managed by the Provincial Resettlement Committee (in the Governor's Office) and disbursed to APs in accordance with the agreements reached and the resettlement schedule. The Government will ensure timely provision of counterpart funds for resettlement to meet any unforeseen obligations in excess of the resettlement budget estimates in order to satisfy resettlement requirements and objectives.

39. ADB/IFAD grant funds will be utilized for compensation for non-land assets, provision of necessary allowances, special assistance to be provided to vulnerable APs, development of individual replacement plots, administration costs, and external monitoring. The RPs will identify key activities for which funds will be used, any disbursement milestones and auditing requirements that will facilitate appropriate and timely delivery.

X. IMPLEMENTATION SCHEDULE

40. Land acquisition, compensation and relocation of APs cannot commence until the RP has been reviewed and approved by ADB. Commencement of civil works may commence in sections where there are no resettlement impacts. All resettlement activities will be coordinated with the civil works schedule. PPO will not allow construction activities in specific sites until all resettlement activities have been satisfactorily completed, agreed rehabilitation assistance is in place, and the site is free of all encumbrances.

XI. DISCLOSURE OF RESETTLEMENT PLANNING DOCUMENTS

41. This resettlement framework will be uploaded on ADB website before appraisal. The PPO and RCs will be responsible for the disclosure of the resettlement plan to the APs prior to submission to ADB. ADB will upload the final resettlement plan on ADB's resettlement website.

INVOLUNTARY RESETTLEMENT SCREENING/ CATEGORIZATION

A. Introduction

1. Each infrastructure subproject proposed to be funded under the Project is assigned an involuntary resettlement category depending on the **significance** of the probable involuntary resettlement impacts.

B. Information on Subproject

- a. **Name of Subproject :** _____
- b. **Location:** _____
- c. **Technical Description:** _____

C. Screening Questions for Resettlement Categorization

2. Initial screening for involuntary resettlement is to be conducted following detailed design.

Involuntary Resettlement Effects	Yes	No	Remarks
Does the subproject include upgrading or rehabilitation of existing physical facilities?			
Will it require permanent land acquisition?			
Are there any non-titled people who live or earn their livelihood at the site or within the COI / Right of Way / public land?			
Will there be loss of housing?			
Will there be loss of agricultural plots?			
Will there be losses of crops, trees, and fixed assets?			
Will there be loss of businesses or enterprises?			
Will there be loss of incomes and livelihoods?			
Will people lose access to facilities, services, or natural resources?			
Will any social or economic activities be affected by land use-related changes?			

D. Involuntary Resettlement Category

3. After reviewing the answers above, the Resettlement Committee and resettlement consultants agree subject to confirmation, that the project is a:

- Category B, Not Significant* IR impact, a short Resettlement Plan is required and will be submitted to ADB by _____ 2008.

* Not Significant - Less than 200 people will experience major impacts which are defined as being physically displaced from housing or losing 10% or more of their productive assets (income generating).

- Category C, No IR impact, no resettlement report is required.

If Category B: Please provide information on Affected Persons	
1. Any estimate of the likely number of households that will be affected by the Project? <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> N/A. If yes, approximately how many? _____	
2. Are any of them poor, female-heads of households, or vulnerable to poverty risks? <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> N/A. If yes, please briefly describe their situation.	
3. Are any APs from indigenous or ethnic minority groups? <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> N/A. If yes, please briefly describe their situation:	
Prepared By:	Verified by:
Signature:	Signature:
Name:	Name:
Position:	Position:
Date:	Date:
Additional Notes: (sketch map or pictures)	

VOLUNTARY CONTRIBUTION FORM FOR STRIPS OF RESIDENTIAL LAND (Sample)

Date: _____

I am fully aware that I/We will be affected by the _____ project and that the Project staff and local authorities have informed me/us of my/our right to receive compensation at replacement cost for all my/our affected assets, i.e., land, house, structures, trees and crops. The total compensation payment that I/we will be receiving is _____ kip.

However, I/We voluntary donate a strip of my/our residential land (_____ sq.m) because the impacts on my/our land will be minor. Furthermore, I/we confirm that:

- My/Our residential land is not less than 300 sq.m. (Total residential land is _____sq.m);
- My total residential land is _____ sq.m, and the strip of land that to be donated is not more than 5% of my/our total residential land;
- there are no houses, structures or fixed assets on the land to be donated; and
- the equivalent amount in cash of the land that will be donated is _____ kip.

I hereby certify that the information stated herein

- Was read and explained to me carefully by the project staff and local authorities
- I/We read it myself/ourselves.

Name and Signature (or thumbmark) : _____

Village : _____

Date : _____

If land being donated is conjugal property, spouse to sign below:

Name and signature/ thumbmark of spouse : _____

Witnessed By : _____

Signature over printed name

Position/Organization

Name & Signature of Village Chief: _____

Date: _____

Name & Signature of Project Staff: _____

Date: _____