

Ethnic Groups Development Plan

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Lao PDR: Nam Ngum River Basin Development Sector Project Additional Financing

Prepared by the Ministry of Agriculture and Forestry for the Asian Development Bank.

CURRENCY EQUIVALENTS

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Currency Unit	–	Kip (KN)
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\$1.00	=	KN8,003

ABBREVIATIONS

ADB	–	Asian Development Bank
AFD	–	Agence Francaise de Development
DAFO	–	District Agriculture and Forestry Office
IWMU	–	Integrated Water Management Unit
LFNC	–	Lao Front for National Construction
LWU	–	Lao Women's Union
MAF	–	Ministry of Agriculture and Forestry
NAFES	–	National Agriculture and Forestry Extension Service
NNRB	–	Nam Ngum River Basin
NNRBCS	–	Nam Ngum River Basin Committee Secretariat
NTFP	–	Non Timber Forest Products
ONPM	–	Office of National Project Manager
PAFS	–	Provincial Agriculture and Forestry Service
PIU	–	Project Implementation Unit
PPMS	–	project performance management system
WRCC	–	Water Resources Coordination Committee
WREA	–	Water Resources and Environment Administration

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I. Introduction

1. The Nam Ngum River Basin Development Sector Additional Financing Project (the Project) aims for the same expected impact and outcome as those for the ongoing Loan1933-Lao: Nam Ngum River Basin Development Sector Project (NNRBDSP). The expected impact is the optimal use of water resources, especially in Nam Ngum River Basin (NNRB). The outcome will be integrated watershed management improved in the NNRB. The Project will use the similar approach, methodologies and implementation arrangements for the common objectives.

2. The Project design will principally draw on experiences under the original NNRBDSP. There will be three components: (i) integrated water resources management (IWRM), (ii) watershed management, and (iii) capacity development. Some activities will deepen collaboration among central agencies, provinces, districts and villages through institutional capacity development; others will continue agricultural and forestry support services and further expand their coverage of target villages within the 16 districts in NNRB. The Project activities will have the similar nature of those which have been implemented under the NNRBDSP in terms of impacts on ethnic people.

3. The original NNRBDSP has prepared an Ethnic Minorities Development Plan (EMDP).¹ The Project will follow the EMDP with some updates through experiences under the original project due to the similarity, continuity and validity. The objective of this Ethnic Groups Development Plan (EGDP) is to set out specific arrangements for the Project to effectively and efficiently ensure (i) that affected ethnic peoples receive culturally appropriate social and economic benefits; and (ii) that adverse impacts if any will be avoided to the maximum extent possible, building on assessments and experiences under the NNRBDSP, following the ADB's Safeguard Policy Statement (2009).

II. Summary and Status of the EMDP for NNRBDSP

A. Background

4. The original EGDP was prepared with the full participation of ethnic group communities in the NNRB; the government agencies concerned including the Ministry of Agriculture and Forestry (MAF) and the National Agriculture and Forestry Extension Services (NAFES); and the Lao Front National Construction (LFNC) and Lao Women's Union (LWU). It applied to ethnic group communities in the project area and was based upon the recognition that ethnic groups have special needs to be incorporated into development programs targeted at their communities. It was also well understood that poverty levels among ethnic groups in the project area are higher than for lowland ethnic majority populations.

B. Ethnic Groups in Lao PDR

5. Lao PDR has approximately 236 ethnic groups numbering 5,087,542 persons per 1999 estimates. Distinctive ethnic groups comprise about 70 percent of the population. They belong to four ethno-linguistic groups, (i) Tai-Kadai, (ii) Austro-Asiatic (Mon Khmer), (iii) Hmong-Mein (Miao-Yao), and (iv) Sino-Tibetan (Tibeto-Burman). The Tai-Kadai constitutes 66.2% of the population, Austro-Asiatic 23%, Hmong-Mein 7.4%, and Sino-Tibetan 2.7%. For the past

¹ 2002. ADB. Ethnic Minorities Development Plan (Supplemental Appendix as "Guidelines for the Participation of Ethnic Minorities in the Project" to the Report and Recommendation of the President on a proposed loan for Nam Ngum River Basin Development Sector Project. 2002. Manila. (Available on request)

decade, the Government had classified all ethnic groups into three broad categories: (i) Lao Loum, (ii) Lao Theung, and (iii) Lao Seueng; however, it currently uses its own system of classification based on locally recognized categories of ethnicity. It recognizes the existence of 47 ethnic groups.

C. Legal and Institutional Framework

6. The Article 8 of the Constitution (1991) guarantees that the State will not discriminate against people on the basis of ethnicity. Inter alia, the Constitution makes specific mention of ethnic groups:

- (i) Laos is a unified nation with indivisible ethnic groups;
- (ii) all of the Lao citizens, regardless of their sex, social position, education, beliefs or ethnicity are equal before the law;
- (iii) all ethnic groups have the right to maintain their traditions and improve their culture;
- (iv) the state will provide a policy of unity and equality between different ethnic groups;
- (v) the state will use all means in order to improve the economic and social levels of all groups; and
- (vi) the mass organizations are the gathering points for solidarity and mobilization for citizens of all backgrounds and all ethnicities.

7. The Resolution of the Party Central Organization concerning Ethnic Minority Affairs in the New Era was adopted in 1992. In the context of NNRBDSP, it identifies major tasks of the Government to: (i) push strongly for increased production in upland areas, and (ii) improve their quality of life. This policy resolution contains the basis for stabilization of shifting cultivation, implementation of agricultural and forestry policies and allocations.

8. The agency that manages ethnic groups' affairs is LNFC. It was established in 1996. LNFC is designated as an advisor to the Central Committee of the Party and the State and at the local level, including the district level. The Party assists that LNFC carries out its duties. LNFC is responsible for the following:

- (i) promoting and preserving their cultural traditions;
- (ii) improving and expanding healthcare, knowledge of reproductive health, traditional medicine and detoxification of opium addicted persons;
- (iii) ensuring that educational opportunities are made available to ethnic groups;
- (iv) promoting the human development of ethnic group officials; and
- (v) enhancing the administrative mechanism for ethnic groups including their promotion in rural development activities by ensuring that other agencies are aware of the requirements for the participation of ethnic groups.

9. LNFC is represented at the provincial and district levels. It is also found at the village level in most villages. In the villages it forms part of the village administration and sometimes has higher status than other mass organizations.

10. In 2000 the government prepared a plan for decentralization that calls for establishment of the province as the strategic unit, the district as the planning unit, and the village as the implementation unit. In addition to these functions, villages are responsible for data collection on the living conditions of families. The villages are supposed to establish regular benefit monitoring and evaluation systems for projects implementation.

D. Ethnic Groups in the Project Areas

11. Main ethnic groups in the project area are: Lao Loum, Hmong, and Khmu. A demographic survey in 2009/2010 estimates that 48% of the total population belongs to non lowland Lao villages. Actual compositions of village population are diverse in areas and villages. There are 23 sub-watersheds in the NNRB. Ethnic compositions in representative sub-watersheds are shown in Table 1. Ethnic compositions at the village level are also diverse. In the case of Nam Xan sub-watershed, for example, the majority is Hmong in 20 villages, Lao in 4 villages, and Khmu in 3 villages. The remaining 5 villages are relatively mixed in the ethnic composition of the population. It will remain a challenge to ensure that all ethnic people have opportunities to equally access project benefits. Ethnic groups especially women are generally less represented at village meetings and as members of village development committees. Their confidence to voice their concerns and promote their priorities is limited.

Table 1: Ethnic Composition of Representative Sub-watershed

Name of Sub-watershed	Number of Villages	Lao	Hmong	Khmu	Remarks
Pha-Yen	8	1,085 (48%)	266 (12%)	909 (40%)	Xaysomboun District Vientiane Province
Nam Xong	72	27,288 (68%)	8,102 (20%)	4,972 (12%)	Vangvieng District Vientiane Province
Nam Xan	32	3,800 (22%)	11,246 (65%)	2,283 (13%)	Hom District Vientiane Province

E. Socioeconomic Characteristics of Ethnic Groups

12. Lowland Lao have bilateral systems of descent with a matrifocal bias in relation to inheritance. They are Theravada Buddhists. They have a nuclear family system. They are mainly sedentary communities found in lowlands or plateaus and river valleys of upland areas. They practice irrigated agriculture, and are commercially oriented. They produce glutinous rice, raise vegetables, and rear large and small livestock. They live in permanent structures built of wood and bamboo, with thatch or more recently corrugated iron roofing. Mass organizations are found in their villages while the traditional organization, Neohiom is extremely important. The kinship system is not biased against women but in reality women tend to hand over the land rights to men during land registration. Women have considerable autonomy but are not well represented in public decision-making.

13. Hmong follow a patrilineal system with strong male bias in inheritance. Polygamy is widely practiced and patrilocal post marital residence is the norm. They are located in forested mountain tracts between 800 to 21,500 meters, with areas suitable for bamboo and opium production as well as for cattle raising. They practice shifting cultivation mainly producing rice, maize and other subsistence crops. They produce non-glutinous rice for subsistence along with livestock production, and undertake collection of non-timber forest product (NTFP) and handicraft production. Since 1975 many Hmong have been involuntarily relocated in lowland areas. Women are excluded from schooling and are burdened with heavy work in shifting cultivation, forest based production and livestock production. They lack access to social services and health care. The incidence of poverty is very high often in excess of 50%, and food insecurity is high. Yao are similar to Hmong. Yao women face similar problems. Khmou are also patrilineal and engage in shifting cultivation and forest based livelihoods. They suffer from high levels of food insecurity.

F. Project Impacts on Ethnic Groups

14. A participatory village development process was followed throughout the original NNRBDSP, assisted by LNFC and LWU. Participatory project benefit monitoring was conducted in 2010. The monitoring showed that NNRBDSP had positive impacts on the livelihoods, food security, and poverty reduction in the project target villages. The project provided farmers in target villages with training for livelihoods, trial and demonstration of improved agriculture and forestry techniques, and access to micro-finance. Based on the sample monitoring and evaluation surveys in 158 villages, major outputs were (i) increased rainy season rice yield by 17% through improved varieties and technologies and rehabilitated irrigation systems, (ii) increased numbers of livestock by 58% for cattle, 20% for buffaloes, 36% for pigs, and 39% for poultry through improved vaccination services, fodder grass production, and access to credits, and (iii) increased average household income by 54% through productions of rice, livestock, and other crops, including vegetables, corn, peanut and mushroom. The population of ethnic groups is 48 % of the total population in the project area. A significant portion of project benefits is expected to belong to ethnic group members.

15. In addition, the original project assisted sustainable forest management in about 13,850 hectares through improved participatory land use planning and training, and tree plantation in 3,370 hectares through the production of tree seedlings and training. It is also reported that the area under shifting cultivation was reduced by 3,210 hectares in the project area. The improved sustainability of forest use is also expected to benefit ethnic people in the project area.

16. Ethnic group women were considered to be most disadvantaged due to the ethnicity and gender. These women's priorities and concerns were addressed. A Reducing Poverty among Ethnic Minority Women Project in Nam Ngum River Basin, financed by the Japan Fund for Poverty Reduction (JFPR), was implemented in conjunction with NNRBDSP. The JFPR project aimed for poverty reduction and socio-economic status improvement of ethnic women in NNRB. Participatory poverty impact assessments were conducted in ethnic villages within NNRB under the JFPR project. Through participatory planning and consultation, the project identified that ethnic women appreciated improvement of water supply systems, cattle raising and forage growing except for vaccination, weaving and product processing techniques, and village revolving funds. NNRBDSP promoted these preferred activities by ethnic women and conducted relevant training. In total, 45% of farmer training participants were women. About 15% of the extension staff belonged to the ethnic groups. 23.5 % of extension staff were women in 2010.

III. EGDP for the Project

A. Description of the Project

17. The project area covers 16 districts in the NNRB. The expected project activities are: (i) institutional and human resources capacity development of the NNRBCS for developing sub-basin management plans, (ii) capacity development of the Integrated Watershed Management Unit (IWMU) of the MAF to strengthen linkages between sub-basin level management plans and local development and land use planning processes, and (iii) assistance to khet (village cluster) extension service center (KESC) and village development revolving fund (VDRF) operations in ongoing and additional villages. Major impacts on ethnic groups will come from project activities at the village level. Significant portion of the population of the target villages belongs to ethnic groups.

B. Social Impact Assessment

18. The overall policy for ethnic groups continues to focus on achievement of equality among all ethnic groups and national solidarity, recognizing the cultural heritage and ethnic identity of each group. The incidences of poverty are high among ethnic groups and they suffer from high levels of food insecurity. Ethnic women are burdened with heavy works for their subsistence and less represented with limited access to water, health care, and social services. Increasing income and livelihood opportunities of ethnic groups is part of the Project's objectives. The Project will reduce hunger and diversify livelihoods through improved agricultural and forestry support services including better access to credits and community infrastructure. Village water supply system improvements will reduce work burden for ethnic groups and women, thus increase labor for more productive activities. Attention will also be paid to the sustainability of adjacent natural resources which rural people rely on for part of their livelihoods. The Project will have no involuntary resettlement impact as small-scale community-driven infrastructure development will only seek voluntary contribution for private land and assets. The Project will not have negative impacts on ethnic groups in the project area.

C. Beneficial and Mitigative Measures

19. The Project will follow the participatory village development planning approach which will promote meaningful consultation and active participation of ethnic groups for project activities at the village level. Semi-annual planning and review workshops at the village level will be an important venue to ensure ethnic people's and women's participation in project implementation, which will be supplemented by focus group discussion and consultation. Representatives from LNFC and LWU will provide assistance for consultation and supervision for project implementation. These participatory processes will ensure ethnic groups' representation and culturally appropriate project activities such as training and extension packages.

20. Retained target village selection criteria which prioritize villages with significant numbers of poor and ethnic groups' people will ensure that the Project will benefit ethnic groups in general. The Project will continue socially well accepted support activities, including training sessions for large animal raising, weaving and processing, herbal medicines and bio-fertilizer production, and gender. Ethnic group- and gender-sensitive performance targets will enhance their access to project resources. These targets include at least 30% for women and 50% for ethnic people in terms of the numbers of participants in training and village land use planning. These indicators will be monitored and reported in project progress reports. Target rates of ethnic people's participation in training sessions will encourage their participation.

21. Limited access to land and other natural resources is another concern for ethnic groups. NNRBDSP introduced improved community-based participatory land-use planning to improve their access to land for sedentary agriculture. The Project will support village level land use planning in 50 additional villages. Sustainable forest management will provide better access to NTFP for ethnic groups who tend to rely on forest products. These project activities will mitigate any adverse impacts on ethnic groups.

D. Information Disclosure, Consultation and Participation

22. Necessary project information will be disclosed to the stakeholders in their understandable manner. Translation and interpreters may be required. Key steps for consultation and participation will be (i) pre-screening stage of target villages, (ii) participatory rural appraisal, (iii) preparing village development plans, and (iv) semi-annual planning and

review workshops for project implementation. These consultations include village committee meeting and focus group discussion as well as specific consultations with target ethnic group population. Summary of consultations will be recorded throughout project implementation.

E. Grievance Redress Mechanism

23. A well-defined grievance redress and resolution mechanism will be established to address grievances and complaints in a timely and satisfactory manner. The objective is to resolve complaints as quickly as possible and at the local level through a process of conciliation; and, if that is not possible, to provide clear and transparent procedures for appeal. The initial focal points to accept complaints due to the Project will be concerned DAFOs, the implementing units at the local level. IAs and MAF, the executing agency will act on these complaints as efficiently as possible. ADB will also maintain channels to receive complaints due to the Project. In addition, representatives of LNFC and LWU will visit project sites periodically and monitor consultation and planning processes. An external monitoring expert will also monitor project activities on the ground. These field visits will provide ethnic groups with occasions to address their concerns and opinions.

F. Monitoring, Reporting and Evaluation

24. All stakeholders including ethnic groups will be involved in the monitoring and evaluation of the project performance through a semi-annual review and planning process. All data for monitoring will be disaggregated by ethnic groups and gender. Safeguard officers in ONPM, NAFES, and DAFOs supported by a safeguard specialist will be in charge of monitoring the implementation of the EGDP. ONPM will prepare quarterly progress reports on social aspects in collaboration with provincial, district and village level stakeholders. Any related implementation issues will be reported and will be brought to the attention of ADB and EA.

G. Institutional Arrangements

25. The project steering committee (PSC) will include the LNFC and LWU. ONPM will work together with LNFC and LWU for project performance monitoring and EGDP implementation. ONPM will engage a monitoring specialist and a safeguard specialist for implementing and monitoring ethnic group aspects. Project staff at DAFOs will implement project activities in collaboration with villagers following EGDP and report to ONPM, which will assist and supervise DAFOs' project activities. Representatives of LNFC and LWU will work closely with villagers to ensure that concerns and priorities of ethnic groups and women are fully addressed.

H. Budget and Financing

26. The implementation of the EGDP are part of the Project's mainstream activities to achieve the outputs and basically inseparable from the other. Costs for implementing and monitoring the EGDP will be financed by the loan proceeds. These costs will include inter alia expenditures for specialists in monitoring and evaluation (12 person months), and social safeguard (6 person-months). The Government will finance project staff time and accommodation including safeguard officers.