

# Resettlement and Ethnic Minorities Development Plan

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March 2015

Subproject: Main Canal (Km 5 to Km 16.5)

Viet Nam: Development of Northern Chu and Southern Ma Rivers Irrigation System Project

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

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**SOCIALIST REPUBLIC OF VIETNAM  
MINISTRY OF AGRICULTURE AND RURAL DEVELOPMENT**

**DEVELOPMENT OF NORTHERN CHU AND SOUTHERN MA  
RIVERS IRRIGATION SYSTEM PROJECT**

**RESETTLEMENT & ETHNIC MINORITIES  
DEVELOPMENT PLAN (REMDP)  
Main Canal (Km5 to Km16.5)**

Project Management Consultants  
KECC/VIDECO

March, 2015

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## ABBREVIATIONS

<b>ADB</b>	Asian Development Bank
<b>AP/AH</b>	Affected Person / Affected Household
<b>CEM</b>	Committee of Ethnic Minorities
<b>CDR</b>	Cua Dat Reservoir
<b>CFU</b>	Commune Farmers Union
<b>CIRIT</b>	Commune Income Restoration Team
<b>CPC</b>	Commune People's Committee
<b>CPO</b>	Central Project Office
<b>CSB</b>	Community Supervision Board
<b>CWU</b>	Commune Women's Union
<b>DARD</b>	Department of Agriculture and Rural Development
<b>DIRIT</b>	District Income Restoration Team
<b>DMS</b>	Detailed Measurement Survey
<b>DoC</b>	Department of Construction
<b>DoF</b>	Department of Finance
<b>DOLISA</b>	Department of Labour, Invalids and Social Assistance
<b>DONRE</b>	Department of Natural Resources and Environment
<b>DPC</b>	District People's Committee
<b>DRC</b>	District Resettlement Committee
<b>DWU</b>	District Women's Union
<b>EA</b>	Executing Agency
<b>EA</b>	Ethnic Minority
<b>EMA</b>	External Monitoring Agency
<b>EMDF</b>	Ethnic Minorities Development Framework
<b>EMDP</b>	Ethnic Minority Development Plan
<b>EMSA</b>	Ethnic Minority Specific Action
<b>GoV</b>	Government of Vietnam
<b>HH</b>	Household
<b>IA</b>	Implementing Agency
<b>ICMB(3)</b>	Investment Construction and Management Board (No. 3)
<b>IMC</b>	Irrigation Management Company
<b>IOL</b>	Inventory of Loss
<b>IPP</b>	Indigenous Peoples Plan
<b>IRP</b>	Income Restoration Programme
<b>LAR</b>	Land Acquisition and Resettlement
<b>LURC</b>	Land Use Rights Certificate
<b>MARD</b>	Ministry of Agriculture and Rural Development
<b>MC</b>	Main Canal
<b>MoC</b>	Ministry of Construction
<b>MoF</b>	Ministry of Finance

<b>MOLISA</b>	Ministry of Labour, Invalids and Social Assistance
<b>MONRE</b>	Ministry of Natural Resources and Environment
<b>NCSMRIP/S</b>	Northern Chu and Southern Ma Rivers Irrigation Project / System
<b>NGO</b>	Non-Governmental Organisation
<b>NMC</b>	North Main Canal
<b>PCEM</b>	Provincial Committee of Ethnic Minorities
<b>PMC</b>	Project Management Consultants (KECC/VIDECO)
<b>PPC</b>	Provincial People's Committee
<b>PPMU</b>	Provincial Project Management Unit
<b>PPTA</b>	Project Preparation Technical Assistance
<b>PRA</b>	Participatory Rural Appraisal
<b>PSRC</b>	Provincial Steering Resettlement Committee
<b>ROW</b>	Right of Way
<b>RP-PMU</b>	Resettlement Provincial Project Management Unit
<b>RP</b>	Resettlement Plan
<b>REMDP</b>	Resettlement and Ethnic Minorities Development Plan
<b>REMDP2</b>	Combined RP and EMDP for km 10-34.3 of NMC and km 10-23.5 of SMC
<b>SAH</b>	Seriously Affected Household
<b>SES</b>	Socio Economic Survey
<b>SMC</b>	South Main Canal
<b>SPS</b>	Safeguard Policy Statement (ADB-2009)
<b>ToR</b>	Terms of Reference
<b>USD</b>	United States Dollars
<b>VND</b>	VietNam Dong
<b>WU</b>	Women Union
<b>WUA</b>	Water User Association
<b>YU</b>	Youth Union

## CURRENCY EQUIVALENTS

Currency unit: Vietnam Dong (VND) and US dollar (\$)

Exchange rate on 30th May 2014: \$1 = 21.180 VND at Vietcombank

## WEIGHT AND MEASUREMENT

- M (meter) – is the base unit of length
- M<sup>2</sup> (Square meter) – A system of units used to measure areas
- M<sup>3</sup> (Volume) – A system of units used to measure the spaces that an object or substance occupies.
- Kg (Kilogram) – A decimal unit of weight based on the gram



## TERMS AND DEFINITIONS

- Affected person (APs) - Means any person or group of persons, household, firm, state or private institution who, 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, salt mining 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.
- Within a household, the concept of affected household will include members living in a house and operating as an individual economic unit, who are negatively affected by Project or any phase of the project.
- Detailed Measurement Survey (DMS) - With the aid of the approved detailed engineering design, this activity involves the finalization and/or validation of the results of the inventory of losses (IOL), severity of impacts, and list of APs earlier done during RP preparation. The final cost of resettlement can be determined following completion of the DMS.
- Compensation - Means that the payment in cash or in kind (e.g. land for land) to replace the lost land, housing, income and other assets caused by a project. The compensation is based on the principle of replacement cost; this principle is the asset valuation measure to compensate the loss in current market price, plus transaction costs if any such as administrative, taxes, registration costs and other expenses. In case affected place do not have market, a compensation structure will be adopted in order to facilitate affected people to restore livelihood at least equal to their living standard at the time of ownership, being displaced or restricted access.
- Cut-off date - This refers to the date prior to which the occupation or use of land in the project area makes residents/users of the same eligible to be categorized as AP without land occupation discrimination. In **NCSMRIP** in Thanh Hoa province, the cut-off date was 13<sup>th</sup> September 2010 for affected households in Ngoc Lac district, 20<sup>th</sup> August 2012 for affected households in Tho Xuan district, and 15<sup>th</sup> December 2010 for affected households in Yen Dinh district. Any people who settle in the subproject area after the cut-off dates will not be entitled to compensation and assistance under the sub-project.

Entitlement	- Refers to a range of measures comprising compensation, income restoration support, transfer assistance, income substitution, relocation support, etc. which are due to the APs, depending on the type and severity of their losses, to restore their economic and social base.
Eligibility	- Means any person who has settled in the project area before the cut-off date that suffers from (i) loss of shelter, (ii) loss of assets or ability to access such assets, permanently or temporarily, or (iii) loss of income sources or livelihood, regardless of relocation ... will be entitled to compensation and/or assistance.
Income restoration	- This is the re-establishment of sources of income and livelihood of the affected households.
Income restoration program	A programme designed with various activities that aim to support affected persons to recover their income / livelihood to pre-project levels. The programme is designed to address the specific needs of the affected persons based on the socio-economic survey and consultations.
Inventory of Losses (IOL)	- This is the process which all households and their fixed assets and sources of income and livelihood inside the Project area are identified, measured. Their owners are identified; their exact location is pinpointed; and their replacement costs are calculated. Additionally, the severity of impact to the affected assets and the severity of impact to the livelihood and productive capacity of APs will be determined.
Land Acquisition	- Refers to the process in which AP is compelled by a public agency to alienate all or part of the land it owns or possesses for public purposes in return for compensation at replacement costs.
Rehabilitation	- This refers to the assistance in cash or in kind provided to APs losing re-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 affected household apart from their pre-project place of residence and/or business.
Replacement cost	- The total needed cost to replace affected assets and income including transaction costs such as administrative charges, taxes, registration and LURC allocating costs.

- Replacement cost survey - This refers to the process involved in determining replacement costs of affected assets based on empirical data and various sources of information.
- Resettlement - This includes all measures taken to mitigate any and all adverse impacts of a project on AP's property and/or livelihoods, including compensation, relocation (where relevant), and rehabilitation as needed.
- Resettlement Ethnic Minorities Development Plan (REMDP) - This is a time-bound action plan with budget setting out resettlement strategies, objectives, entitlement, actions, responsibilities, monitoring and evaluation.
- Severely affected households - This refers to affected households who (i) lose 10% or more of their total productive land, assets and/or source of income due to the Project, and/or (ii) have to relocate.
- Vulnerable groups - These are distinct groups of people who might be relatively affected or face the risk of being further marginalized by the impacts of resettlement specifically including: (i) female headed households with dependents, (ii) disabled headed households, preferential policy, war invalid (iii) households falling in poverty standard, (iv) children and the elderly households who are headed households with no other means of support, (v) and landless households excluding the households having stable income not from agriculture (vi) ethnic minorities.

## **EXECUTIVE SUMMARY**

### **Main Canal Subproject Description**

1. Water will be discharged from Cua Dat Reservoir at the Doc Cay outlet which is located in a saddle dam on the reservoir about 8 km to the north of the main dam wall. A 3 m diameter tunnel has already been constructed in the saddle dam and will discharge directly into a small 15 MW hydropower plant which is currently under construction immediately downstream of the Doc Cay outlet. The hydropower station will then discharge into the Main Canal with the length of 16.5 km. A number of off-takes from the Main Canal will provide irrigation for about 2,760 ha areas along the route. At its lower end the Main Canal divides into 2 other main canals: The North Main Canal is 34.3 km of new canal which will join into the canal system of the existing pumped schemes ending at the Ma River Pump Station; Similarly the South Main Canal is 25.5 km of new canal which follows the north side of the Chu River and again, joins into canals of the existing pumped schemes. Hence, the total length of new main canals to be constructed is 76.3 km. A further 42.3 km of existing main canals for the pump schemes will be converted to suit the proposed gravity system. A summary of the main canals and pertinent features is presented in Table I.
2. The newly constructed main canal (the last 11.5km of the main canal) will go through 4 communes of Ngoc Lac district. According to IOL survey, the construction of the main canal will affect 750 households, 410 of which will be severely affected due to production land loss of over 10%. Out of 117 households with assets and buildings affected, 19 households will relocate and 28 households will resettle in their remaining land, and 70 households will have their temporary shelter, auxiliary works, poultry and livestock barns affected.

### **Objective of Main Canal REMDP**

3. The objective of the REMDP for the main canal is to improve or at least restore the livelihood and living conditions of AHs meanwhile their cultural characteristics will be maintained. The REMDP for the main canal is designed to ensure that those suffer from any loss of house, land, or other assets due to the construction of the main canal are compensated, assisted and resettled in accordance with the project policies.

### **Impacts of Main Canal**

4. The DMS identified types of impacts of the main canal construction on the life of the locals. The most significant impact is the agricultural and residential land acquisition which affects the impacted people's income, livelihood and standard of living.
5. According to DMS results, the main canal construction involves: (i) 720,001.3 m<sup>2</sup> of households (no temporary land acquisition), including 76,533.4 m<sup>2</sup> of residential land; garden land: 54,681.3m<sup>2</sup>; production land: 353,011.8 m<sup>2</sup>; Forest land: 74,130,7m<sup>2</sup> and aquaculture land: 11,932.8 m<sup>2</sup> of households and public land managed by the CPC: 149,711.3 m<sup>2</sup> ; (ii) 740 affected householdshousdeholds, 410 of which lose over 10% of production land; (iii) 117

households have their houses and other architectural structures affected, 19 of which relocate, 28 of which rebuild their house on their remaining land;

6. Impacts on ethnic minority people: the main canal construction affects 461 ethnic minority households of Thai and Muong groups (accounting for 62,3% of total affected households)
7. About 708 AHs were identified vulnerable households i.e poor households, female-headed households and Ethnic Minority households.
8. The main canal construction does not affect many public works, and affects no cultural and religious buildings of the local community.

## **Consultation**

### **Consultation during REMDP update**

9. A number of consultations were held with the participation of representatives of DARD, RP-PMU, DRCs, CPCs and commune women's union of 4 affected communes from 25 to 28 april 2014. The representatives stressed that since they had participated in the project's previous consultations, they understood the project processes, procedures and grievance redress mechanism. They believed that affected people would benefit more from the application of the project's policies than that of the Government only. They expected the policies, entitlements and compensation standards specified in the REMDP to be realized.
10. Consultations about livelihood needs with severely affected households were conducted to bring up a supplementary livelihood restoration program for SAHs in line with the project's policies already applied to AHs on the South Main Canal and the North Main Canal (in RP1 and REMDP2). The consultations were a good opportunity for SAHs to directly participate in the preparation for a livelihood restoration program for their own sake, which fosters their responsibility for involving themselves in activities under the project's livelihood restoration program.
11. The consultations were carried out in affected communes including ethnic minority communities where consultations had been done earlier during project design phase (in 2010) and DMS phase (in 2014). Project information about scope and size of works, technical specifications, project benefits and potential impacts on the locals' land and livelihood was publicized to local communities. And most importantly, compensation plans and compensation rate for land and assets were discussed with AHs. Since most of the AHs belong to Muong and Thai ethnic groups whose livelihood mostly depends on agricultural production, their primary concern is full compensation payment for affected assets and priority to "land for land" compensation so that they can improve their own life. However, the consultations showed that almost all AHs preferred cash compensation and wished to develop their livelihood by (i) purchasing new land for continued production; (ii) investing more in production to improve productivity and labor conditions; (iii) or investing more in their children's study for better employment opportunities. The resettled households said that they

had been living in the commune for a long time so they would like to be relocated in the commune and receive cash compensation for self relocation.

### **Mitigation of resettlement impacts**

12. During project preparation, many solutions for mitigation of land acquisition impact were mentioned and discussed among engineers, safeguard consultants and local people, in which measure of the “tunnel pipe” option as one alternative to consider, but this was considered too costly. Therefore, option 2 was selected in which water from the Doc Cay power plant at water EL43 m will be sent through a 16.4 km canal where it splits into the North and South Main Canals, maintaining a gradual drop in elevation. The nature of the terrain along much of the route requires special structures. A 1.8 km siphon is used to traverse the paddy field of Luong Son commune since the alternative would involve high deep fill (up to about 25 m apparently). To cross the Am River, a 993 m aqueduct is needed (up to about 16 m above the river bed). The aqueduct was selected in preference to a siphon for technical and cost reasons. In addition, design adjustments to the size and location of a number of spoil areas and location of on-canal structures helped to mitigate land acquisition impacts and create favorable conditions for the locals’ transport. During technical design phase (in 2014), further technical adjustments have been made to alleviate resettlement impacts and ensure environmental sustainability as follows:

- (i) Adjust the location of the Main Canal route that passes Nguyet An commune;
- (ii) Adjust the location, number and size of bridges over the canal to facilitate the locals’ transportation;
- (iii) Adjust some inlets to meet local irrigation water and domestic water demand,
- (iv) Some canal sections has also been realigned to avoid populated areas and reduce the recovered land area
- (v) Relocate 4 material yards to reduce land acquisition of the recovered rice production land area and move to acquisition of forestry land acquisition.

13. This REMDP aims to address inevitable negative effects arising out of acquisition of land and property on the land for main canal construction and to ensure that all affected people, including ethnic minorities will be compensated at replacement cost and livelihood restoration measures are taken to at least maintain the standard of living and livelihood like before the project.

14. The objective of the resettlement and ethnic minorities development policy is to ensure all those affected by the project, including ethnic minorities will be fully compensated at replacement cost, supported and resettled to maintain, or better to improve their living standards and the ability to generate income like before the project by compensating for the

physical and intangible assets, and providing affected households with livelihood restoration measures.

15. The following principles are applied for preparing compensation, support and resettlement policies for AHs in the REMDP:

- i. Avoid or minimize land and other asset acquisition and AH relocation by considering all feasible options.
- ii. All AHs are entitled to compensation at replacement cost for lost assets, income and business, including temporary impacts.
- iii. SAHs and vulnerable groups will be provided with restoration measures to improve or at least restore their pre-project living conditions, income and production abilities.
- iv. Special attention must be paid to demand of the poor and vulnerable groups who are at high risk of falling into poverty, not legally entitled to rights relating to land or other assets, do not have land, female-headed households, the old, the handicapped or ethnic minority households. Appropriate assistance must be given to them to help them improve their socio-economic conditions.
- v. AP who lost only part of assets but the rest of their assets do not guarantee their current standard of living will have all acquired. The minimum remaining land and housing area will be agreed during REMDP preparation but must be appropriate to local planning standards.
- vi. The absence of a formal legal title to assets by APs should not be a bar to compensation and assistances to meet the objectives defined in this REMDP.
- vii. Agricultural land loss will be compensated by land of equal area and productivity. If appropriate land for compensation is not available and/or at the request of the APs, compensation will be in cash at replacement cost based on market price for agricultural land of the same type (or the same productivity) as the affected land.
- viii. Replacement land for agricultural, residential and business purposes is guaranteed legitimate, free of costs, taxes and other additional charges related to land use rights transfer.
- ix. Housing and other structures are compensated at replacement cost equal to market price for building a similar structure. Asset depreciation or utilizable materials are not counted in determining replacement cost.
- x. For displaced APs, replacement home and/or agricultural land should be as close to the lost property as possible and at the location where the affected people consent to. Relocated AHs will receive allowances for relocation and life stabilization during the transition.
- xi. Existing social institutions and culture of resettlers and their hosts should be supported and used to the greatest extent possible.

- xii. Affected households should be fully consulted and participate in the implementation of the resettlement plan of the subproject. Affected people and communities' ideas and recommendations should be considered in the design and implementation of resettlement activities.
  - xiii. Adequate resources should be identified and committed during REMDP preparation for the subproject. This includes full commitment to sufficiently financing the subproject for land acquisition, compensation, resettlement costs and allowances as agreed by the subproject; and providing adequate human resources for monitoring, communicating and supervising land acquisition, resettlement and livelihood restoration activities.
  - xiv. Appropriate mechanisms for reporting, monitoring and evaluation in the resettlement management system should be identified and regulated. An independent agency should monitor, evaluate the land acquisition, resettlement, rehabilitation process and the final resettlement results.
16. REMDPs should be written in English and Vietnamese and kept at CPCs' office so that APs or other interested groups can take a look. Since ethnic minority households have been residing here for ages (around 200 years), sharing the same farming practices, land, the use of Vietnamese as their primary language and other benefits as Kinh group, the REMDPs do not need translating into ethnic minority languages.
17. A detailed entitlement matrix for APs by the Main Canal was prepared on the basis of classification of categories and subjects of impact as follows:
- i. By group of APs entitled to different categories of compensation and allowances
  - ii. By eligibility to compensation and allowance
  - iii. By category of loss and damage and/or AH group
  - iv. By type of compensation and allowance to be provided and their calculation basis

### **Relocation**

18. During consultations with AHs, all displaced AHs opted for self relocation with the support of commune authority. DPC is responsible for granting relocated households land use right certificate (LURC) without any charges or taxes related to the certificate issuance. Relocated households should be assisted as per the project policies.

### **Institutional framework for implementation**

19. MARD is the owner of the project with CPO as its representative and ICMB3 as the implementing agency of the main canal. CPO, as authorized by MARD, will coordinate with Thanh Hoa PPC and the ADB on issues related to the REMDP.
20. Thanh Hoa Provincial People's Committee (PPC) is responsible for reviewing, approving the REMDP of the Main Canal subproject, and ensuring that sufficient resources are allocated to implement the plan, and District People's Committees (DPCs) are assigned to approve compensation plans in their own district. PPC established the Management Unit for Land



Acquisition, Resettlement and Compensation for this Project (RP—PMU) that takes responsibility to ensure the RP is implemented in compliance with the commitments set out in it. RP-PMU will take responsibility of internal monitoring on RP implementation by DRCs.

21. The District People's Committees (DPCs) direct DRCs and CPCs to implement the REMDP and approve the compensation plans. DPCs will be responsible for handling complaints of APs relating to the subproject in accordance with the project's grievance redress mechanism.

### **Grievance redress mechanism**

22. A grievance redress mechanism of 4 steps for the project to timely address complaints and grievances related to any aspect of the REMDP and APs was established. However, complaints and grievances related to any aspect of RP will be in the first instance be handled through public consultation with the aim of achieving consensus. The internal monitoring system of REMDP will monitor complaint handling in order to improve quality of the resettlement process.

### **Cost**

23. The budget of the REMDP was estimated based on the replacement cost survey updated by Thanh Hoa PPC in August 2013. A total of about VND107,180,778,259.0 (equivalent to USD 5,008,447.0) will be required for the REMDP implementation. This budget covers compensation costs, allowances, execution costs for the additional income restoration program (Chapter 9), REMDP implementation and management costs.

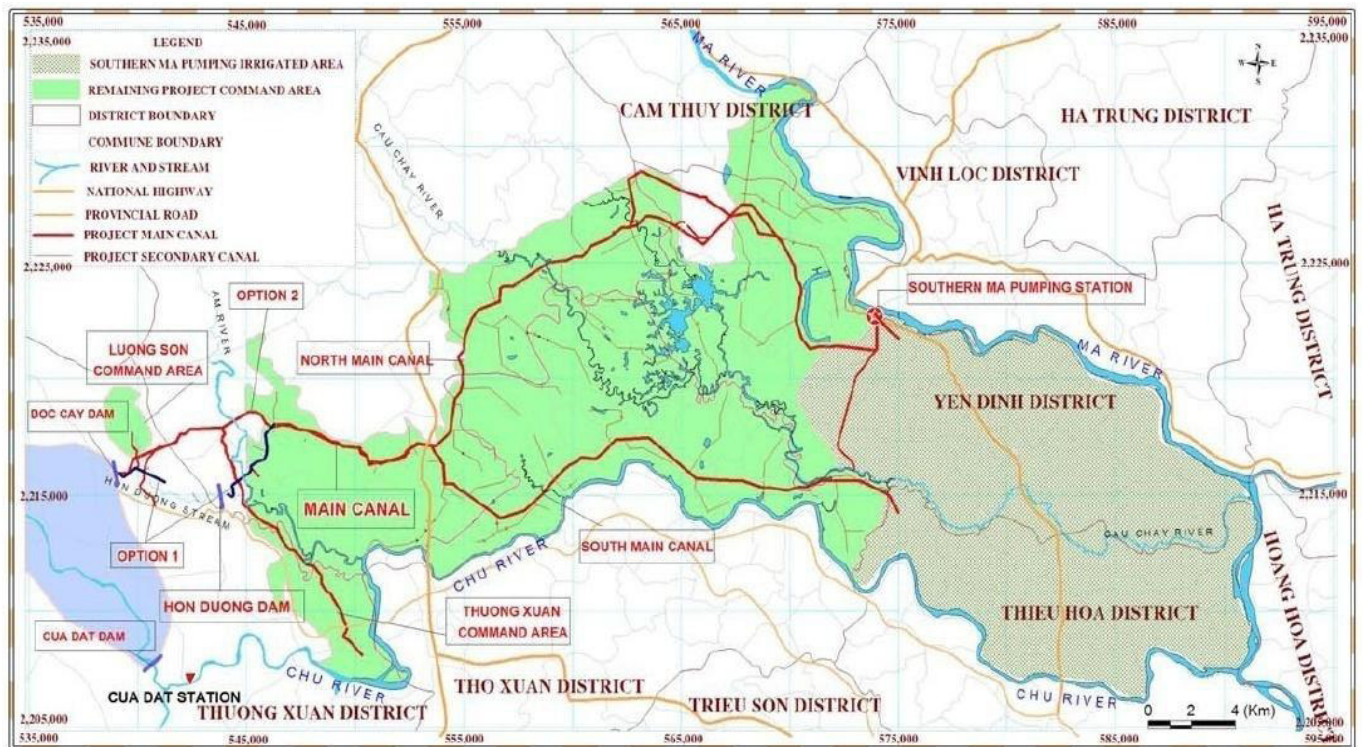
### **Monitoring and evaluation**

24. Monitoring and evaluation will be undertaken in an integrated manner for all aspects of REMDP. The REMDP indicator framework also defines indicators in relation to inputs (financial and human resources made available to the plan), outputs (resettlement activities, livelihood improvement activities, specific ethnic minority measures), and outcome of each component. All detailed indicators of actual delivery of REMDP entitlements will also be monitored.
25. Internal monitoring by RP-PMU will ensure the compliance with the REMDP principles. RP-PMU will complete monthly internal monitoring visits in each commune throughout REMDP implementation. Information will be gathered through systematic direct observation and communication with local communities and other stakeholders, as well as formal and informal complaint reports. A household database showing impacts, compensation and assistance will be maintained through internal monitoring. RP-PMU will submit the internal monitoring reports to CPMU.
26. External monitoring of the REMDP implementation will be carried out by an independent social monitoring team/organization. It will take place twice a year or as required by the project throughout implementation. The independent social monitoring team will also undertake an independent review of actual delivery of REMDP compensation and allowances. It will review all social risks identified for ethnic minority community and identify potential

need for further mitigation measures. The independent resettlement monitor will combine quantitative methods (gathering indicators) and qualitative methods (PRA tools) to assess progress and timeliness of activities, effectiveness of the plans, consistency of financial and human resources and impact. External monitoring reports will be submitted twice a year to the CPMU and the ADB. They will provide conclusions on successes and failures, as well as recommendations for improvement.

## I. PROJECT INTRODUCTION

1. The Cua Dat multi-purpose reservoir, financed by the Government, has been designed to provide hydropower, flood mitigation, water supply and irrigation water, as well as environmental flows to reduce saline intrusion in the Ma River estuary. The feasibility study, initially undertaken by the Hydraulic Engineering Consulting Corporation (HEC) in 1997 and currently being updated, indicates that the Cua Dat scheme can support installed hydropower generation of about 100 MW, flood mitigation for the Chu River, downstream environmental flows of 25 cu m/s, industrial/domestic water supply of 2.1 cu m/s and irrigation for about 87,584 ha. Construction of the Cua Dat dam and reservoir commenced in February 2004 and started impounding in late 2009.
2. The irrigation command area comprises three schemes: (i) supplemental irrigation for the existing Chu River Irrigation scheme (about 54,000 ha); (ii) conversion of pumped irrigation to gravity irrigation within the Ma River irrigation system (about 11,200 ha)<sup>2</sup>; and (iii) existing pumped and new gravity irrigation development north of the Chu River (about 22,400 ha). ADB has been requested to finance items (ii) and (iii).
3. The Project will improve the efficiency of water use within the system. Three main canals of about 76.3 km will be newly constructed to deliver water from the Cua Dat reservoir (CDR) to the command area, and the existing surface water pumped irrigation schemes which presently draw water from the Chu and Ma rivers will be modified to accommodate the change in water supplies. The Project will rehabilitate existing irrigation and drainage infrastructure within the irrigation service area. It will also support capacity building of irrigation management companies (IMCs) and water users' associations (WUAs) to improve the operation and maintenance (O&M) of the irrigation system, and provide extension services to farmers. The design will also consider mitigation and/or adaptation to climate change. Participatory approaches for modernizing irrigation systems management will be adopted to improve system performance.
4. The main canal is expected to be implemented in around 5 years and financed by Government budget.



## A. MAIN CANAL

5. Water will be discharged from CDR at the Doc Cay outlet which is located in a saddle dam on the reservoir about 8 km to the north of the main dam wall. A 3 m diameter tunnel has already been constructed in the saddle dam and will discharge directly into a small 15 MW hydropower plant which is currently under construction downstream of the Doc Cay outlet. The hydropower station will then discharge into the Main Canal with the length of 16.5 km. A number of off-takes from the Main Canal will provide irrigation for about 2,760 ha areas along the route. At its lower end the Main Canal divides into 2 other main canals: The North Main Canal is 34.3 km of new canal which will join into the canal system of the existing pumped schemes ending at the Ma River Pump Station; Similarly the South Main Canal is 25.5 km of new canal which follows the north side of the Chu River and again, joins into canals of the existing pumped schemes. Hence, the total length of new main canals to be constructed is 76.3 km. A further 42.3 km of existing main canals for the pump schemes will be converted to suit the proposed gravity system. A summary of the main canals and pertinent features is presented in **Table I**.
6. The main canal will go through the paddy field of Luong Son commune (Thuong Xuan district), cross Am river and then go through 4 communes of Ngac Lac district. This canal is newly constructed with about 1.8 km through the paddy field of Luong Son commune will be underground siphon to mitigate acquisition of paddy land.

Table I-1. Summary of Main Canal Capacity & Structures

Items	Unit	Main Canal
<i>Capacity</i>		
Length of Canal (new)	km	16,5
<i>Structures</i>		
Primary Canals	no	12
	km	31,6
Secondary Canals	no	24
	km	19,3
Pumping station	no	1
Tertiary Canals	no	4
	km	141,0
Cross drainage structures	no	25
Regulator	no	1
Vehicle bridge	no	11
Farm bridge	no	4
Culvert	no	1
Drop structure	no	2
Intake	no	12
Siphon	no	1
	km	1,8
Aqueduct	no	1

(Source: HEC)

## B. RESETTLEMENT & ETHNIC MINORITY DEVELOPMENT PLAN

7. A key component of ADB's safeguard policy statement (2009) is to avoid wherever possible the need for involuntary resettlement. During the Project Preparatory Technical Assistance (PPTA), discussions amongst the engineering team and between local officials and the resettlement experts have resulted in a number of changes that reduce the potential resettlement impact of the main canal construction. However, land acquisition for the Main canal is unavoidable and causes some social impacts to AHs.
8. This REMDP is prepared to address unavoidable adverse impacts arising from land and property acquisition as a result of the construction of the Main canal. The overall objective of the REMDP is to ensure that all APs will be compensated at replacement cost for their losses, and provided with rehabilitation measures, including transition allowance, so they are at least as well off as they would have been in the absence of the Project. This REMDP update is based on (i) engineering design modifications in 2014, (ii) detailed measurement survey (DMS) conducted from April to September 2014, (iii) socioeconomic survey and income restoration consultation with APs conducted from May to October 2014, and (iv) discussions with local officials and consultation with APs.
9. The policies and principles adopted for the Project have been established based on the realistic surveys and evaluation of discrepancies between Vietnamese legislation, and the Asian Development Bank's (ADB) *Social Safeguard Policy on Involuntary Resettlement*. Wherever a gap exists between ADB's *Policy on Involuntary Resettlement* and Vietnamese law, ADB

policy supersedes the provisions of relevant Vietnamese decrees. The provisions and policies of this RP will form the legal basis for the implementation of resettlement activities for the Main canal subproject.

10. This REMDP includes a revision of the compensation rates based on the most recent rates published by the Thanh Hoa PPC based on a survey of replacement cost of key items, e.g. land, house rebuilding and crop prices in Ngoc Lac district at the time of August 2013.

## II. PROJECT IMPACTS

### A. METHODOLOGY

#### 11. Detailed measurement survey:

Detailed measurement survey (DMS) of the land acquisition impacts of the Main canal subproject was undertaken by Ngoc Lac District Resettlement Committee in combination with village heads and cadastral staff of affected communes with the participation of AHs. The IOL data was collected by:

- Examination of engineering drawings and acquired land scale handed over in the field;
- Cadastral information obtained from District Land Administration departments;
- Discussions and consultations with local government officials and APs; and
- Field surveys of losses.

Though this data gathering was undertaken in April and May 2014, additional surveys were carried out from July to September 2014 due to technical design adjustments to the size of on-canal structures (culverts, bridges, material yards, disposal areas, etc).

### B. RESETTLEMENT IMPACTS

12. Impact on households: the main canal subproject will affect 740 households including 410 severely affected households with loss of more than 10% of total production land holding and 117 AHs with affected housing and other structures.

13. Among 47 households who have housing affected and must be relocated, 19 AHs must be relocated to a new place, 28 AHs must rebuild their houses on the remaining land area and 70 HHs have their auxiliary works affected. 2 small businesses are affected. The level of impact on households is summarized in the Table II-1 below:

Table II-1: AH by impact level

No	Communes	AH total	No. of relocated HHs	No. of HHs with houses rebuilt on remaining land	No. of HHs lost equal or more than 10% their productive land	No. of HHs lost less than 10% their productive land	HHs affected houses and structures	No. of HHs with business affected
1	Nguyet An	430	12	6	261	169	64	2
2	Kien Tho	195	2	15	77	118	6	
3	Phung Giao	60	5	1	32	28	14	
4	Phuc Thinh	55	0	6	40	14	13	
Total		<b>740</b>	<b>19</b>	<b>28</b>	<b>410</b>	<b>330</b>	<b>117</b>	

(Source: DMS results of DRCs, September 2014)

14. Impact on community and organization: According to DMS, the construction of the main canal affects only a small dam and an irrigation canal managed by the CPC and villages. The public properties affected will be compensated in accordance with the policy of the project.

15. Impact on land: The construction of the canal will acquire 720,001.3 m<sup>2</sup> of households (no temporary land acquisition), including 76,533.4 m<sup>2</sup> of residential land; garden land: 54,681.3m<sup>2</sup>; production land: 353,011.8 m<sup>2</sup>; Forest land: 74,130.7m<sup>2</sup> and aquaculture land: 11,932.8 m<sup>2</sup> of households and public land managed by the CPC: 149,711.3 m<sup>2</sup>. The affected land area by land category is shown in Table II-2 below.

Table II-2: Area of acquired land by land category (m2)

No	Commune	Unit	Residential land	Garden land	Production land (Agri.)	Forest land	Aquaculture land	Public land (CPC+farm)
1	Nguyet An	HH	92	35	350	15	22	16
		m <sup>2</sup>	37391.9	28098.4	187718.3	29795.1	6690.2	17393.1
2	Kien Tho	HH	69	15	130	10	1	4
		m <sup>2</sup>	20283.3	10282.5	78134.7	20706.4	66	26023.5
3	Phung giao	HH	17	15	31	15	11	21
		m <sup>2</sup>	11123.2	12467.1	41805.8	23629.2	3977.2	106294.7
4	Phuc Thinh	HH	10	5	52	0	10	0
		m <sup>2</sup>	7735	3833.3	45353	0	1199.4	0
Total		HH	188	70	563	40	44	0
		m <sup>2</sup>	76533.4	54681.3	353011.8	74130.7	11932.8	149711.3

(Source: DMS results of DRCs, September 2014)

16. Affected land of female-headed households: Of the 740 households affected by the project, 161 AHs are headed by women. The affected land types of female-headed households are presented in the Table II-3 below.

Table II-3: Affected land of female-headed households

TT	Commune	Unit	Residential land <sup>1</sup>	Garden land <sup>1</sup>	Production land (Agri.)	Forest land	Aquaculture land	Public land (CPC+farm)
1	Nguyet An	HH	15	7	46	1	0	1
		m <sup>2</sup>	372.5	2804.1	25464.4	5000	0	770.6
2	Kien Tho	HH	18	2	27	1	1	4
		m <sup>2</sup>	3323.6	1485.6	7561.8	5099.3	469.4	26023.5
3	Phung giao	HH	5	5	7	1	2	15
		m <sup>2</sup>	2271.9	1358.1	15316.6	1093.6	509	42040.7
4	Phuc Thinh	HH	3	2	11	0	0	0
		m <sup>2</sup>	1731.8	1238.5	4147.9	0	0	0
Total		HH	41	16	91	3	3	20
		m <sup>2</sup>	7699.8	6886.3	52490.7	11192.9	978.4	68834.8

(Source: DMS results of DRCs, September 2014)

17. Affected public land: The land of 10 organizations including village, Commune People's Committee and Am River State-owned farm are affected. A majority of the affected land is agricultural land (land for rice and sugar cane). Most of the affected land area has already been leased to a number of agricultural producers by Commune People's Committees and the State-owned farm. These lessees will not be entitled to compensation but entitlements in accordance with the project's policies. Affected public land status is summarised in the Table II-4 below.

Table II-4: Affected agricultural land of community and organization by land type

No	Commune	Organisation	Agricultural production land (m <sup>2</sup> )
1	Nguyệt Ân	Commune People's Committee	6322.6



		Am River State-owned farm	11070.5
2	Kiên Thọ	Commune People's Committee	26023.5
		Am River State-owned farm	0
3	Phùng Giáo	Commune People's Committee	18485
		Am River State-owned farm	87809.5
4	Phúc Thịnh	Commune People's Committee	0
		Am River State-owned farm	0
Total		Commune People's Committee	<b>50831.1</b>
		Am River State-owned farm	<b>98880</b>

18. Impact on income and livelihood: Of 740 households affected by the project, 410 households are severely affected with loss of 10% of the total production land area (Table II-5 below). Since most households are farmers subsisting mainly from agricultural production, loss of production land will influence their income and livelihoods, especially severely affected households. In addition to compensation payments, all severely affected households will receive restoration allowances under the project's policy and be involved in the project's income restoration program. The construction of the main canal affects 2 businesses in Nguyệt An Commune, Ngọc Lạc district. These households will receive allowances to restore the income as specified in the entitlement matrix.

Table II-5: Affected households by percentage of acquired production land holding

TT	Commune	Number of AHs by percentage of production land loss					Number of AHs with >10% of production land loss	AH total
		< 10%	10%-30%	30% to ≤ 50%	50% to ≤ 70%	>70%		
1	Nguyệt Ân	169	121	66	72	2	261	430
2	Kiên Thọ	118	27	18	31	1	77	195
3	Phùng Giáo	28	1	8	23	0	32	60
4	Phúc Thịnh	15	12	15	13	0	40	55
	Total	330	161	107	139	3	410	740

(Source: DMS results of DRCs, September 2014)

19. Housing impact and AHs' relocation preference: The construction of the main canal affects the houses and architectural structures of 117 households, 47 households of which are displaced including 19 relocated households (to be relocated to the same village or commune) and 28 households rebuilding their house on the remaining land area and 70 other households having their temporary and auxiliary works affected. All relocated households were consulted about relocation alternatives and resettlement sites. All of these AHs desire to receive compensation payment to resettle on their own. Followed are some reasons for their option for self relocation: (i) They want to relocate to a new place that suits the family's conditions; (ii) the price of residential land is on the tendency of decreasing, thus land purchase is expectedly convenient and they can find a more reasonable land lot than the resettlement site; (iii) some families that still have a lot of land left, prefer to spend the compensation payment on their children's study and investment into production. The level of impact on AHs' main house and architectural structures is summarized in the Table II-6 below.

Table II-6: Housing and structural impacts (by housing type)

No	Commune	Housing grade					Livestock facilities
		Grade 1	Grade 2	Grade 3	Grade 4	Temp. house/aux. works (grade 5)	
1	Nguyệt Ân	0	295.6	853.8	2037.7	1693.3	1403.1
2	Kiên Thọ	0	198.95	143.93	1469.98	1555.73	675.1
3	Phùng Giáo	0	210.9	258.7	195.3	298.2	907.2
4	Phúc Thịnh	0	67.9	118.7	349.9	115.7	325.2
<b>Total</b>			773.35	1375.13	4052.88	3662.93	3310.6

20. Impact on auxiliary works: Besides housing impact, the main canal construction also affects auxiliary works, kitchen, bathroom, toilet, livestock facilities, water tanks, wells ... More detailed impact on auxiliary works is shown in Table II-7 below.

Table II-7: Affected auxiliary works according to DMS

No	Commune	Auxiliary works	Bathroom	Toilet	Livestock facility	Brick fence	Water tank	Well	Yard	Pond
		(m <sup>2</sup> )	(m <sup>2</sup> )	(units)	(m <sup>2</sup> )	(m <sup>3</sup> )	(m <sup>3</sup> )	(units)	(m <sup>2</sup> )	(m <sup>3</sup> )
1	Nguyệt Ân	1693.3	130.9	42	1403.1	287.30	18.70	45	805.70	3,977.2
2	Kiên Thọ	1555.73	63.2	11	675.1	144.10	29.90	16	542.20	5,719.2
3	Phùng Giáo	298.2	43.8	15	907.2	2.30	25.80	6	531.40	1,199.4
4	Phúc Thịnh	115.7	3.3	11	325.2	-	6.00	9	395.40	66.0
<b>Total</b>		3662.93	241.2	79	3310.6	433.70	80.40	76	2,274.70	10,961.8

(Source: DMS results of DRCs, September 2014)

21. Impact on grave: The graves and altars of 37 HHs i.e 26 HHs' graves and 11 HHs' altars are under the impact of the construction of the main canal. These affected households will receive allowances for relocation, burial and other related expenses appropriate to local customs, especially of ethnic minorities, if any. Table II-8 below shows more details on the affected graves by the main canal construction.

Table II-8: Affected graves

No	Commune	Graves		
		Grave	Altar	Total
1	Nguyệt Ân	12	3	15
2	Kiên Thọ	8	2	10
3	Phùng Giáo	4	4	8
4	Phúc Thịnh	2	2	4
<b>Total</b>		26	11	37

(Source: DMS results of DRCs, September 2014)

22. Impact on crops: According to the DMS, about 514443.8 m<sup>2</sup> of crops are affected by the construction of the main canal. Paddy fields are the most affected crop land totalling to 280.296,0 m<sup>2</sup>, followed by lands planted to sugar cane: 226,120.8 m<sup>2</sup>, casava: 6,936.10 m<sup>2</sup>, maize: 1090.9 m<sup>2</sup> (see Table II-9 below). The loss of these food production areas will have a direct impact on the income and livelihood of the AHs solely dependent on agriculture for a living. In order to maintain and stabilise the livelihood of these AHs, compensation for crop loss will be paid.

Table II-9: Impact on crops

TT.	Commune	Maize	Rice	Casava	Sugarcane	Note
		(m <sup>2</sup> )	(m <sup>2</sup> )	(m <sup>2</sup> )	(m <sup>2</sup> )	
1	Nguyệt Ân	1090.9	135,478.30	6,651.10	91,606.60	
2	Kiên Thọ	0	74,475.40	135.00	11,166.00	
3	Phùng Giáo	0	25,355.30	150.00	123348.2	
4	Phúc Thịnh	0	44,987.00	-	-	
	Total	1090.9	280,296.00	6,936.10	226,120.80	

(Source: DMS results of DRCs, September 2014)

23. Impact on fruit trees: The DMS showed that around 18204 fruit trees are affected by the main canal subproject, fruit-bearing trees mostly affected are Banana (12569 trees), longan (1019 trees), jackfruit (871 trees); canarium and lúcuma (1204 trees), pomelo (598 trees), etc. Other affected fruit-trees include apple, star fruit, guava, orange and lime. See affected fruit trees in Table II-10 below.

Table II-10: Impact on fruit trees

No	Commune	Jack-Fruit	Lychee	Longan	Mango	Coconut	Pomelo	Custard apple	Apple, star fruit	Guava	Lemon, orange	Banana	Canarium, lúcuma
		(tree)	(tree)	(tree)	(tree)	(tree)	(tree)	(tree)	(tree)	(tree)	(tree)	(tree)	(tree)
1	Nguyệt Ân	608	373	447	207	122	259	178	122	239	81	7494	608
2	Kiên Thọ	110	8	190	15	10	51	19	13	45	13	1263	66
3	Phùng Giáo	116	59	164	63	90	121	8	55	55	33	2455	522
4	Phúc Thịnh	37	5	218	41	27	67	27	34	75	26	1357	8
	Total	871	445	1019	326	249	498	232	224	414	153	12569	1204

(Source: DMS results of DRCs, September 2014)

24. Impact on timber trees: A total of 73 276 timber trees affected include: eucalyptus, acacia, khaya (7446 trees); bead tree (4015 trees), Bamboo (7596 trees); iron wood, bastard cedar, dalbergia tonkinensis prain (1500 trees), dendrocalamus membranaceus munro (52,871 trees) etc. Table II-11 below presents a summary of affected timber trees.

Table II-11: Impact on timber trees

No	Commune	Eucalyptus, acacia, khaya	Bead tree	Iron wood, bastard cedar, D.T prain	Dendrocalamus membranaceus Munro	Cinnamon	Bamboo	Total
		(tree)	(tree)	(tree)	(tree)	(tree)	(tree)	
1	Nguyệt Ân	3069	2061	234	15867	34	5313	
2	Kiên Thọ	1070	424	288	1300	17	902	
3	Phùng Giáo	2233	1059	911	33151	15	1210	
4	Phúc Thịnh	1074	471	67	2253	82	171	
<b>Total</b>		7446	4015	1500	52571	148	7596	

(Source: DMS results of DRCs, 10th May 2014)

### C. TEMPORARY IMPACTS

25. There is no temporary land acquisition. Lands used for activities during the construction period shall be acquired permanently and the AHs will be compensated for their land and assets on land, receive the assistances and allowances as the entitlements stipulated in the project's policies. After the project, these land areas will be handed over to local authorities to manage.

### D. TENURE STATUS OF AFFECTED HOUSEHOLDS LOSING LAND

26. All of the affected households (from the majority Kinh people and ethnic minority groups) have Land-use Rights Certificates (LURCs), hence, eligible to be entitled to the project's allowances, compensation, and resettlement.

### E. IMPACT ON ETHNIC MINORITY HOUSEHOLDS AND OTHER VULNERABLE HOUSEHOLDS

27. According to previous studies and surveys, Muong and Thai people have lived in harmony for more than 200 years. For the time being, there are no discrepancies in geography, culture, language, writing, farming practices, religion and marriage between the Kinh, Muong and Thai, they live in the same administrative unit (village; commune) and even under the same roof. In most of the affected families, one of the key members of the household (wife/husband or child/grandchild) is the Kinh or ethnic minority (EM) person. The impact of the project on the households means impacts on EM people and vice versa. The project defines that if a household has an EM member, the household is considered as EM household and entitled to the project's policy for ethnic minorities.

28. Impact on EM households' land: The construction of the main canal will affect EM households as follows: (i) Residential land: 99 households with an affected area of 47,281.8 m<sup>2</sup>; (ii) Garden land: 39 households with an affected area of 39816.5 m<sup>2</sup> (iv) production land: 378 households with an affected area of 263323.3 m<sup>2</sup>; (v) Forest Land: 18 households with an affected area of 31357.3 m<sup>2</sup>. The affected land areas by land type are presented in Table II-12 below.

Table II-12: Impact on Residential land, production land of EM HHs

No	Commune	Unit	Residential land <sup>1</sup>	Garden land <sup>1</sup>	Production land (Agri.)	Forest land
1	Nguyệt Ân	HH	57	24	283	15
		m <sup>2</sup>	32,871.8	25784	155746.1	29795.1
2	Kiên Thọ	HH	24	1	21	3
		m <sup>2</sup>	2336.6	72.1	26521.1	1562.2
3	Phùng Giáo	HH	10	10	29	0
		m <sup>2</sup>	6865.7	10888.1	40283.9	0
4	Phúc Thịnh	HH	8	4	45	0
		m <sup>2</sup>	5207.7	3072.3	40772.2	0
Total		HH	99	39	378	18
		m <sup>2</sup>	47,281.8	39816.5	263323.3	31357.3

Note: in the table above, some HHs might have 2 land types affected.

29. Impact on EM HHs' income: All EM HHs are farmers and have income mainly from agricultural production (rice, sugar cane and livestock husbandry). Of the 740 households affected by the main canal, 461 ethnic minority households accounting for 62.1% of the total affected households. In addition to compensation, general support, the ethnic minority households are households receive a cash assistance of VND2000000.0 for EM households. There are 292 severely affected EM households due to the loss of over 10% of the area of productive land. These households will be compensated for land and property on land under the policies of the project and participate in the income restoration project of the Project. The level of impact on production land of ethnic minority households is presented in the Table below.

Table II-13: Impact on EM HHs' income

Level of impact on production land								Total (over 10%)	Total
No	Commune	< 10%	10%-30%	30% to ≤ 50%	50% to ≤ 70%	>70%			
1	Nguyệt Ân	119	98	49	59	7	207	326	
2	Kiên Thọ	38	10	2	8	0	20	58	
3	Phùng Giáo	5	1	8	20	0	29	34	
4	Phúc Thịnh	7	11	13	12	0	36	43	
	Total	169	120	72	99		292	461	

30. Impact on EM HHs' houses and structures: Besides the impacts on land, the EM households' houses are also affected. Among 57 EM households with houses and structures affected, 12 households are displaced, 5 of which have to relocate to a new place and 7 of which rebuild their house on remaining land.

Table II-14 Impact on houses and structures (HH)

No	Commune	Total of EM AHs	Relocated HHs	HHs rebuilding house on the remaining land	HH with affected houses and structures
1	Nguyệt Ân	326	2	2	36
2	Kiên Thọ	58	0	0	0
3	Phùng Giao	34	3	1	12
4	Phúc Thịnh	43	0	4	9
Total		461	5	7	57

31. Impact on EM HHs' auxiliary works: Besides housing impacts, the construction of the main canal also affects EM HHs' auxiliary works like kitchens, bathrooms, toilets, sheds, water tanks, wells ... Details on the influence on auxiliary works are shown in Table II-15 below.

Table II-15. Impact on EM AHs' houses

No	Commune	Grade of houses (m <sup>2</sup> )					Livestock facilities
		Grade 1	Grade 2	Grade 3	Grade 4	Temp. House/auxiliary works	
1	Nguyệt Ân	0	112.2	330.4	1176.5	694.5	918.2
2	Kiên Thọ	0	0	0	0	0	0
3	Phùng Giao	0	90.9	258.7	162.9	201.6	408.5
4	Phúc Thịnh	0	67.9	118.7	214.4	87.9	220.5
Total			271	707.8	1553.8	984	1547.2

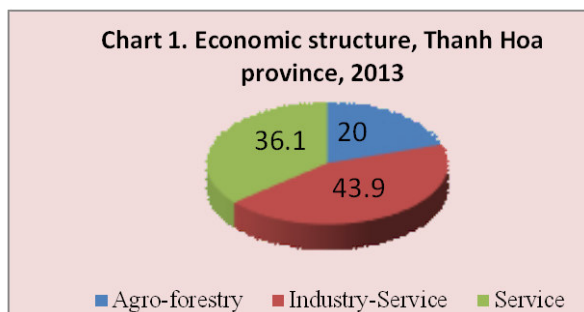
(Source: DMS results of DRCs, September 2014)

32. EM HHs' relocation: ofOf the 57 households with affected homes and buildings, 12 households are displaced, 5 and 7 of must relocate to a new place and rebuild house on the remaining land respectively (Table I-14). The displaced households prefer to receive compensation in cash to move to a new place of their choice appropriate to the conditions of the family.

### III. SOCIO-ECONOMIC AND DEMOGRAPHIC CONDITIONS

#### A. PROVINCE<sup>1</sup> AND DISTRICT<sup>2</sup> SOCIOECONOMIC CHARACTERISTICS AND DEMOGRAPHY

33. Thanh Hoa is 150 km far from Hanoi to the south. The province shares border with 3 provinces of Son La, Hoa Binh and Ninh Binh to the north and Nghe An province to the south, Laos to the east and East Sea (Bien Dong) to the west. Thanh Hoa has 1 provincial city, 2 towns, 24 districts, 28 towns and 585 communes.
34. With many critical traffic systems passing like national highway system 1A, highway No. 10, 45, 47, 217, Ho Chi Minh highway, North-South railway system, Sao Vang airport and Nghi Son deep-water seaport, Thanh Hoa has become a key economic and transportation area with high development potential, connecting the northern and central delta region and many other cities within the country.
35. Ranked fourth after Nghe An, Gia Lai and Dac Lac provinces, Thanh Hoa's natural area is Thanh Hoa 1,113,220 km<sup>2</sup>, 53.8% of which is forestry land; about 23% is agricultural land. The rest is specialized and housing land.
36. As for population, Thanh Hoa is ranked third in the country, behind only HCMC and Hanoi. The province's population is 3,426,600 people, equivalent to 912,027 households. The population density of this area is 308 persons/km<sup>2</sup>. The majority of the population is concentrated in the coastal districts of as Hoang Hoa, Nga Son, Quang Xuong, Tinh Gia, Nong Cong district and some mountainous midland as Tho Xuan, Yen Dinh and Ngoc Lac.



37. Thanh Hoa is hometown of 28 ethnic groups living together<sup>3</sup>. Of these, seven ethnic groups account greater relative proportion as the Kinh, Muong, Thai, Dao, Mong, Tho, Kho-mu. The Kinh accounted for 81.8% of whole population of the province. The rest consists of the Muong ethnic minority (10.6%); Thai (6.5%) who often reside in Ngoc Lac, Cam Thuy, Thach Thanh, Ba Thuoc, Lang Chanh and Quan Hoa district. The Dao people accounts for 0.18% and often reside in 3 districts of Cam Thuy, Ngoc Lac and Muong Lat. The Hmong (0.43%) and Kho-Mu reside in Muong Lat and Tho people normally reside in Nhu Xuan district. Muong people are also the most ethnic minority community in 5 districts of NCSMRP range.

38. By 2013, the construction - industry and economic sectors account for the largest proportion (43.9%) in the province's economic structure (Figure 1); The proportion of service accounted for 36.1% and of agriculture accounted for 20%. It was shown on the province's report on

<sup>1</sup> The statistics posted on the website of the General Statistics Office (<http://www.gso.gov.vn>) were updated until December 31<sup>st</sup> 2012, section of Administrative Unit, Land and Climate.

<sup>2</sup> The statistics on socio-economy were collected by the independent consultants from districts and CPCs in June 2013

<sup>3</sup> Statistics provided by Ethnic Minority CommNo.ee of Thanh Hoa province on the website [www.thanhhoa.org.vn](http://www.thanhhoa.org.vn), accessed on April 28<sup>th</sup> 2014.



socio-economics, defense and security in 2013 that the economic growth of Thanh Hoa province reached 11.2% in 2013 and twice as high as the nation's average speed (5.4%). Some of the province's strongest sections are petrochemical industry, aquaculture, tourism development, industrial and forestry crops.

39. Average income per capita per year of the province in 2013 is 1,180 USD<sup>4</sup>. The poverty rate in the province falls from 20.37% in 2011 to 16.56% in 2012 and 13.55% in 2013. Percentage of the near-poor households in 2012 was 11.85%<sup>5</sup>. Poor households in the district are generally single elderly and long-term illness households and lack funds as well as business knowledge. Although the poverty rate has dropped, 7 mountainous districts of Thanh Hoa are still listed in 62 poorest districts of the country. The poor HHs are mostly ethnic minority households living in disadvantaged areas of the province. Hopefully in the coming years, as completed, NSCSMRP will provide additional irrigation water, increase crop and food production seasons for rural residential area in the west of the province, contributing to reduce the number of poor and near-poor EMHHs.
40. Regarding education, Thanh Hoa is famous for its traditional fondness for learning with many students winning national awards. At the end of 2012 school year, the province has 547,840 students of all levels and of which 104,939 ethnic minority students, accounting for 19.2%. The percentage of boy and girl students in elementary school is equal. However, the higher education level is, the less proportion of female is. The main reason is that it is hard for many female students to pass the examination to enter high schools, therefore they have to stay home and go to work. In addition, ethnic girls in several mountainous districts usually get married at early age.
41. Public health and sanitation: Thanh Hoa has up to 687 health care facilities. In particular, the province has 36 hospitals (including provincial and district hospitals); 12 regional clinics, 1 nursing hospital and 637 health stations at ward and commune level. By late 2012, the number of health staff in the province reached 1991 doctors; 2876 physicians; 2160 nurses and 583 midwives<sup>6</sup>. Thus, the need on health care of people still remains difficult to approach. There are only 5.8 doctors on average working in health care for 10,000 people. The ratio of hospital beds over 10,000 people is 20.7. Proportion of malnourished kids under 5 is 18.7% and the mortality of babies under 1 is 16. Percentage of rural residents use water hygienically is 77%.
42. Ngoc Lac district is to the west of Thanh Hoa city. Its east is Tho Xuan district, its west is Lang Chanh district, it borders with Thuong Xuan district in the south and Cam Thuy district in the north.

With 40,1% of its area covered by mountains, Ngoc Lac is considered as a mountainous midland district, which is suitable for forestry and industrial farming such as sugar cane, and rubber. Average income per person in this district is 14,1 million dong/person/year. Natural area and economic and demographic figure are displayed in the table below.

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<sup>4</sup> Report on Socio-economic conditions in 2013, Socio-economic development plan in 2014, Thanh Hoa PPC ([www.thanhhoa.gov.vn](http://www.thanhhoa.gov.vn); accessed on December 20<sup>th</sup> 2013)

<sup>5</sup> Decision no 749/QĐ-LĐTBXH on approval of the results of poor and near poor households check and survey in 2012 issued by MOLISA on May 13<sup>th</sup> 2013, Criteria of **poor household** in rural areas is that the average income per person reaches 400,000d/month/person (while it is 500,000d/person in urban area) and **the near poor households** in rural area have average income per person from 401,000d to 520,000d/month. In urban area, poor households' average income per person is 500,000d/person/month and near poor households' is 650,000 d/person/month

<sup>6</sup> The statistics posted on the website of the General Statistics Office (<http://www.gso.gov.vn>) were updated until December 31<sup>st</sup> 2012, section of education and public health.



Table III-1: Population and demography statistics of Ngoc Lac district

District	Units		Area (km <sup>2</sup> )	Population in 2012 (persons)	Number of households	Number of poor households	Percentage of poor households
	Communes	Towns					
Ngoc Lac	21	1	495.53	139,557	32,947	7,209	22.13%

*\*Source: Socio-economic statistics, District Women Union, June 2013*

4,5% of the population live in urban area, concentrate in Ngoc Lac town. Small business, hired labors and salaries are main income sources of the households in the town. In rural area, resident composition is mostly farmer with agricultural cultivation, breeding, industrial farming such as sugar cane and rubber and afforestation development such as acacia, and other timbers. A small proportion of households in the communes have business on grocery, handmade products, tailored clothes, beer, candies and biscuits, soft drink, etc.

70,4% of the population of Ngoc Lac district is ethnic minorities, which mostly are Muong then Thai. The Thai reside in Phung Minh commune, the rest communes are the areas of the Muong. A majority of the Muong and Thai can speak Vietnamese and Vietnamese is officially used in administrative transaction. The Muong and Thai languages are used within the communities and households.

Average income per person in the whole province is 14.1 million dong/year. It is not a high income level. Although the proportion of business sector accounts for the biggest of the whole province's economic structure – around 46%, the proportions of agriculture and forestry in the communes are still the biggest. Percentage of poor households in the district is relatively high – accounts for 22.13% of the population equivalent to 30.247 people.

## B. SOCIO-ECONOMIC CONDITIONS OF THE PROJECT COMMUNES<sup>7</sup>

43. Among 4 affected communes of Ngoc Lac district, Nguyet An is the largest commune (nearly 3.200ha) with the population of 10,766 people, close to Kien Tho's population (the 2nd biggest commune (2.965 ha). Phuc Thinh is the commune with the smallest area(1.407 ha) and the least population.
44. The Socio-economic condition of the 4 communes isare summarized in Table III-2. According to that, all 4 communes have a large proportion of ethnic minorities (mostly the Muong). Kien Tho is the commune having least ethnic people(60%) and the proportion of ethnic minorities in Phung Giao commune is the highest (90%). It also has the highest proportion of poor households (47.7%) while in the rest 3 communes, this proportion is around 29-33%. Economic activities of the people in these 4 communes are agricultural – forestry farming.

<sup>7</sup> Statistics provided by the district Women Union and CPCs in the project area.

45. The difference between Kien Tho and 3 other communes is that it has the lowest unemployment percentage (60%) and it has the highest proportion of migration labourers/labourers (1,875 women go to work far from their hometown). Its economic proportion in trade and services is the highest (27% in comparison with 5 to 15% in the rest communes). Average income per person in Kien Tho reaches 12,9 million dong/person/year, highest among the 4 communes.
46. *Nguyet An*: Major economic activities of the Kinh people are business, trading and other services. Ethnic people mainly work in agriculture, they do not maintain their old careers such as tailoring, etc. Average income per person in *Nguyet An* reaches 12,0 million dong.
47. *Phung Giao*: Regarding economic structure, agriculture is still the major sector, accounting for 85 % in *Phung Giao*. Livelihood of the Kinh, Muong and Thai mostly depend on land. Main agricultural and forestry trees of the both communes are rice, sugar cane, and acacia. About 60% of the households in the communes have sources of income from agriculture, sugar cane and *dendrocalamus membranaceus munro*. Products from *dendrocalamus membranaceus munro* and khaya are purchased from the traders in the region. Sugar cane (285 ha) and *dendrocalamus membranaceus munro* (47 ha) are the major sources of the people's income in *Phung Giao*. Lam Son Sugar factory underwrites all the amount of sugar cane planted by the households. Several households in the central hamlets usually participate in small business such as food, grains, groceries, rice and corn husking service for others. Average income per person is calculated to reach 11,25 million, which is the lowest among the affected communes.
48. *Phuc Thinh* is to the west of the district with 911 households, the Muong accounts for the majority of which (86% of the total households). Major economic structure is agriculture-forestry-seafood (79,9%), construction industry accounts for 13,9% and trading service has not developed (only accounts for 6,2% in the commune's economic structure). Major production sectors are planting rice, sugar cane, cassava, *dendrocalamus membranaceus munro*, etc. Small craft industry includes several main jobs such as: husking, woodwork, bamboo weaving. Some households living on the edge of the road or in the center of the commune or near schools have grocery shops. Average income per person in *Phuc Thinh* reaches 13 million dong.

## Poverty

49. *Phung Giao* is the poorest of 4 communes with the highest proportion of ethnic minorities and the highest proportion of agriculture in the economic structure as well. The number of poor and near poor households accounts for over 50% of the total. About 15% of people living *Phung Giao* still in short of food in at least 1 month in a year. These households usually receive food from the Government's support program. According to the socio-economic statistics of the commune, although trading service accounts for large proportion in the economic structure and non-agricultural employment rate is high, Kien Tho stands 2nd out of 4 communes having the most poor households (33,12%) after *Phung Giao* (47,7%).
50. *Phuc Thinh* has 214 poor households, or 23,5%. Among which the ethnic households are 199 (93% of poor households). The near poor households are 226 (24,8%), 210 ethnic ones. *Nguyet An* has the rate of poor households at the 3rd over 4 project communes (31%) but since that is a crowded population commune the total poor households and near poor households are equivalent to the total of *Phuc Thinh* or *Phung Giao*.
51. The poor EM households often accounts for large proportion – over 60% of the total number of poor households in each commune. The reasons for poverty of the EM households which are discussed in the seminar usually include: Production depends on nature, particularly on

irrigation water. The paddy grows with only one rice crop that is why the productivity is low. Income for sugar cane is not stable due to the fact that agricultural – forestry prices go up and down erratically; Shortage of farm land and production capitals; Lack of business knowledge and keenness; The household is of small size, has elders or sick members for a long time or women is the owner with many children and dependent members.

## **Education and public health**

52. There are kindergartens, primary and middle schools in all project communes. Proportion of children at school age attending school is quite high. Kien Tho got the lowest percentage with 95% of children aged 5 to 15 attending school. However, the rate of students attending high schools is lower because most high schools are located in towns and many students do not pass the entrance examination or they are poor or the school is too far from their house so they decide to quit early.
53. All communes have medical stations. With staff of 5 to 6 medical workers including doctors, physicians, nurses and caregivers each, those medical stations serve the people in health care such as primary health care (vaccination, malnourishment prevention for kids, prenatal check-up, epidemic diseases prevention for children and populating on the need of environment protection and sanitation. There are health care services for individual at the stations as well, but mostly by traditional methods. All the EM women give birth at the commune medical stations. People in the hamlets/villages can easily approach the medical stations or other health care services.
54. However, percentage of undernourished children under 5 is quite high in all 4 communes (from 15% and above). Particularly, 19.8% of children in Phuc Thinh do not satisfy weight standard and 30,9% of children under 5 do not satisfy height standard. Phung Giao has been considered as a disadvantaged commune since 2014 and it receives aids from the program 135. The Government aided it 1 billion dong/year to invest and build infrastructure for the commune meeting standard of public health. The poor, EM and near poor households are all supplied with medical insurance. They are supported to get a capital loan with preferential interest for production, feeding and construction of water/sanitation structures in the households. Children of EM households who are students are given 15 kg/month/a student and 575,000 dong/month.
55. The people mostly use water from traditional dug wells. A small number of households have bore-wells. A few built rainwater tanks. Almost all households' toilets are not safe enough. They are one-cabinet toilets built in bricks or holes which are temporarily covered. Household garbage is buried or burned in their garden.

## **Migration**

56. Because a majority of the households work in agriculture or forestry, the number of surplus and seasonal labors is high. Therefore, in order to guarantee the households' income meet their expenses, a lot of labors have to seek for jobs in other areas. This workforce normally fluctuates so the local authorities cannot count exactly. However, in general, young labors and women leave their homes to work in other provinces or big cities and only come back on Tet holiday. Particularly in Kien Tho, there were 1.875 times the women migrating for their work in 2013. A lot of families have both husbands and wives emigrate and leave their children to their parents for care. For instance, both the Kinh and EM people leave their homes for

working in other areas in Nguyet An commune, however, the EM people accounts for the majority. It is estimated that there are about 300 – 325 people leaving for their work every year. This number in Phuc Thinh is 200, in which around 170 people are ethnic minorities. Their destinations are normally Binh Duong Industrial Zone or central highlands provinces.

57. This leads to labor shortage in the region and gender imbalance in division of labor (at home or on the field) at some times in a year. Therefore, many households have to hire labors to care and harvest sugar cane, harvest and cultivate rice or they have to accept wasting their fields. It can be said that women and elderthe old are under pressure on field work and children care because of the absence of many men.

### Affected households' socio-economic conditions

Table III-2: Summary of Affected households' socio-economic conditions

	Socio-economic factors	Kien Tho	Nguyet An	Phuc Thinh	Phung Giao
	<b>Ngoc Lac</b>				
1	Total area (ha)	2.965,19	3.190,3	1.407,79 ha	2.189
2	Population	11.475	10.766	3.920	4.100
3	Male	5.840	5.462	1.969	2.219
4	Female	5.905	5.304	1.951	1.881
5	Proportion of ethnic people	6.637=60%	9.151=85%	3.332=85%	3.690=90%
6	Number of households	2660	2510	911	918
7	Proportion of poor households	33,12	31,0	29,0%	47,7
8	Number of poor households which women is the owner.	485	132	130	147
	Number of women going to work far from their hometown.	1.875	539	32	15
9	Proportion of labor working in agricultural sector (%)	60,0	95,0	90,0%	85,0
10	Average income per person (million dong)	12,9	12,0	11,5	11,25
11	Size of households	3,5	4,5	4,35	4,44
12	Average number of labor/household	1,5	2	2 labours	2,06
13	Economic structure				
	Agriculture	59,0	80,0	79,88%	85,0
	Industry and small craft industry	14,0	5,0	13,96%	10,0
	Trade-services	27,0	15,0	6,16%	5,0
14	Proportion of malnourished kids under 5 years old.	16,5	15,0%	19,78% SDD weight	15,0
15	Proportion of 5 to 15 year old children attending school.	95,0	100,0	100,0	100,0

\* Source: Statistics, District Women Union and DPCs, June – July, 2013.

### C. SOCIO-ECONOMIC FEATURES OF THE AFFECTED HOUSEHOLDS

58. Among 740 affected households defined in DMS at the main canal, 476 households (60.06%) have been surveyed, among which 110 households are in Kien Tho commune; 248 households are in Nguyet An; 50 households are in Phuc Thinh and 32 households are in Phung Giao.

Table III-3: Number of affected households under socio-economic survey

No	District/commune	Number	Total under DMS	Total under socio-economic survey	Survey rate (%)
1	Kien Tho	195	195	110	56,4
2	Nguyet An	430	430	284	66,0
3	Phuc Thinh	55	55	50	90,9
4	Phung Giao	60	60	32	53,3
5	<b>Ngoc Lac in total</b>	<b>740</b>	<b>740</b>	<b>476</b>	<b>64.3</b>

(Source: Socio-economic survey data in 2014)

59. Among 476 affected households surveyed in 2014, the rate of female-headed household is 15.54% or 74 persons. The average size of each household in communes ranges from 4.5-4.8 persons/household. The average number of members in each household out of 476 surveyed households is 4.6 persons/household.

Table III-4: Distribution of affected households from socio-economic survey

No	District/commune	Male	Female	Total members in households	Total affected households under survey	Average scale (person/household)
1	Kien Tho	267	264	531	110	4,8
2	Nguyet An	649	623	1272	284	4,5
3	Phuc Thinh	127	114	241	50	4,8
4	Phung Giao	67	77	144	32	4,5
5	<b>Ngoc Lac in total</b>	<b>1110</b>	<b>1078</b>	<b>2188</b>	<b>476</b>	<b>4,6</b>

(Source: Socio-economic survey data in 2014)

60. Under the Vietnamese Government Regulations, female over 55 years old and male over 60 years old are considered to be out of working age. In all the surveyed households, only 26 female householders are over 55, equivalent to 5.46%. For male, there are 58 people over 60 years old, equivalent to 12.18%. Hence, 17.6% of the total surveyed AHs are headed by out-of-working-age householders.

61. The percentage of all affected householders in working age is high. In terms of age distribution, 6.3% of female householders and 32.9% of male householders' age from 25-39. 3.8% of female householders are at age 40-55. 39.3% of all households are at the age of 40-60. The land acquisition considerably affects people at working age so attention should be paid to job training, education for those people.

Table III-5: Age of householders by sex

No.	District/Commune	Age of female householders			Age of male householders			Total
		25-39	40-55	Over 55	25-39	40-60	Over 60	
1	Kien Tho	3	3	12	26	50	16	110
2	Nguyet An	20	10	10	111	100	33	284
3	Phuc Thinh	5	3	2	12	24	4	50
4	Phung Giao	2	2	2	8	13	5	32
<b>Total</b>	<b>HH</b>	<b>30</b>	<b>18</b>	<b>26</b>	<b>157</b>	<b>187</b>	<b>58</b>	<b>476</b>

	%	6.3%	3.8%	5,46%	32,9%	39,3%	12,18%	100,0
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(Source: Socio-economic survey data in 2014)

### Housing conditions

62. Most of the affected households (75,5%) live in brick houses with tiled roof which is a popular housing type in this area. Some have concrete ground or multi-floor- houses (24.5%). No households live in temporary houses. There are still some bamboo houses for food and livestock food storage. Muong Ethnic households live in brick-houses with tile roofs as Kinh people.
63. About a quarter of all the households have electrical appliances such as refrigerators, while almost half of all households use gas stoves. Approximately two thirds of households, or about 76%, have mobile phones and telephones. Rice cookers, electric fans, televisions and motorcycles are the most popular items in the affected households in the four communes with the lowest rate of use of over 90%. In addition, 4.4% of households have washing machines; 4.2% of households have water heaters; and 2.9% of households have computers for children's education. Kien Tho commune has a high rate of households having active business, thus they also have more high-class electrical appliances than the other communes.
- The Table below shows the appliances owned by affected households.

Table III-6: Asset ownership of surveyed AHs

		Kien Tho	Nguyet An	Phuc Thinh	Phung Giao	Chung	%
1	Motorbike	98	264	44	25	431	90.5
2	Fan	109	283	50	32	474	99.6
3	Bicycle	85	232	28	13	358	75.2
4	Gas stove	58	124	34	6	222	46.6
5	Fridge	40	59	10	7	126	26.5
6	Electric cooker	105	280	48	26	459	96.4
7	TV	110	282	48	32	470	98.7
8	Wash machine	6	15	0	0	21	4.4
9	Mobi-telephone	88	228	28	18	363	76.3
10	Water heater	12	8	-	-	20	4.2
11	VCD/DVD Player	15	30	1		58	12.2
12	Computer	7	6	1	-0	14	2.9
13	Car					0	-
14	Others					0	-

(Source: Socio-economic survey data, 2014)

### Educational attainment of affected household heads

64. More than half of the affected households have secondary education level. 57.3% have graduated secondary school. In the total 476 householders, 4 people (0.84%) are illiterate; 27.5% of all households finished primary school; 11.6% finished high school; 1.9% of all households finished college or university. In terms of gender relativity, there is no huge gap between men and women in all education level (see Table III-7).

Table III-7: Education level of surveyed householders

District	Education level of householders	Total
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			Illiterate	Primary school	Secondary School	High school	Vocational school	University and higher	
<b>Ngoc Lac</b>	Kien Tho	Male	-	24	58	7	1	2	<b>92</b>
		Female	-	4	13	1	-	-	<b>18</b>
	Nguyet An	Male	2	73	131	31	2	5	<b>244</b>
		Female	1	15	17	5	1	1	<b>40</b>
	Phuc Thinh	Male	-	7	29	3	-	1	<b>40</b>
		Female	-	1	9	-	-	-	<b>10</b>
	Phung Giao	Male	-	6	14	6	-	-	<b>26</b>
Female		1	1	2	2	-	-	<b>6</b>	
<b>Total</b>	Male	Person	2	110	232	47	3	8	<b>402</b>
		%	0,50	27,36	57,71	11,7	0,75	1,99	<b>100%</b>
	Female	Persons	2	21	41	8	1	1	<b>74</b>
		%	2,70	28,38	55,41	10,81	1,35	1,35	<b>100%</b>
	<b>Total</b>	<b>Person</b>	<b>4</b>	<b>131</b>	<b>273</b>	<b>54</b>	<b>4</b>	<b>9</b>	<b>476</b>
		<b>%</b>	<b>0,84</b>	<b>27,5</b>	<b>57,4</b>	<b>11,6</b>	<b>0,84</b>	<b>1,9</b>	<b>100%</b>

(Source: Socio-economic survey data, 2014)

### Main occupation of affected householders

65. The majority of householders are farmers, of which 90.5% specializing in crop and 1.3% specializing in livestock production (large-scale). Certainly, even those specializing in crop also have small animal husbandry. A small rate of households are small business owners, workers, state officials, retired people, skilled labor and house workers: 2.9%; 1.3%; 2.1%; 0.4% and 0.2% respectively.

Table III-8: Main occupation of the affected householders under survey

Main jobs	Total Households	Rate %	Kien Tho	Nguyet An	Phuc Thinh	Phung Giao
Farmer-growing crops	<b>431</b>	<b>90,5</b>	98	253	49	31
Farmer-livestock production	<b>6</b>	<b>1,3</b>	2	4	-	-
Small business	<b>14</b>	<b>2,9</b>	5	9	-	-
Factory, plant's worker	<b>6</b>	<b>1,3</b>	-	6	-	-
State official	<b>10</b>	<b>2,1</b>	3	6	1	-
Skilled worker (building workers, carpenter, driver....)	<b>2</b>	<b>0,4</b>	1	1	-	-
Retiree	<b>6</b>	<b>1,3</b>	-	5	-	1
Unemployed	<b>0</b>		-	-	-	-
House worker	<b>1</b>	<b>0,2</b>	1	-	-	-

<b>Total</b>	<b>476</b>	<b>100</b>	<b>110</b>	<b>284</b>	<b>50</b>	<b>32</b>
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(Source: Socio-economic survey data, 2014)

### Average monthly income

66. Table III-9 shows the average monthly income of the affected households. Based on the poor or near poor income of households criteria by a MOLISA, among 476 surveyed households there 27.9% poor ones, equivalent to 133 households; 17.9% near poor households, equivalent to 85 ones; 26.7% intermediate income ones (127) and 25% upper intermediate, equivalent to 119 households.
67. All the poor households have average monthly income less than 1,920,000 VND (around 95 US \$/ month), equivalent to 23,040,000 million VND/year. All the near - poor households have incomes from 1,920,000 to 2,496,000 VND. The intermediate households have income from 2,946,000 VND (145 US \$) VND/month to 3,000,000 VND/ month; upper-intermediate income households have from 3 million VND/month, equivalent to 36 million VND/year.
68. In terms of communes, among 133 poor households of 476 surveyed households Kien Tho has 24 poor households; Nguyet An has 98 poor households; Phuc Thinh has 10 poor households and Phung Giao has 13 households.
69. In terms of gender, 24,1% male householders and 6.1% female householders are poor households; 14.3% male householders and 3.6% female householders are near poor households; 23.3% male householders and 3.4% female householders are intermediate; and 22.3% male householders and 2.5% female householders are upper-intermediate.

Table III-9: Average income of households by income and sex

No.	District	Male householder Income levels (VND1000)				Female householder Income levels (VND 1000)				Total
		< = 1,920 <sup>8</sup>	>1,920 to <=2,496	>2,496 to <= 3,000	>3,000	< = 1,920	>1,920 to <=2,496	>2,496 to <= 3,000	>3,000	
1	Kien Tho	16	10	33	33	8	3	4	3	<b>110</b>
2	Nguyet An	83	48	63	50	15	8	10	7	<b>284</b>
3	Phuc Thinh	7	8	12	13	3	3	2	2	<b>50</b>
4	Phung Giao	10	2	3	11	3	3	-	-	<b>32</b>
<b>Total</b>		<b>116</b>	<b>68</b>	<b>111</b>	<b>107</b>	<b>29</b>	<b>17</b>	<b>16</b>	<b>12</b>	<b>476</b>
<b>Rate %</b>		<b>24.4%</b>	<b>14.3%</b>	<b>23.3%</b>	<b>22.3%</b>	<b>6.1%</b>	<b>3.6%</b>	<b>3.4%</b>	<b>2.5%</b>	<b>100</b>
<b>Both male and female</b>		<b>133</b>	<b>85</b>	<b>127</b>	<b>119</b>					<b>476</b>
		<b>27.9%</b>	<b>17,9%</b>	<b>26.7</b>	<b>25%</b>					<b>100</b>

(Source: Socio-economic survey data, 2014)

### Income sources of affected households

<sup>8</sup> As per MOLISA, with average income of 400.000 VND/ month/ person, threshold for a poor household, at scale of 4.8 persons/household is 1.920.000 VND/month. Threshold for a near poor household, at scale of 4.8 persons/household is 2,496,000 VND (or from 520,000 VND- 401,000 VND/ month/ person).



70. Agriculture, including both livestock production and crop growing are the main sources of 90.5% affected households. 1.1% of the households have the source of income from stated salary. The rest have from 02 sources to above , among which, 3.2% affected households have 02 sources of income from agriculture and business; 1.9% affected households have 02 sources of income from agriculture and working as hired labor and 3.4% affected households have 02 sources of income from agriculture and stated salary, including retired allowance.

Table III-10: Income sources of the affected households

No.	Sources of income	Kien Tho	Nguyet An	Phuc Thinh	Phung Giao	Total	%
1	Agriculture+ small business	6	9	-	-	15	3.2
2	Agriculture+ working as hired labor	3	7		-	9	1.9
3	Agriculture, stated salary	3	11	1	1	16	3.4
4	Agriculture (crop growing and animal husbandry)	98	253	49	31	431	90,5
5	Stated salary	-	4	-	1	5	1.1
	<b>Total</b>	<b>110</b>	<b>284</b>	<b>50</b>	<b>32</b>	<b>476</b>	<b>100</b>

(Source: Socio-economic survey data, 2014)

### Food shortage of affected households

71. The ratio of household under food shortage in the survey was 16.9% equivalent to 85 households. Among which, 70 households are lack of food in 1-2 months; 12 households are lack of food from 2-3 months and 3 households are lack of rice from 3 months or more in. In terms of commune, Nguyet An has the highest number of households under food shortage, followed by Kien Tho and Phung Giao. Phuc Thinh has no households under food shortage.

Table III-11: Food shortage of affected households

No.	District	Food shortage								Total
		No	%	1-2 months	%	2-3 months	%	> 3 months	%	
1	Kien Tho	94	85.5	16	14.5	-		-		110
2	Nguyet An	217	76.4	52	18.3	12	4.2	3	1.1	284
3	Phuc Thinh	50	100	-		-		-		50
4	Phung Giao	30	93.7	2	6.3	-		-		32
<b>total</b>		<b>391</b>	<b>82.1</b>	<b>70</b>	<b>14.7</b>	<b>12</b>	<b>2.5</b>	<b>3</b>	<b>0.7</b>	<b>476</b>

(Source: Socio-economic survey data, 2014)

### Domestic water, source of energy for light and cooking

72. Wells are used for 476 affected households. There is one household using both well water and rainwater. No households use spring or river water for cooking and drinking. All 100% affected households use electricity for lighting.

For cooking, the main energy source is still charcoal, at a rate of 78.2% ; next is 21.4% using gas. The rate of households using biogas is only 0.4%, equivalent to two households. In fact, beside charcoal and gas, most households have electric cooker for cooking.

Table III-12: Sources of main energy for cooking

No.	District	Sources of main energy for cooking						Total
		Grid power	Biogas	Generator	Charcoal	Gas	Others	
1	Kien Tho	-	1	-	96	13	-	<b>110</b>
2	Nguyet An	-	1	-	220	63	-	<b>284</b>
3	Phuc Thinh	-	-	-	40	10	-	<b>50</b>
4	Phung Giao	-	-	-	16	16	-	<b>32</b>
<b>Total</b>		-	<b>2</b>	-	<b>372</b>	<b>102</b>	-	<b>476</b>
<b>%</b>		-	<b>0,4</b>	-	<b>78,2</b>	<b>21,4</b>	-	<b>100,0</b>

(Source: Socio-economic survey data, 2014)

### Ethnic minority

73. Kien Tho has the lowest number of ethnic minority households in 4 communes, at 29,3%. Among 476 affected households under survey, 416 affected households (87,4%) are ethnic minority. They are Muong people and live in 04 communes of Ngoc Lac district. The table below shows the distribution:

Table III-13: Affected ethnic minority households

T.T	Commune	Affected households (1)	Affected ethnic minority households (2)	Affected households under survey (3)	Muong households under survey (4)	Ethnic minority/ affected households (2/1)	Ethnic minority/ affected households (4/3)
1	Kien Tho	195	58	110	82	29.3	74.5%
2	Nguyet An	430	326	284	255	76.0	89.8%
3	Phuc Thinh	55	43	50	43	79.6	86.0 %
4	Phung Giao	60	34	32	29	54.8	90.6%
5	Total	740	461	476	416	62.0	87.4%

(Source: Socio-economic survey data, 2014)

In 416 ethnic minority households surveyed, 5 households, equivalent to 1.2% have very poor incomes of less than 10 million VND / year. At poor level, 17.8% of households have incomes from 10 million to 23 million, equivalent to 81 households. At near poor level, 37 households (8.9%) have an average income of about 23 million to 30 million. At the intermediate level, 180 households have incomes of about 30-36 million/year. 28.8% of households in the survey have income more than 36 million dong per year.

Table III-14: Average annual income of the ethnic minority households

No	annual income (1000 VND)	Kien Tho	Nguyet An	Phuc Thinh	Phung Giao	Total	%
1	< 10.000	2	3	-	-	5	1.2
2	10.000 to <= 23.000 <sup>9</sup>	14	54	3	3	74	17.8
3	>23.000 VND and <= 30.000 <sup>10</sup>	9	19	8	1	37	8.9
4	> 30.000 to <= 36.000	31	112	25	12	180	43.3
5	> 36.000	26	74	7	13	120	28.8
<b>Total</b>		<b>82</b>	<b>262</b>	<b>43</b>	<b>29</b>	<b>416</b>	<b>100,0</b>

(Source: Socio-economic survey data, 2014)

### Characteristics of ethnic minority communities in 4 communes

74. In Phung Giao commune, over 78% of households is ethnic minorities and 100% of them are the Muong. They have lived in the region for a very long time. In 60 affected households of both two hamlets, there are 36 households in Tien Thanh hamlet and 26 ones in Team no 3. There are 29 over 60 affected households are EM households, accounting for 46.7%. The levels of impact among the households are different, from removing all their houses to removing a part of cultivated land and fields.
75. There are 60% of the population are the Muong in Kien Tho commune, which is equivalent to 1,530 EM households. Due to the fact that the commune locates among intersections of canals, Kien Tho used to be influenced by the Northern and Southern main canal systems with 482 affected households. In the subproject - 11-km line, Ba Sy, Tho Liem and Thanh Son are 3 affected hamlets under Tho Kien commune. The total of affected households reaches 195, 82 of which are the Muong, equivalent to 74.5%.
76. In Phuc Thinh commune: Bao village was impacted by the new-built 11-km main canal. There are 175 households in the village (with 731 members – 100% are the Muong), 55 of which were influenced by the project and 43/55 households are ethnic all living in this area, accounting for 78.6%). The average income of the people living in Bao village is lower than that of the whole commune (which reaches only 9.6 million dong/person/year). The number of poor households accounts for 25.1% and it is 24.6\$ for the number of near poor households. Among 43 affected ethnic minority's households, there are 7 poor households, 16 near poor households and the 20 remaining households achieving good and average income. The Muong affected households have been living fully in accordance with the lifestyle and customs of Kinh.

<sup>9</sup> As per MOLISA poor household has average monthly income/person <=400.000. With an average scale of household of 4,8, the maximum income of the poor household/year is 23,040,000 đồng; yearly income of near poor household is 29,952,000. Both the number are rounded to 23 million and 30 million.

<sup>10</sup> See explanation above

77. In Nguyet An commune: There are 8 villages affected by the project, equivalent to 430 households, 326 of which are ethnic minorities ones. The affected villages including: The, Khe Ba, Nan, Minh Thach, Lien Co 3, Lien Co 1, Dong Thuan and Luong Binh.
78. Among 4 affected communes, the Muong has fallen in line with the Kinh's lifestyle for a very long time (around 200 years). In spite of the fact that the Muong have their own cultural characteristics which can be shown through their traditional festivals and language, they have been living together with the Kinh in villages/hamlets, staying in houses which follow the Kinh's style and communicate in both Vietnamese and the Muong language. All ethnic minorities' festivals are considered to be festivals of the whole commune. The ethnic groups and the Kinh have been living together solidly and tightly since long time ago and this tradition has still been proved until now.
79. The Muong have started farming for long time and rice is their staple food crop. Their considerable sub-income is exploiting forestry products including mushrooms, cinnamon, honey, wood, bamboo, rattan, etc. Their typical craft jobs are weaving, knitting and unraveling silkworm cocoons and so on. In the past, many Muong women skillfully wove by their hands. However, those techniques and jobs have faded into oblivion. It is because their output is not high and the products as well as their quality do not satisfy the young people's taste. Therefore, their products are used only within their families instead of selling to the market. While the Kinh households living in the center of the commune normally open their small shops or kiosks to do business, the ethnic groups earn their living by farming. Both Kinh and ethnic young aged labors usually leave their hometown to live and work in Tay Nguyen and Sothern provinces.

### **Gender issues**

80. Like many other communes affected by NCSMRIP, division of labor model in housework is still the traditional one. According to the consultation result, the ethnic women, like the Kinh ones, are responsible for the most housework and they have to work much more than men from 10 to 14 hours per week. They majorly both have to perform daily chores and take care of their children. The result is, that the family burden is placed on their shoulders make them too busy and not have as much time to rest as the men.
81. Despite having shorter working time, men usually take responsibilities on heavier jobs in production such as tilling the land and spraying chemicals. Ethnic men are also in charge of making bricks, carpenter work or construction. Women often take responsibilities for planting, harvesting, feeding chickens and ducks, doing housework and daily cooking. Meanwhile, spontaneous immigration movement in many communes of 3 districts is widely spreading within middle-aged and young men, rising the "womanized phenomenon" on the rice fields.

The birth of a son is still preferred to a daughter because of the traditional notion that the son will maintain the continuity of a family line and take responsibilities for family worship. The issue of physical violence still exists but for women it has been much lower compared to 5 years ago. Violence often occurs in families with drunk and gambling husbands.

82. The Certificates of land use right are being amended to include both husband and wife's names instead of only the owner's name (who is normally male) in accordance with the amended Land Law and the Law on Gender Equality.
83. Unlike traditional women, many women now in general and ethnic women in particular living in the communes have expressed their interest on social activities through the Women Unions' activities at commune and village levels. In the group discussions, the women proactively participate in training sessions on technique and science in the localities, which erases the notion that is: men study, women work. The Commune Women Unions are considered to be an active public organization at the basic level and are playing an important role in performing economic development and environment protection activities in the areas.
84. Women are also given favorable conditions for promotion in leading careers as men. However, just a few women are now holding leading position in the communes because of their own weakness and disadvantages as well as conception that women are not able to lead the community. The number of ethnic women is much less. Nevertheless, it cannot be denied that the Law on Gender Equality which was issued in 2006 and took effect in 2007 has created more equal opportunities for women in the communes.

#### **IV. INFORMATION DISCLOSURE, PUBLIC CONSULTATION AND PARTICIPATION**

##### **A. INFORMATION DISCLOSURE**

Main objectives of consultation and participation:

- (i) Adequately and timely provide information about the project and related activities to the AHs and ensure that the AHs have sufficient information about the problem directly affecting their livelihood, income and standard of living;
- (ii) Involve the AHs' cooperation and participation and other related parties in making and implementing the resettlement plan - which is: collecting information about the AHs' need and priorities over compensation, relocation and livelihood restoration; and feedback of AHs and other relevant parties on scheduled resettlement policies and activities.
- (iii) Ensure that the local authorities are involved in REMDP planning and decision-making, and AHs will closely collaborate with the authorities in resettlement activities such as DMS, property evaluation, compensation and resettlement monitoring.
- (iv) Reduce potential conflicts and risks which might slow the project down; and
- (v) The project will design a livelihood restoration program that meets the AHs' livelihood needs and priorities the most.

85. The consultation process involves not only AHs but also representatives of local authorities in the project area, resettlement site representatives, social organizations such as non-governmental organizations in locality such as the Women's Union, the Vietnamese Fatherland Front, Peasants' Union and ethnic minorities. It particularly focus on identifying the needs of vulnerable groups, including the poor and ethnic minority's households, women and the elderly, and ensures that their viewpoints are taken into consideration while updating REMDP.

##### **B. CONSULTATION DURING RP PREPARATION FOR MAIN CANAL**

86. The following sections present the activities relating to consultation and public disclosure that were implemented or are required to be implemented in the resettlement plan.
87. During RP preparation stage for the main canal (2010), social specialists focused on community consultation with the relevant officers at district and commune levels, AHs and ethnic minority households.
88. Project information notified to the participants includes scope of work, technical design, efficiency and potential impacts of the main canal construction on land and livelihood of the locals. Because of the fact that most AHs are ethnic minorities such as the Muong and Thai whose livelihoods mainly base on agriculture, what they concern the most is full compensation for their affected properties. Previously, in 2010, when the land prices tended to increase, the locals expected "land for land" compensation as it would help them improve their lives. However, now that the land price (residential and productive land) tends to decline, the households wish to receive cash compensation to purchase new residential and productive land by themselves in accordance with the conditions of each family. Those households who have to relocate all share the expectation to receive compensation for their land in cash in order to buy land and build houses in the village/commune.

89. Staff of Ngoc Lac DRC and communes in the main canal have experience in resettlement activities of the project because they were directly involved in the resettlement preparation and implementation for the North and South main canals. Households affected by the main canal said that they understood the policies, resettlement process and grievance mechanism of the project because they had been consulted before.

### C. CONSULTATION DURING REMDP UPDATE

#### **Public disclosure meeting**

90. Before Detailed Measurement Survey (DMS), meetings to publicly disclose information in the commune will be held to provide the AHs with information about the project, policies and procedures for implementing resettlement. Invitations will be sent to all AHs at least 1 to 2 weeks prior to the meetings. The information disclosure will also be notified through mass media (communes' radio). All members of the AHs and other interested community members are encouraged to participate in the meeting.

91. During the meeting, written information will be provided to AHs while other information about the meeting can be found available at the CPC and DRC's offices. DRC will make a list of the AHs who were present at the meeting and record questions, opinions, decisions and recommendations. A report will then be prepared and submitted to the RP-PMU.

92. Information provided to the AHs in the meeting includes:

- i. A summary description of the Development of Northern Chu and Southern Ma and Main Canal Irrigation System Project.
- ii. A map identifying scale of land and properties acquisition of the main canal.
- iii. Entitlement and compensation rights based by category of AHs.
- iv. Compensation standard (calculation method and compensation amount) and options of residential and production land, relocation plans and job opportunities relating to this project.
- v. Land acquisition procedures and process and responsibilities of relevant local agencies' participating in land acquisition and resettlement.
- vi. Grievances redress mechanism to handle AP's questions.
- vii. Affected people's right to participate and be consulted on every matter relating to making plan and implementing land acquisition, particularly their expectation of relocation, compensation and restoration methods as well as other special methods to assist vulnerable households.
- viii. Plans of compensation payment, assistance and other resettlement activities mentioned in REMDP, construction activities on the main canal and implementation monitoring procedures.

#### **Consultation contents**

93. Public consultation including separate discussion with ethnic minorities groups focuses on these following main points:

- (i) Compensation price proposed by the People's Committee and market price;
- (ii) Discussion on compensation options: "land for land" or "compensation in cash";

- (iii) Risk in case of no productive land for compensation;
- (iv) Discussion on relocation methods: (a) move to the resettlement area; (b) self-relocate to desired area and (c) relocate within residential areas arranged by the local authorities;
- (v) Relocation and compensation cost;
- (vi) Activities of income restoration program and participation of affected households;
- (vii) Payment procedure of compensation and assistance;
- (viii) Grievance Redress Mechanism;
- (ix) Matters relating gender and women's participation in resettlement activities and income restoration program;
- (x) Abilities and experience of District Resettlement Committee in carrying out nationally and internationally-funded projects.

94. Feedback summary:

- (i) Socio-economic benefit that the project brings to the community is huge;
- (ii) Affected households are the ones that benefit much from the project. All parties support the project;
- (iii) Most of the households understood the compensation and assistance policies of the project. Several are of the opinion that additional compensation arising during Contractor's construction progress need to be handled timely.
- (iv) Conflict of compensation policy applied by different projects in the same region causes unexpected and unequal social problems. Affected households of the main canal are entitled to compensation as regulated in the policy framework of the project that was approved by ADB and the Government.
- (v) Currently, it is not difficult for AHs to buy residential and productive land in the communes. Therefore, all AHs want to receive compensation in cash to buy land by themselves.
- (vi) Building and implementing Income Restoration Program for vulnerable groups should be more concerned.
- (vii) Most of affected people, particularly ethnic Minorities want to buy land and relocate by themselves to match with their condition and customs.

95. Responses of public consultation meetings are diverse and multifaceted. Nevertheless, following are several points that should be more concerned:

- (i) Policy to support income restoration for severely affected households;
- (ii) Compensation prices of land, houses and other structures must be correctly and adequately calculated;
- (iii) Regarding relocation: Now all the households want to receive compensation in cash and self-relocate. However, it is still important to consult AHs again before final decision making.
- (iv) If AHs continue work in the rest of their agricultural land but they face difficulties and do not gain economic efficiency, that land area will be acquired.



**Summary of main opinions  
in communal consultations - main canal**

Location	Number of participants	Main opinions	Responses from the project/DRC/RP-PMU
Nguyet An commune 27/3/2014	Male: 29 Female: 6	<ol style="list-style-type: none"> <li>1. What are the benefits when the project is implemented?</li> <li>2. The compensation, support policy implementation must be properly deployed.</li> <li>3. Efficient water resource management</li> <li>4. Relocation options</li> <li>5. Business restoration activities</li> </ol>	<ol style="list-style-type: none"> <li>1. When it is completed, the project shall: (i) provide adequate gravity water for production and living; (ii) reduce the O&amp;M cost of pumping stations, improve income for farmers; (iii) improve local environment.</li> <li>2. According to the project's policy, all the affected households will receive adequate supporting policies of the project beside the compensation, depending on the affected level of the households to recover the livelihood.</li> <li>3. To use the water resources effectively, the project will research the model to appropriately manage the water resources and harmonize the benefits among the users.</li> <li>4. Prioritize the compensation following the "land for land" plan; if the compensation is in cash, the cash amount should be enough to buy the replaced land.</li> <li>5. The subjects of livelihood recovery for the project are: (i) provide enough allowance and vocational training; (ii) Provide agricultural extension service for the most seriously affected households In terms of agricultural production land</li> </ol>
Kien Tho 26/3/2014	Male: 22 Female: 14	<ol style="list-style-type: none"> <li>1. Land/house compensation house</li> <li>2. Complaining and resolution mechanism in Resettlement plan</li> <li>3. What are the affected people consulted about? How they participate into the compensation, support and resettlement?</li> </ol>	<ol style="list-style-type: none"> <li>1. The compensation cost shall be enough to buy the replaced land and build new house with similar technical standard to the old one;</li> <li>2. The grievance and resolution mechanism in the Resettlement plan shall be fair and transparent.</li> <li>3. During the resettlement process, the affected people are consulted about the project design, resettlement plan development. Beside, during DMS, the affected people can participate in to DMS, Resettlement plans development, livelihood recovery plan and implementation.</li> </ol>
Phung Giao 26/3/2014	Male: 13 Female: 24	<ol style="list-style-type: none"> <li>1. Impacts arising in construction.</li> <li>2. Handle different cases following the project policy.</li> </ol>	<ol style="list-style-type: none"> <li>1. The households have additional impacts due to the construction of the main canal shall be compensated as the ones of the project.</li> <li>2. The project's policy framework has been approved by the Government and ADB. All the differences must also follow the project's policy.</li> </ol>
Phuc Thinh 29/3/2014	Male: 21 Female: 9	<ol style="list-style-type: none"> <li>1. Ethnic minority development supporting policy</li> <li>2. Reclaim the remaining unproductive land.</li> </ol>	<ol style="list-style-type: none"> <li>1. The ethnic minority development plan is completed. Each ethnic household will receive additional 2 million VND and participate into the income recovery program for the ethnic minority household of the project.</li> <li>2. These cases shall be resolved in the land consolidation program. Local authority shall modify these cases during the land consolidation program.</li> </ol>

**D. CONSULTATION DURING REMDP IMPLEMENTATION**

96. Consistent with ADB's policies on public information disclosure, the project will carry out these following activities:

- RP-PMU, along with DRCs, will disseminate approved REMDP to AHs.
- Updated REMDP will be saved and archived in affected community, CPCs and DRCs' offices and posted on ADB's website so that people can easily approach.

- RP-PMU tightly cooperate with DRCs and local staff (in district and commune) to carry out comprehensive consultation process, hold meetings with affected people, AHS' representatives and relevant local authorities.

97. Public consultation is continued during implementation phase to ensure community's broad support for the project and REMDP practice. Objectives of the consultation at this stage are: (i) to fully share major information about the project and REMDP with affected people; (ii) to collect information about the needs and priorities of affected people, as well as information about response/feedback about the activities taking place throughout the REMDP implementation process; (iii) to attract the cooperation and participation of affected people in all stages of REMDP.

98. Within the implementation process, consultation over REMDP with affected ethnic minorities, ethnic communities and CPCs as well as local social agencies will take place in every community influenced by the project. The consultation will focus on (i) disseminating approved REMDP including rights of receiving compensation, restoration and resettlement; (ii) REMDP implementation plan; (iii) grievance redress mechanism; (iv) REMDP and GAP implementation monitoring.

## V. GRIEVANCE REDRESS MECHANISM

General principles:

99. In order to ensure that all affected households can ask questions complaints about any aspect related to the organization and implementation of resettlement activities as well as to ensure that all AHs' complaints about any aspect of land acquisition, compensation, support and resettlement will be addressed promptly and satisfactorily. With a view to making it easy for the affected people to express their questions and complaints, a grievance redress mechanism, set up within the policy framework of the project, was approved by the Government and ADB.
100. All AHs can send any questions to the project implementing agencies on their legal rights and rights to receive their compensation, support and income restoration.
101. Encourage AHs to tell their inquiries and opinions through community consultations, particularly through consulting prestigious people in the community such as heads of villages/hamlets. If necessary, may invite social and resettlement direction specialists and other mediators in the community to resolve the problems since the beginning.
102. The affected households will not have to pay any charges, fees or court fees relating to the complaints at all levels and in court, if any. Grievance process and procedures will follow 4 steps below as the mediation in the community failed.
103. The process and procedures for redressing grievances of the project include four steps as below:
  - (i) **Step 1** (at commune level): Affected households can send their complaint to the CPC directly or through the village/hamlet heads, in writing or verbally. The CPC will meet the affected households having complaints and it will have 15 days to resolve those grievances since the date of filing the complaint. Secretariat of the CPC is responsible for storing documents and files of all complaints handled by the CPC.
  - (ii) **Step 2** (at district level): After 15 days, if the complaint is not resolved by CPC, or if the AHs are not satisfied with the decision to settle its complaint, the AHs may appeal to the DPC. The DPC will resolve within 15 days after receiving the complaint. DPC is responsible for maintaining documentation of all complaints that the DPC handle and it will inform the district department of compensation, HT and resettlement of any decision issued. DRC has to ensure that decisions must be notified to the AHs.
  - (iii) **Step 3** (at provincial level): If after 15 days, the AHs do not receive the DPC's decision to their grievances, or if the AHs are not satisfied with the decision, the AHs can complain to the PPC. PPC has 15 days to resolve the complaint and relevant aspects. PPC is responsible for maintaining documentation of all complaints that it handled.
  - (iv) **Step 4** (at court of Law Arbitrates): If after 15 days since the date of filing a complaint to the province, or if the AHs do not receive a decision from the province, or if they are not satisfied with the decision to resolve their complaints, the case can

be transferred to the court for adjudication. The result of the court will be the final result.

104. The procedure described in the above four steps is in accordance with the proceedings of Vietnam to settle complaints and denunciations. DRC and RP-PMU will record and archive those AH's complaints and inquiries and solutions to those grievances.
105. The grievances redress mechanism of projects is public and exchangeable to ensure that all the AHs understand the process and procedures for handling complaints. Independent monitoring agencies / consultants will monitor and evaluate the results of redressing those grievances and propose other solutions to resolve the complaint that has not been resolved

## VI. LEGAL FRAMEWORK

106. The legal and policy framework to address the resettlement impact of the project Northern Chu and Southern Ma Rivers Irrigation System was established on the basis of policies and laws related to the Government of Vietnam and ADB's Involuntary Resettlement Policy (SPS 2009). The following section presents the relevant policies and legislation and emphasize the differences and present policies and principles which will be applied in the project.

### A. ASIAN DEVELOPMENT BANK'S POLICIES ON INVOLUNTARY RESSETTLEMENT AND INDIGENOUS PEOPLE

#### **ADB's policies on involuntary resettlement**

107. The overall objective of ADB's policy is to compensate and assist the AH to restore their standard of living equivalent to, if not better, their one before the project.

108. The objectives and principles of resettlement policies, as follows:

i. Screen the project early on to identify past, present, and future involuntary resettlement impacts and risks. Determine the scope of resettlement planning through a survey and/or census of displaced persons, including a gender analysis, specifically related to resettlement impacts and risks.

ii. Carry out meaningful consultations with affected persons, host communities, and concerned nongovernment organizations. Inform all displaced persons of their entitlements and resettlement options. Ensure their participation in planning, implementation, and monitoring and evaluation of resettlement programs. Pay particular attention to the needs of vulnerable groups, especially those below the poverty line, the landless, the elderly, women and children, and Indigenous Peoples, and those without legal title to land, and ensure their participation in consultations. Establish a grievance redress mechanism to receive and facilitate resolution of the affected persons' concerns. Support the social and cultural institutions of displaced persons and their host population. Where involuntary resettlement impacts and risks are highly complex and sensitive, compensation and resettlement decisions should be preceded by a social preparation phase

iii. Improve, or at least restore, the livelihoods of all displaced persons through (i) land-based resettlement strategies when affected livelihoods are land based where possible or cash compensation at replacement value for land when the loss of land does not undermine livelihoods, (ii) prompt replacement of assets with access to assets of equal or higher value, (iii) prompt compensation at full replacement cost for assets that cannot be restored, and (iv) additional revenues and services through benefit sharing schemes where possible

iv. Provide physically and economically displaced persons with needed assistance, including the following: (i) if there is relocation, secured tenure to relocation land, better housing at resettlement sites with comparable access to employment and production opportunities, integration of resettled persons economically and socially into their host communities, and extension of project benefits to host communities; (ii) transitional support and development assistance, such as land development, credit facilities, training, or employment opportunities; and (iii) civic infrastructure and community services, as required

- v. Improve the standards of living of the displaced poor and other vulnerable groups, including women, to at least national minimum standards. In rural areas provide them with legal and affordable access to land and resources, and in urban areas provide them with appropriate income sources and legal and affordable access to adequate housing.
- vi. Develop procedures in a transparent, consistent, and equitable manner if land acquisition is through negotiated settlement to ensure that those people who enter into negotiated settlements will maintain the same or better income and livelihood status.
- vii. Ensure that displaced persons without titles to land or any recognizable legal rights to land are eligible for resettlement assistance and compensation for loss of no land assets
- viii. Prepare a resettlement plan elaborating on displaced persons' entitlements, the income and livelihood restoration strategy, institutional arrangements, monitoring and reporting framework, budget, and time-bound implementation schedule. .
- ix. Disclose a draft resettlement plan, including documentation of the consultation process in a timely manner, before project appraisal, in an accessible place and a form and language(s) understandable to affected persons and other stakeholders. Disclose the final resettlement plan and its updates to affected persons and other stakeholders.
- x. Conceive and execute involuntary resettlement as part of a development project or program. Include the full costs of resettlement in the presentation of project's costs and benefits. For a project with significant involuntary resettlement impacts, consider implementing the involuntary resettlement component of the project as a stand-alone operation
- xi. Pay compensation and provide other resettlement entitlements before physical or economic displacement. Implement the resettlement plan under close supervision throughout project implementation.
- xii. Monitor and assess resettlement outcomes, their impacts on the standards of living of displaced persons, and whether the objectives of the resettlement plan have been achieved by taking into account the baseline conditions and the results of resettlement monitoring. Disclose monitoring reports

### **ADB's policies on indigenous people**

- 109. By ADB Safe guard policy statement, the term Indigenous Peoples is used in a generic sense to refer to a distinct, vulnerable, social and cultural group possessing the following characteristics in varying degrees:
  - (i) Self-identification as members of a distinct indigenous cultural group and recognition of this identity by others;
  - (ii) Collective attachment to geographically distinct habitats or ancestral territories in the project area and to the natural resources in these habitats and territories;
  - (iii) Customary cultural, economic, social, or political institutions that are separate from those of the dominant society and culture; and
  - (iv) a distinct language, often different from the official language of the country or region.
- 110. Safeguard Requirements 3 outlines the requirements that borrowers/clients are required to meet in delivering Indigenous Peoples safeguards to projects supported by ADB. It discusses the objectives and scope of application, and underscores the requirements pertaining to (i) undertaking the social impact assessment and planning process; (ii) preparing social impact assessment reports and planning documents; (iii) disclosing information and undertaking consultation, including ascertaining consent of affected Indigenous Peoples community to

selected project activities; (iv) establishing a grievance mechanism; and (v) monitoring and reporting. This set of policy requirements will safeguard Indigenous Peoples' rights to maintain, sustain, and preserve their cultural identities, practices, and habitats and to ensure that projects affecting them will take the necessary measures to protect these rights

## B. LAWS AND REGULATIONS OF THE GOVERNMENT ABOUT INVOLUNTARY RESETTLEMENT AND ETHNIC MINORITY

### **Vietnamese Government's Regulations on resettlement**

111. The main documents related to compensation, land clearance and resettlement includes:
- i. Law on Land 13/2003/QH11
  - ii. Decree No. 75/2012/ND-CP dated October 03<sup>rd</sup>, 2012 of the Government detailing a number of articles of the Law on complaints
  - iii. Construction law no. 16/2003/QH11 of November 26<sup>th</sup>, 2003, with regulations related to compensation and relocation of affected people due to land clearance for project investment.
  - iv. Ordinance 34/2007/PL-UBTVQH11 dated 20/04/200 on exercise of democracy in communes, wards and townships.
  - v. Decree 16/2005/ND-CP, on the implementation of Law on construction
  - vi. Decree 182/2004/ND-CP, dated 29/10/2004 on the sanctioning of administrative violations in the land sector.
  - vii. Decree 181/2004/ND-CP, dated 29/10/2004 on the implementation of Law on Land.
  - viii. Decree 188/2004/ND-CP, dated 16/11/2004 regulating method to determine land cost and land's type cost frame
  - ix. Ordinance 145/2007/TT-BTC dated 6/12/2007 directing Decree 188/2004/ND-CP and Decree 123/2007/ND-CP.
  - x. Decree 197/2004/ND-CP dated 03/12/2004 on compensation, support and resettlement when the Government reclaim land.
  - xi. Decree 131/2006/ND-CP, on management and use of ODA.
  - xii. Decree 123/2007/ND-CP modifying and supplementing Decree 188/2004/ND-CP method to determine land cost and land 's type cost frame
  - xiii. Decree 84/2007/ND-CP dated 25/05/2007 on additionally stipulating the grant of land use right certificates, recovery of land, exercise of land use rights, order and procedures for compensation, support and resettlement upon land recovery by the State, and settlement of land-related complaints
  - xiv. Decree No. 69/2009/ND-CP dated 13/08/2009 on additionally providing for land use planning, land prices, land recovery, compensation, support and resettlement.
  - xv. Circular No. 14/2009/TT-BTNMT of October 1<sup>st</sup> 2009, detailing the Decree 197/2004/ND-CP and Decree 69/2009/ND-CP on compensation, support and resettlement and order of and procedures for land recovery, allocation and lease.
  - xvi. Decree No. 70/2001/ND-CP issued October 3, 2001 of the Government detailing and implementation of the Law on Marriage and Family.
  - xvii. Decision No. 1956/QD-TTg dated 27/11/2009 approving the Scheme on vocational training for rural labourers up to 2020.

- xviii. Decision no. 52/2012/QĐ-TTg dated November 16<sup>th</sup> , 2012 of the Prime Minister on employment and vocational training support policies for laborers subject to agricultural land recovery
- xix. Decree 42/2012/ND-CP, dated 11/05/2012 on paddy land management and use

### **Government's laws and regulations on Ethnic minority**

112. The Vietnamese government issued a lot of ethnic minority policy, which can be grouped into three basic groups as follows: (i) Group of policies related to facilitate the resettlement for ethnic minorities; (ii) The second group related to facilitate economic - cultural - society development in general for ethnic minorities; and (iii) Group 3 relating to land allocation and land management in mountainous and ethnic minorities living areas.

#### ***The first group includes the followings:***

- i. Decision 33/2007/QĐ-TTg dated 5/3/2007 by the Prime Minister on policies to support relocation of ethnic minority inhabitants for sedentary farming and settlement in the 2007-2010 period.
- ii. Decision No. 134/2004/QĐ-TTg of July 20, 2004 on a number of policies to provide support in terms of production land, residential land, dwelling houses and daily-life water to poor ethnic minority households meeting with difficulties ( Program 134)
- iii. Resolution 24-NQ/TW dated 12/03/2003 of the Party Central Committee's ninth conference on ethnic minorities 'tasks.
- iv. Directive 393-TTG of June 10th , 1996 of the prime minister on population planning, improvement of infrastructure and production restructuring in the regions of ethnic minorities and mountainous regions.

#### ***The second group includes the followings:***

- i. Decision 551/ QĐ-TTg dated 2013/04/04 by the Prime Minister on Approving Program 135 on supporting the infrastructure investment and the production promotion for communes with special difficulties, communes in border areas, communes in safety zones, hamlets, and mountain villages with special difficulties
- ii. Decision No. 52/2010/QĐ-TTg dated August 18th 2010 of the Prime Minister on the legal supporting policies to improve legal awareness, knowledge for ethnic minorities in poor districts in the period 2011 – 2020.
- iii. Decision No. 236/QĐ-UBND dated on 30/07/2009 of the Committee for EM Affairs on the establishment of the Board of Research and development of the socio-economic development programs for 2011-2015 for the most difficult communes and villages in the mountainous areas and areas with many EM people.
- iv. Decision 289/QĐ-TTg issued by PM dated 18/03/2008 on policies to support the ethnic minorities, social policy beneficiary households, poor households, poor prone households and fishermen
- v. Instruction 525/TT of November 02nd 1993 provides an overall policy framework for the accelerated development of mountainous areas and areas of EMs

#### ***The third group includes the followings:***



- i. Decision no. 132/2002/QĐ-TTg of October 8th , 2002 on the allotment of production and residential land to local ethnic minority people in the Central Highlands
- ii. Decree of the Government No 163/1999/ND-CP dated November 16th , 1999 on allocating and leasing of forest land to organizations, households and individuals for long-term forestry purposes
- iii. Decision 327/ CT dated 15/ 9/ 1992 of the Chairman of the Council of Ministers on some Policies on the Use of Bare Land and Denuded hills, Forest, Coastal Sedimentary Deposit areas and Water Bodies ( program 327).

### C. COMPARISON BETWEEN THE POLICIES OF VIETNAMESE GOVERNMENT AND ADB

113. There is basic congruence between Viet Nam's laws and ADB's Resettlement Policy especially with regard to the entitlement of persons with legal rights/titles. Existing legislation provides guidance in (i) determining market/replacement rates and payment of compensation, assistances for various types of affected assets; (ii) options for land-for-land and cash compensation assistance; (iii) provision of relocation assistance and support to displaced households during the transition; (iv) provision of resettlement land and housing with secure tenure; (v) additional assistance for severely affected and vulnerable households; (vi) Assistance to livelihood restoration and training; and (vii) notification/disclosure, consultation, and grievance mechanisms.
114. However, ADB Policy does not consider the absence of legal rights of affected persons on the acquired land as an impediment to receiving compensation for other assets and for rehabilitation assistance. Non-registration of a APs' business also does not bar them from being assisted in restoring their business.
115. It should also be noted that as per Decree No. 197/2004 (i) Article 1, Item 2 states that for projects financed from ODA, if the compensation, assistance and resettlement required by the financiers are different from Decree 197/2004/ND-CP, before signing the international loan agreement, the project owner must report to the Prime Minister for his considerations and decision.
116. There is a relative consistency in ADB's policies and the policies of the Vietnamese Government on stated ethnic minority subjects.

Table VI-1: Discrepancies between Decree 197/ND-CP, Decree 69/ND-CP and SPS by ADB

	<b>197/2004/ND-CP, 69/2009/ND-CP</b>	<b>Adjusted ADB's policy</b>	<b>Project policy</b>
<b>Severely affected people who lost productive land</b>	Decree 69, Clause 20: For significantly affected people, income restoration measures will be applied for affected people who lost at least 30% of their productive land.	Compulsory resettlement impacts of a project funded by ADB is considered as significant if at least 200 people suffer from the project, which means (i) they were removed from their house, or (ii) they lost more than 10% their productive assets (that create their income). productive assets	That the households lost equal or more than 10% of their productive assets will be considered as the threshold to apply assistance.
<b>Affected people who do not possess certificates of land use right</b>	Decree 69: Clause 23: In case those whose incomes are mostly generated from agricultural production, land are reclaimed by the Government and they are not qualified to be given certificate of land use right as well as they are not responsive to the compensation conditions regulated in Clause 8, Decree 197/2004/ND-CP and Clauses 44, 45 and 46 in Decree 84/2007/ND-CP will be sent to Provincial People's Committee to consider appropriate assistance levels to real condition in the localities.	Affected people who do not have legal rights to their land will be advised... It must be guaranteed that the affected people who do not have legal rights to their land will be qualified to be supported in resettlement and compensation for their assets which are not land, for their works and others (crops, irrigation system, etc.) with adequate replacement costs. The safety policy includes limiting involuntary land use or approaching reservation zones; temporary and partial damage.	All the people who were affected by the project, do not possess legal land use right or are asking for legality of their lost land, will be consulted and provided with benefits from the project if possible, and will be compensated for their lost assets (which are not land such as houses and other works) before compensation deadline. They will be provided with resettlement assistance, other compensations and social assistance to improve or at least restore their incomes and living standards prior to the project.
<b>Compensation for the lost land</b>	Clause 9, Decree 197: Compensation for the lost land is determined by the People's Committee according to the Government's regulation for each type of land used at the time of land acquisition. According to Decree 69, Clause 11, Clause 16: Compensation is land for land with the same purpose of land use. If land are not available, the AP can be compensated in cash based on the transfer price of land on the market when the land is decided to be acquired. The compensation is limited in allowable quota, unless the land beyond the limit by inheritance or legal transfer from another, or unused land to be developed under the land use plan approved by the competent authority. If not, only the	Conducting livelihood restoration basing on the replacement land if possible or paying compensation in cash for the lost land which do not influence in the legal land owner's income. Providing adequate and appropriate replacement land. If there is not replacement land, in addition to compensation for land and property on the ground, the employment opportunities will be put in priorities.	In case compensation by land fails, the project will conduct a survey on replacement price to ensure that the compensation rates for all types of damage will be equal to the replacement cost on the current market, and will be updated at the time of compensation, and combined with other support and livelihood restoration measures to ensure complete recovery and improvement. Affected people will have the legal right or authority to admit to being compensated for all of the recovered land.

	improvements on the land will be compensated.		
<b>The difference between the compensation and market prices</b>	Decree 69, Clause 14(2): If compensation by new land or land in the resettlement area or houses and their value is less than their lost land's, the difference in price will be paid in cash. Decree 69, Clause 14(2a): If the replacement land or compensation allowance to buy a new house is higher than real replacement cost, the AP are still received enough allowance. Decree 69, Clause 14(2b): If the compensation is less than replacement land and house's value, the AP will pay for the difference except in the case of Clause 19 (1) - this clause will not apply to the poor affected people or those who will be supported by the State. If the affected people are not given land or house in the resettlement area, they will be paid the difference in cash.	Providing necessary support for physically and economically affected people include (i) if they have to relocate, their use rights for the new land must be ensured, housing conditions is better than in resettlement area, employment and production opportunities are similar to ..., the welfare infrastructure and services needed are also guaranteed; (ii) supporting the transition and basic construction, such as land preparation, credit facilities, training, or employment opportunities, and (iii) the opportunity to receive benefits from the project.	Affected people (who must relocate) will be assisted in removing their assets, their use rights to the new land will be guaranteed. In addition, their employment and production opportunities in the new location are similar to in the old one, the welfare infrastructure and services needed are also guaranteed; transition and basic construction, such as land preparation, credit facilities, training, or employment opportunities are supported as well.
<b>Compensation for buildings and structures</b>	Decree 69, Clause 24 - Compensation for buildings and structures on the acquired land. (1) - Compensation for the affected people whose houses or structures are influenced by the value of the new houses/structures with equivalent engineering standards required by the Ministry of Construction and based on the area multiply with the new unit price of building issued by the PPC. (2) Compensation for other works by: a) the total current value of the existing damaged building, which is determined by the percentage of the remaining quality of the work multiply with construction price for a new one with equivalent technical standards required by the Ministry of Construction. Maximum compensation value does not exceed 100% of the value of the new building /	Price compensation for housing, land and other assets which are reclaimed will be calculated by the full replacement cost, based on: (i) the reasonable current market value at the time of compensation; (ii) transaction costs, (iii) accrued interest, (iv) conversion and recovery costs, and (v) other payments that can be applied.	Adequate compensation according to replacement costs will be paid for all the affected works without any deductions for material advantage or depreciation, full replacement cost, based on: (i) the fair market value; (ii) transaction costs, (iii) accrued interest, (iv) conversion and recovery costs, and (v) other payments that can be applied.

	construction with equivalent technical standards to the damaged house/structure.		
<b>Compensation for registered businesses</b>	Clause 26, Decree 197: Only registered businesses are qualified to be supported. Decree 69 Clause 20 (2) if the affected households have to stop their business, they will be supported up to 30% a year after tax income, according to the average of the previous three years which was confirmed by the tax office.	Affected business owners have the right to be supported for i) the cost of setting up the business in other area, ii) the lost net income during the transition period, iii) the cost of relocating and reinstalling.	Affected business owners have the right to be supported for i) the cost of setting up the business in other area, ii) the lost net income during the transition period, iii) the cost of relocating and reinstalling.
<b>Compensation for businesses not registered</b>	Decree 69 only accredits businesses who registered successfully will be compensated for their lost earnings based on archives in the Tax Office	Compensation does not distinguish between firms registered or not registered for lost income and other support.	DPC will confirm which APs are active and determine their income loss.
<b>Monitoring</b>	No monitoring indicators	The monitoring indicators are defined to monitor and report internally and externally	Managing agency will hire external monitoring agency and carry out internal monitoring using the monitoring indicators.

## D. THE PROJECT'S POLICY ABOUT INVOLUNTARY RESETTLEMENT AND ETHNIC MINORITIES

### **The Project's Policy about Involuntary Resettlement**

117. In order to harmonize the differences between the safety policy of ADB and the relevant regulations of Vietnamese Government as it is described in the table above, the principles of the project resettlement policy are presented as follows:

- (i) Avoid or mitigate compulsory resettlement and impacts on land, house and other fixed assets when it is possible by studying different design options.
- (ii) Compensation and supports bare based on replacement cost at the time of execution.
- (iii) The HH is considered as “seriously affected” when it loses from 10% or above of production land and/or asset of the HH.
- (iv) The affected person who does not have relevant papers or legal right of land use can still receive compensation for the asset on land by replacement cost.
- (v) The replacement land for housing land and farming land should be near the affected land and convenient for the affected people.
- (vi) Conduct consultation with the affected people and stakeholder groups, make sure they can participate from the planning to the implementation step. The opinions and proposals of the affected people and community shall be considered, especially those from ethnic minorities in order to assure that they will be supported the best to relocate to the new places but still close to their community.
- (vii) The resettlement plan shall be public to affected people before being submitted to ADB.
- (viii) The resettlement specification, planning and management shall ensure gender issues are considered.
- (ix) Special solutions shall be considered in the resettlement plan for vulnerable groups, those who have high risk to become poor such as: HH without land, HH with the owner is woman, old people, disabled people or poor HHs.
- (x) Cultural and religious heritages shall be maintained and preserved at maximum level.
- (xi) M&E on social impacts, gender sensitivity and suitable culture shall be implemented in the projects phases.
- (xii) The transitional period of settlement shall be minimized. The affected people shall be restored before project construction start.
- (xiii) Budget for compensation, support and resettlement shall be prepared adequately in project implementation.
- (xiv) Independent monitoring and report shall be specified as an integrated part of the resettlement management system. The land acquisition periods and result shall be independently evaluated.
- (xv) PPMU and ICMB3 will not allow the contractors start construction until they can confirm by documents: (i) affected people are fully paid and the restoration solutions

are implemented (ii) appropriately compensate and support the affected people (iii) there are not any barriers in the project area.

(xvi) The cut-off date ( deadline to receive compensation) is the date the Districts People 's committees announce the land acquisition boundary to the communes' authorities and locals including the construction land mark for the canals in order to manage the limit of land clearance and do not allow other construction works set onto the project area. In this project, the cut-off date is 13/09/2010 for affected people at Ngoc Lac district.

### **The Project's policy about Ethnic Minorities**

(i) Avoid or mitigate the negative impacts of the project to the ethnic minority groups and other vulnerable social groups by all possible solutions.

(ii) In case the ethnic minorities are impacted directly from the project, they shall receive compensation mechanism for their affected properties, income, business by replacement cost and they shall be provided with solutions of resettlement that improve their living condition, income and restoration to the at least the same or equal level before the project.

(iii) The lack of legal ownership of assets (traditional farming or cultivation land and other resources) does not affect to the right of the ethnic minorities about resettlement and compensation.

(iv) In case there is a demand for HH to relocate, it requires effort to maintain their stable social and cultural institutions, avoids serious disorders. The relocation of the ethnic minorities shall have community supports.

(v) . Beside the compensation and support in kinds, the affected ethnic minority HHs and other local ethnic minority communities shall have opportunities to participate into activities that improve knowledge of production, management and capacity to recognize social issues related to gender equality, environmental protection, and water resource protection.

(vi) It is necessary to have the participation and consultation of the ethnic minorities during all the phases of the project, including the preparation of ethnic minority plan, implementation and monitoring of the plan.

(vii) The program and budget used for the Ethnic minority plan and the project implementation progress shall be closely coordinated.

The compensation and support for ethnic minority HHs, female owner HHs, HHs with disable members and/or old members shall be implemented by the principle that respects their concrete demand and cultural value.

## **VII. ELIGIBILITY AND ENTITLEMENT**

### **A. ELIGIBILITY**

118. Eligibility is determined with regard to the cut-off date, which are the dates of declaring the scope of land acquisition and handed over the land markings to local authority of communes in project area to manage and inform to local people not to construct the works within the land area of the Project which was mentioned in Section 6 above. The APs has been informed of the cut-off dates for each project component, and any people who settle in the project area after the cut-off dates will not be entitled to compensation and/or assistance.
119. In addition, the extent of eligibility for compensation with regard to land is determined by legal rights to the land concerned. There are three types of APs: i) persons with Land Use Rights Certificates (LURCs) to land lost in entirety or partially, ii) persons who lost land they occupy in its entirety or partially who do not currently possess a LURC but have a claim that is recognizable under national laws, or, iii) persons who lost land they occupy in its entirety or partially who do not have any recognizable claim to that land.

### **B. ENTITLEMENT**

120. The overall objective of the compensation policy and entitlements in this subproject is to ensure that all those affected at the main canal can maintain and, for the best, improve living conditions and the ability to have income as it is before the project implemented through compensation of physical and non-physical assets and, when it is requested, the recovery measures and other support.
121. The policy of compensation, support and resettlement of the project: Those who are affected according to: the group (i) and (ii) above shall be entitled to compensation for land and property on the affected land; group (iii) have no compensation for affected land, but compensation for the affected property and is support by the policy of the project.
122. The below Entitlement Matrix (7-1) shall be applied to implement the compensation, support and resettlement for the main canal.



Table VII-1: Entitlement matrix

Beneficiaries	Types & Impact Levels	Compensation Policies	Implementation
<b>A. AGRICULTURAL LAND</b>			
<i>A.2 Permanent land acquisition area</i>			
Owners who possess land use right certificates, or are conducting the procedure for receiving land use right certificates, or are qualified to be awarded land use right certificates	10% or more production land areas were affected	<p>a) Prioritize giving replacement land: i) equivalent to the affected land areas but not exceed the local land allocation limitation. The difference will be compensated in cash if the affected land area is higher than the local land allocation limitation; ii) the same soil type (or the same production capacity); iii) at the location that the AP agree; iv) both owners and their husband/wife have land use rights; and v) do not have to pay tax, registration fee and land use rights transfer fee; and</p> <p>b) Support recovering the economy (see part G.5 below); or, if the AHs choose:                      a/ Compensating the replacement costs in cash; and                      b/ Supporting recovering the economy (see part G.5 below)</p>	<p>If the rest areas are not economically feasible, it means that the rest areas are too small to cultivate successfully, the Project will take the land back completely. The district compensation-resettlement committee will determine whether the rest land areas can be cultivated successfully or not and pay attention on this while carrying out the Detailed Measurement and Survey.                      The replacement price was approved by Thanh Hoa Province People's Committee and ADB.</p>
	Less than 10% production land areas were affected; Or there is no replacement land	<p>Compensate the replacement costs in cash for the influenced areas, if the rest land areas are profitable;                      Or compensate the replacement costs in cash for the whole AH's land areas, if the rest land areas are not profitable;</p>	<p>Conducted by the district compensation-resettlement committee                      The replacement price was approved by Thanh Hoa Province People's Committee and ADB.</p>
	The AP's land areas are in or adjacent to town areas or rural residential areas	<p>a/ Compensate the replacement costs in cash for the impacted area ; and                      b/ Additionally support in cash equivalent to 20% value of the housing land but the supported land areas do not exceed five times than the local allocated land limitation.</p>	<p>Conducted by the district compensation-resettlement committee                      The replacement price was approved by Thanh Hoa Province People's Committee and ADB.</p>
	The AP's land areas which are in the same parcel of land where there are houses in the residential areas but are not recognized as housing land; garden or pond land in the same parcel	<p>a/ Compensate the replacement costs in cash for the influenced areas ; and                      b/ Additionally support in cash equivalent to 40% value of the housing land but the supported land area do not exceed 5 (five) times than the local land division.</p>	<p>Conducted by the district compensation-resettlement committee                      The replacement price was approved by Thanh Hoa Province People's Committee and ADB.</p>

	of land where there are separate houses; garden or pond land in the same parcel of land where there are houses along canals, canals and roads.		
	The AP's land areas are in dispute	The compensation will be held in the third bank account until the land dispute is resolved.	Conducted by the district compensation-resettlement committee Decision made by The District People's Committee
The users are hiring the land or have temporary commune's public land use rights		Compensate in cash equivalent to 30% the replacement costs for the actual influenced areas; Or Compensate in cash for the net income lost in the time when land is being rented or transferred, whichever is higher.	Inform the profitability of the rest land areas (which are not impacted). Conducted by the district compensation-resettlement committee The replacement price was approved by Thanh Hoa Province People's Committee and ADB.
Land of state-run farms or state-run forestry farms are divided to the users for agricultural, forestry and fishery purposes		Support in cash equivalent to 70% value of the replacement cost for the affected land, calculated on the actual reclaimed land areas but do not exceed the farm land limitation at the local which was regulated by the Government.	Conducted by the district compensation-resettlement committee The replacement price was approved by Thanh Hoa Province People's Committee and ADB.
The users do not have land use right certificates or other legal documents.		a/ Will not be compensated by land but for AP's land areas, the users will be provided with the same compensation unit price for the lowest value land type in the province, and b/ Economic support package instead of compensation (see part G.5 below)	Conducted by the district compensation-resettlement committee Decision made by The District People's Committee
Legal organizations (People's Committees of communes, precincts, towns, etc)		a/ Will not be compensated as AP's land but will be supported equivalent to 70% value of the compensation for AP's land. b/ Will be compensated in cash according to the current market price for all the property on the AP's land and will be supported property delivery, if needed.	The legal organizations are the organizations that are regulated to be compensated under the Decree No 197 and No 69. The monetary compensation must be paid on the AP commune's bank account and used to improve the commune's infrastructure. The replacement price was approved by Thanh Hoa Province People's Committee and ADB. Conducted by the district compensation-resettlement committee

State-run forestry farms		Compensate for the rest investment cost on the acquired land areas if this cost is not from state budget.	Conducted by the district compensation-resettlement committee  The replacement price was approved by Thanh Hoa Province People's Committee and ADB.
<b>B. HOUSING LAND AND/OR NON-AGRICULTURAL LAND (i.e.: Business land)</b>			
<i>B.2. Housing land and/or non-agricultural land which are permanently affected</i>			
Owners who possess land use right certificates, or are qualified to be awarded land use right certificates	Housing land and/or non-agricultural land without built houses and/or constructions are permanently reclaimed.	Prioritize dividing replacement land: i) equivalent to the AP's land areas but not exceed the local land division limitation. The difference will be compensated in cash if ii) the same soil type (i.e: housing or business land); iii) at the location that the AP agree; iv) both owners and their husband/wife have land use rights; and v) do not have to pay tax, registration fee and land use rights transfer fee; OR, if the AP requires, Replacement costs are paid by monetary compensation. In case the owners have their land use right certificates, the compensated land area is the area of the housing and/or non-agricultural land (which is specified in their LURC). In case the owners do not have the LURC, the compensated land areas do not exceed the local housing land limits at the time in accordance with land use origin; and	Conducted by the District Compensation-Resettlement committee The replacement price was approved by Thanh Hoa Province People's Committee and ADB.
	AP land exceeds land division limitation.	- The owners will be paid monetary compensation for the land areas that exceeded the local land division limitation under the replacement cost for the garden or pond land which are not recognized as housing land plus an allowance equivalent to 40% affected housing land areas; and - All the property on the AP land will be compensated under the replacement price (see part D)	Conducted by the district compensation-resettlement committee The replacement price was approved by Thanh Hoa Province People's Committee and ADB.

	Housing land and/or non-agricultural land with built houses and/or constructions are reclaimed.	<p>APs are entitled to one of the following options:</p> <p>a) Stay and rebuild houses / buildings on the remaining land if they can, for the AP land areas with houses/constructions, the replacement cost will be compensated in cash without depreciating the utilizable materials, plus the recovery support package, (see part G); or</p> <p>b) Move to the resettlement area and receive monetary compensation under the replacement price for AP houses/constructions without depreciating the utilizable materials, plus the recovery support package if the rest land areas cannot be used for living on. If the compensation allowance is lower than value of the building plot or standard flat in the resettlement area, the difference is no need to be paid; or</p> <p>c) Move by themselves by the compensation allowance under the replacement cost for affected land and affected houses and/or constructions without depreciating the utilizable materials, plus the recovery support package if the rest land areas cannot be used for living on; and, the households who have to move will be aided an allowance which is equivalent to the average investment value for the standard building plots' facilities in the resettlement area to flatten the site plan.</p>	<p>Conducted by the district compensation-resettlement committee</p> <p>The district compensation-resettlement committee will determine whether the rest land areas can be used for living on or not and will pay attention on this while conducting the Detailed Inventory.</p> <p>The replacement price was approved by Thanh Hoa Province People's Committee and ADB.</p>
	The occupied AP which are in dispute	The monetary compensation will be held in the third bank account until the land dispute is solved.	Conducted by the district compensation-resettlement committee
The users are hiring the land or have temporary commune's public land use rights	Housing or non-agricultural land	<p>a/ Monetary compensation for the rest proportion of the contract value, and</p> <p>b/ Monetary compensation for the replacement cost for houses/constructions on AP land (see part C below), and</p> <p>c/ Recovery Support Package (see part G below)</p>	Local authority help APs find replacement land Compensation-resettlement committee takes responsibilities with the assistance of District and Commune People's Committees

Those who do not have land use rights under law	Housing or non-agricultural land	Affected land is not compensated; However, a/ Affected households have the right to be compensated for Affected constructions under replacement price (see part C below), and b/ Recovery Support Package (see part G below)	Those who do not have land use rights do not own other housing land/house: The competent authority considers providing them with replacement housing land under the local limitation or a house, plus the recovery support package. APs who do not have non-agricultural land use rights (i.e business land): The competent authority can divide non-agricultural land (i.e business land) to replace with temporary rights or renting.
Legal organizations (People's Committees of communes, precincts, towns, etc)	Non-agricultural land are reclaimed	a/ affected land is not compensated if the users do not pay land use cost or pay by state budget, vice versa, it is compensated in cash under the replacement price; and b/ Compensate in cash for affected constructions and support work relocation, if needed.	The legal organizations are the organizations that are regulated to be compensated under the Decree No 197 and No 69.
State-run forestry farms, collective business organizations (co-operative, etc.)	Non-agricultural land are reclaimed	a/ Do not compensate for AH land if the owners do not pay land use fee or the fee is paid by the state budget, conversely, compensate in cash for the land with replacement cost; and b/ Compensate in cash for AH constructions and support removing if needed.	Conducted by the district compensation-resettlement committee
<b>C. MAIN BUILDINGS AND/OR SHOPS AND OTHER CONSTRUCTIONS OR PROPERTIES WHICH ARE AFFECTED</b>			
<i>C.1. Main constructions (Houses and/or shops)</i>			
House/Construction owners	A part is affected house/construction and the rest can be utilized	a/ Compensate in cash under the replacement price for the influenced part without deducing or depreciating the utilizable materials; and b/ Support repairing the rest (see part G below)	The owners have the right to be compensated, regardless of the fact that they have or do not have: a) land use right, or b) Permit to work. The replacement price was approved by Thanh Hoa Province People's Committee and ADB.
The owners possess both house and shop in a construction	The whole AP construction or, A part is affected house/construction and the rest cannot be utilized	a/ Compensate in cash for the replacement price for the influenced part without deducing or depreciating the utilizable materials; and b/ Support removing and stabilizing living (see part G below).	

The owners possess a shop or a construction structure which is not a house	The whole affected construction or, A part is affected house/construction and the rest cannot be utilized	a/ Compensate in cash for the influenced part under replacement price without deducting or depreciating the utilizable materials; and b/ Support work relocation (see part G below).	
Tenants	A part is affected construction and the rest can be utilized	a/ Compensate in cash for the house/construction owner under replacement price for the affected part without deducting or depreciating the utilizable materials; and b/ Support repairing the rest for the house/construction owner (see part G below). c/ The tenant can continue staying if the owner agree	The owner must inform the tenant at least two (2) months in advance.
	The rest cannot be continuously used, or the tenant decides to move.	a/ Compensate in cash for the house/construction owner under replacement price for the affected part without deducting or depreciating the utilizable materials; and b/ Support the tenants to rent other similar houses equivalent to 6 month rent or provide them with the remaining value of the land rent agreement (depending on which contract is higher in value); and c/ Support finding other houses for rent, which are acceptable; and d/ Support work relocation (see part G below).	
<i>C.2. Other constructions, i.e. kitchens, restrooms, breeding facilities, fences, construction foundations. etc.</i>			
Construction owners	A part or the whole of the construction or other properties is affected	Compensate in cash under replacement price for the affected construction without deducting or depreciating the utilized materials; or Support in cash or kind to relocate the affected constructions or properties; or Support in cash to repair the properties as their initial condition or better (see part G below).	The owners have the right to be compensated and supported, regardless of the fact that they have or do not have: a) land use right, or b) Permit to work. The replacement price was approved by Thanh Hoa Province People's Committee and ADB.

	Tombs	All the expenses include relocation, excavation and exhumation will be returned in cash to affected households as regulated by the Provincial People's Committee. In case it is essential to build a cemetery, the affected community will choose its location and the project will pay all the costs.	Affected households will be directly compensated. For affected un-owned graves, their compensation will be given to the District People's Committee so as to remove them to other cemetery. The graves are excavated and relocated in accordance with local custom. Consult with affected households and community about cemetery location and arrangement.
<b>D. ANNUAL AND LONG TERM PLANTS, FRUIT TREES, TIMBERS AND GREEN FENCES</b>			
Plant and/or vegetables owners	Vegetables productivity is annually influenced	If the vegetables is going to be at harvest time but still cannot be harvested, the owners will be paid monetary compensation for the unharvested crops according to the market price basing on the previous 3 years' average production.	Inform the affected people about the land acquisition time at least 2 months in advance. Vegetables owners have the rights to be compensated regardless of the fact that they possess use rights for those land areas or not.
	Annual and long term plants, fruit trees, timbers and green fences are cut.	Compensate in cash according to market prices of affected plants' types, ages and production values.	The compensation must be equivalent to the value of the plant after harvested if the land is not reclaimed. The replacement price was approved by Thanh Hoa Province People's Committee and ADB.
<b>E. COMMUNITY AND PUBLIC RESOURCES</b>			
Villages, communes, and authorities	Affected public infrastructure	Repair or restore the infrastructure without public costs; or If necessary, replace at identified places as consulting affected communities and other related appropriate authorities without public costs; or Compensate in cash for affected community's properties according to replacement costs.	If it is expected that there is loss of income (i.e irrigation constructions, community's forests, community's pasture), hamlets, villages, communes or districts are entitled to be compensated for losing total production; this allowance is used for common purpose of income restoration and/or new infrastructure.
<b>F. LOSS OF BUSINESS AND SOURCE OF INCOME (NOT BASE ON LAND)</b>			
<i>F.1. Enterprises which relocate and/or rebuild their offices</i>			

Households own a business without tax declaration (do not require certificate of business registration) i.e small business	It is a whole affected construction and must be relocated, or A part is affected construction and must be rebuilt	a/ Give aid in cash for loss of income basing on the regional minimum wages of the province during the time when the business stops running in 3 months. And b/ Compensate in cash for affected constructions according to replacement cost; and c/ support relocation (See part G1) if it is necessary to remove	AP businesses must be informed 2 months in advance to relocate and/or rebuild their new facilities in order to continue running while in resettlement area.
Business owners have their certificates of business registration	It is a whole affected construction and must be relocated, or A part is affected construction and must be rebuilt	a/ Give aid in cash for loss of income. It is equivalent to 30% after tax revenue in 1 year. The annual average after tax revenue is based on previous 3 years' financial reports; b/ Compensate in cash for affected constructions according to replacement cost; and c/ support relocation (See part G1) if it is necessary to remove	
<b>G. RECOVERY SUPPORT</b>			
<i>G.1. Relocation support</i>			
All the affected households that have to relocate	Relocate affected households and/or their business properties and building materials, utilize those properties and materials	a/ Support in cash at least 3,000,000 dong for AP households relocating within province; or Support in cash at least 5,000,000 dong for AP households relocating to other provinces b/ As for the households that have to rent houses due to late resettlement: support under the regulation of the Provincial People's Committee. Note: Not apply for affected households that rebuild in the same plot.	Valid APs are the owners whose their whole constructions are affected or a part of their construction is affected and the rest cannot be used; affected households do not have the rights to divide housing land or replacement houses; renters, businesses and legal land management/usage organizations who must relocate The resettlement area will be designed and built near the affected area and provided with adequate facilities.
<i>G.2. Support living during relocation period</i>			
House owners have to rebuild their houses.	Lose income during the time when their houses are being rebuilt.	- Compensate in cash equivalent to 30 kg of rice/month according to the current market price for each member of the household in 12 months; if the new location is worse, they will be entitled to this allowance in 24 months. In case the owners only rebuild a part of their houses, the support amount is 30 kg of rice/month according to the market price for each member of the household in 3 months.	Along with AP households, the compensation – resettlement committee will determine the rice price at the compensation time in order to calculate the aid value for AP households.
<i>G.3 Repairing support</i>			



Owners possess main constructions with a affected part; and owners possess other affected constructions	Damaged due to break the main construction up, or a part or the whole of the others.	Support in cash for the repairing costs to complete the rest of affected constructions.	Repairing cost is calculated on replacement price for construction regulated in Decision 2830/QD-UBND
<i>G.4 Infrastructure development support</i>			
Construction owners relocate by themselves	Provide them basic infrastructures, i.e. water main, sanitary constructions, etc.	Support in cash equivalent to basic cost of investment in a plot's infrastructures according to the standard in the resettlement area regulated in Decree 69/2009/ND-CP.	Target is to guarantee that those affected households are able to relocate at new place which sufficient basic infrastructure.
<i>G.5 Economic recovery package</i>			
Significant affected households who lose 10% and more production land, more than 10% incomes without legal conditions	Support to recovery their livelihood and incomes after their agricultural land or other means of production.	<p>Affected households directly cultivate on affected land are entitled to:</p> <p>(i) in case they lose from 10 to 30% their affected agricultural land area:</p> <ul style="list-style-type: none"> <li>- support in cash equivalent to 30 kg of rice (according to the current market price at the compensation time)/month for each member of the household in 3 months if they do not relocate, in 6 months if they relocate, and in 12 months if they relocate in an extremely hard-living place;</li> </ul> <p>(ii) in case they lose from over 30 to 50% their affected agricultural land area</p> <ul style="list-style-type: none"> <li>- support in cash equivalent to 30 kg of rice (according to the current market price at the compensation time)/month for each member of the household in 6 months if they do not relocate, in 12 months if they relocate, and in 24 months if they relocate in an extremely hard-living place;</li> </ul> <p>(ii) in case they lose from over 50 to 100% their affected agricultural land area</p> <ul style="list-style-type: none"> <li>- support in cash equivalent to 30 kg of rice (according to the current market price at the compensation time)/month for each member of the household in 12 months if they do not relocate, in 24 months if they relocate, and in 36 months if they relocate in an extremely hard-living place;</li> </ul> <p>and</p>	<p>Compensation – Resettlement Committee will determine the rice price at the compensation time together with affected households so as to calculate the support value for affected households.</p> <p>Give them support and subsidies to guarantee that they can recover their living as before the project starts.</p> <p>The affected people also participate in designing the income recovery program with the assistance of agencies specialized in livelihood/labour and career support.</p>

		<p>The aid allowance in cash or kind will be determined after consulting with valid affected households. The support forms can include, but not limit, encouraging agricultural expansion and non-agricultural career training.</p> <p>and</p> <p>Take part in the project's income recovery program.</p>	
	Support in change their jobs and create job opportunities	<p>Support in cash for career training equivalent to 1.5 compensation value for affected land but not exceed the local agricultural land division limitation.</p> <p>If the affected people ask for career training, the affected people who are at the working age have the right to join free training courses.</p>	<p>The validation will be confirmed while conducting the Detailed Measurement and Survey</p> <p>The AH land areas that are in or adjacent to metropolitan areas or rural localities which were supplementary assisted in cash equivalent to 20% or 40% value of housing land as regulated in Item A.2 will not be received this assistance.</p> <p>Those AHs who lose under 10% agricultural land area are allowed to receive this assistance under the regulations in Circular 69 and Decision 3788 issued by Thanh Hoa PPC.</p>
<i>G.6. Special support for households who are vulnerable to economy and society</i>			
The AP who are vulnerable (poor households, ethnic minority households, the owners are the disabled, the owners are women and their dependants, the owners are the olds or children)	Support the poor and vulnerable households to improve their social and economic conditions.	<p>For the poor households: Support in cash equivalent to 30 kg of rice (according to the current market price at the compensation time)/month for each member of the household.</p> <ul style="list-style-type: none"> <li>- To relocate poor affected households: They are entitled to be awarded the support package in 36 months.</li> <li>- The poor as well as severe affected households (who lose more than 10% their land areas) are entitled to be awarded the support package in 12 months.</li> <li>- For the other poor affected households: are entitled to be awarded the support package in 6 months.</li> </ul> <p>For other vulnerable affected households: give them 2 million dong/household to improve their social and economic conditions.</p>	<p>The valid households are categorized as the vulnerable households by Ministry of Labor, War invalids and Social Affairs' definition.</p> <p>If a household is identified to be included in many categories, it will receive the highest allowance, not sum of all the allowances.</p>
<i>G.7 Award to AP households who relocate as planned</i>			

All the affected households who must relocate	Relocated households	Relocated households that break their construction on the affected land up and relocate as planned will be awarded.	This cash reward will be directly given to the relocated households as soon as they leave.
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## VIII. RELOCATION AND RESETTLEMENT

### A. RELOCATED HOUSEHOLDS

123. On the main canal area, there are 117 households in 04 communes with affected houses and auxiliary works need relocation or reconstruction of houses on the rest land. Among these households, 19 have to relocate and 28 have to reconstruct the houses.

Table VIII-1: Households with main houses and architectural structures affected and relocated Households

No	Commune	Total affected household	Relocated HH	AHs with house rebuilt on remaining land	AHs with affected houses and construction works
1	Nguyet An	430	12	6	64
2	Kien Tho	195	2	15	6
3	Phung Giao	60	5	1	14
4	Phuc Thinh	545	0	6	13
Total		<b>740</b>	<b>19</b>	<b>28</b>	<b>117</b>

(Source: DRC's DMS results, Sep 2014)

### B. RELOCATION NEEDS AND ARRANGEMENTS

124. For relocated households, several many resettlement alternatives plans were made for them to choose from in the consultation events in March 2014: (a) self-relocate to another plot of land of the same household, (b) move to a plot that selected by the affected Households, (c) moved to a plot for interwoven resettlement allocated in the residential areas of the commune / district, or (d) move to a concentrated resettlement area. The households selected options and it was confirmed in the group discussion meetings with local authorities about relocation and resettlement requirement including ethnic minority households.

125. Relocation alternatives: there are 47 relocated HHs among which 28 HHs to be relocated to another place and 19 HHs relocate in the same land lot. The consultation result showed that all 47 households wanted to receive compensation in cash and relocate themselves for suitable living. No HHs wishes to receive compensation of "land for land". The main reasons are: (i) they want to buy the land in accordance with their condition; (ii) the land lots alternated in residential areas are not suitable for them; (iii) the HHs want to build new and better houses rather than buying other pieces of land; (iv) At present, the sale & purchase buy of land is not difficult, the price of land in rural area tends to decrease and getting money to buy the land will be more benefit for locals.

126. Resettlement land arrangements: Because all the affected HHs wanted to receive land compensation in cash, the concentrated resettlement zone is not arranged in the project. Local authorities shall support the affected HHs to register the land use right.
127. All the remaining HHs who that have to relocate shall receive allowances as per the Entitlement Matrix of the project.

## IX. INCOME RESTORATION AND SPECIFIC ACTION PLAN FOR ETHNIC MINORITY PEOPLE

### A. INCOME RESTORATION FOR SEVERELY AFFECTED HOUSEHOLDS

#### Socio economic conditions of severely affected households:

128. The socioeconomic survey indicated that about 90% of the heads of households work in farming. The main income sources are rice farming, rubber tree planting, sugarcane growing and animal husbandry, which means that SAHs' primary income source is production land. Occupation structure and distribution of income sources of SAHs are shown in Table IX-1 and IX-2 below.

Table IX-1: Occupation structure of heads of SAHs

*Unit: HH*

Major job	Total SAHs	Kiên Thọ Commune	Nguyet Ân Commune	Phúc Thịnh Commune	Phùng Giao Commune
Agriculture	388	74	244	39	31
Husbandry	4	0	4	0	0
Trade/services	6	1	5	0	0
Workers in factories/ enterprises	1	0	1	0	0
GoV officers/ staff	6	2	3	1	0
Professional worker (bricklayer, woodworker, driver....)	0	0	0	0	0
Retired, subsidiary	5	0	4	0	1
Unemployed	0	0	0	0	0
Housework	0	0	0	0	0
<b>Total</b>	<b>410</b>	<b>77</b>	<b>261</b>	<b>40</b>	<b>32</b>

*(Source: Updated SES results)*

Table IX-2: Distribution of income sources of severely affected households

*Unit: HH*

Commune	Income source from agri. jobs (100%)	Income source from non-agricultural jobs (100%)				Mixed sources from agri. and non-agri. jobs		Total
		Skilled worker	Salary	Social welfare	Trade/ services	> 50% from agri. jobs	> 50% from non- agri. jobs	
Nguyệt Ân	-	-	-	1	2	5	69	77
Kiên Thọ	9	-	1	1	-	78	172	261
Phùng Giáo	-	-	-	-	-	15	25	40

Commune	Income source from agri. jobs (100%)	Income source from non-agricultural jobs (100%)				Mixed sources from agri. and non-agri. jobs		Total
		Skilled worker	Salary	Social welfare	Trade/ services	> 50% from agri. jobs	> 50% from non- agri. jobs	
Phúc Thịnh	-	-	-	-	-	14	18	32
Total	9	0	1	2	2	112	284	410

(Source: Updated SES results)

### Income restoration needs of severely affected households

129. According to the results of consultations and survey on income restoration needs of severely affected households in the 4 communes in 2014, the severely affected households would like to receive support from the Project to restore their livelihood when the state acquires their land for the Project as follows:

- i. Providing technical support in: cultivation of crops (high quality rice, sugar-cane); animal husbandry;
- ii. Providing in-kind support partially for breeding livestock, or crops variety;
- iii. Providing priority access to credit with preferential interest from bank for poverty reduction or agriculture and rural development bank to develop their production activity;
- iv. Vocational training: Provide support to AHs' working-age members to be trained for professional skills and to find jobs in district, province or labour export. 50 AHs registered for vocational training in sewing, repairing televisions, repairing motorcycles, carpentry, crafts
- v. Support for rehabilitation of rural infrastructure (including roads, power, and irrigation) for socio-economic development of the community.

Table IX-3: Income restoration needs of severely affected households

Unit: HH

No	Commune	Cultivation	Animal husbandry	Cultivation & animal husbandry	Develop small business	Rice support	Vocational training <sup>1</sup>	Job introduction	Total
1	Kiên Thọ	4	2	51	4	-	7	4	61
2	Nguyệt Ân	45	32	86	4	-	39	17	167
3	Phúc Thịnh	1	1	39	1	-	1	-	42
4	Phùng Giáo	1	1	31	1	-	3	-	34
<b>Total</b>		<b>51</b>	<b>36</b>	<b>207</b>	<b>10</b>	<b>0</b>	<b>50</b>	<b>21</b>	<b>304</b>

Note: <sup>1</sup> some households have needs for both vocational training, job introduction and others such as cultivation support, etc. Therefore the number of households in this column is not calculated in the Total column.

130. Evaluation of status of income restoration resources:

#### Challenges to income restoration and rehabilitation:

- 1) Low education level: the average level of education of the affected households is 7.6/12, i.e., non-completion of secondary school. This is an obstacle for households to participate in programs about vocational training, agricultural

extension, transfer of science and technology in production, as well as use of the project's compensation and support in the most effective way to enhance their livelihood.

- 2) Social infrastructure for irrigation, transportation, market, and other services has not fully developed. Previously, agricultural production depends mainly on rainwater, which caused unstable and low-productivity production, low rice yield and difficulties for people's lives.
- 3) Technical services and livestock production: Agricultural extension is present but weak in the project area. Mass organizations, with few exceptions, are also weak. There are however institutional resources outside the project area: technical assistance for mountain agriculture at national level, vocational training centers in the district or province. The system of veterinary services centers has not been developed, thus, will hinder the development of livestock husbandry and affect the development of livestock and poultry herb in the area.
- 4) Financial resources: According to the survey results, the average income of households in the project area communes is about VND446,000 per person which is only enough for households' daily expenditure and no savings. Therefore, financial resources for development is limited.
- 5) Agricultural production: Rice and sugarcane are the two major crops in the affected communes. The locals believe that crop yield increase will contribute to increase in their income.

**Advantages for the implementation of the income restoration program:**

The State's key highlighted programs has been implemented in the project area will bear external positive impacts on the income rehabilitation program of the affected communities. The program is as follows:

Table IX-4: Supportive resources for the income restoration program

Program Name	Major activities
Program 135	Investment in infrastructural development, production expansion in severely underprivileged communes
Poverty alleviation and hunger eradication	Loans of VND 5-7 million per household from social banks
Program 134	New houses for poor ethnic minority communities
Program 139	Healthcare for the poor
Vocational training for rural workers by 2020	Job creation, contribution to employment and labor restructuring and economic structure, serving the industrialization and modernization of agriculture, rural development
Agricultural extension	Subsidized hybrid maize seed, training skills in sugarcane cultivation
Preferential credit	Credit for cattle raising

(SourceSources: SES results, project documentation).

131. Cash/in-kind support: Depending on the degree of impact on each household, the SAHs on the main canal are entitled to benefits like the affected households on the North and South Main Canal.

Table IX-5: Thresholds for in-kind/cash allowances for income restoration implementation



Proportion of land area acquired	Threshold for in-kind/cash support
> 70% of agricultural land is acquired	support in kind/cash equivalent to 15 MVND per AH
> 50% - 70% of agricultural land	support in kind/cash equivalent to 10 MVND per AH
> 30% - 50% of agricultural land	support in kind/cash equivalent to 4 MVND per AH
10% - 30% of agricultural land	support in kind/cash equivalent to 1.5 MVND per AH

Source: REMDP2

132. The feasible activities of the income restoration and rehabilitation program for SAHs are summarized in the Table below.

Table IX-6: Recommended activities for income restoration and rehabilitation

Key options of SAHs	Recommended activities
Agricultural production development	<ul style="list-style-type: none"> <li>- Agricultural technical support</li> <li>- Cash/in-kind support for agricultural production continuation</li> <li>- Assistance in access to preferential credit/loan</li> </ul>
Agricultural service development	<ul style="list-style-type: none"> <li>- Assistance in access to preferential credit/loan</li> <li>- Study tours</li> </ul>
Vocational training for job change	<ul style="list-style-type: none"> <li>- Coordinating with vocational center in Ngoc Lac district to provide vocational training courses for SAHs who opt for the job training</li> <li>- Integrating the training program of the Government's proposal 1956 and applying the provisions of Decision 52/QĐ-TTg/2012 of the Prime Minister to provide eligible SAHs with training courses.</li> </ul>
Employment recommendation	<ul style="list-style-type: none"> <li>- Priority to introducing to AHs with matching skills and education level appropriate jobs from enterprises in need of staff in the districts and province</li> <li>- Priority to SAHs' participation in province or district's programs for labour export</li> <li>- Priority to employing SAHs for unskilled jobs in civil works packages in the project if satisfactory</li> </ul>
Handicraft village development	<ul style="list-style-type: none"> <li>- Priority to investing in infrastructures (road and power) to help handicraft villages to develop, decrease its dependence on agriculture.</li> </ul>

### **Organization and monitoring the implementation of income restoration and rehabilitation plan**

133. The income restoration and rehabilitation program must be updated elaborately and submitted to competent bodies for approval and implementation. Its implementation will be integrated into the income restoration program under RPs in Ngoc Lac district.

134. Monitoring framework of IRP: Recommendations for adjustments to the IRP shall be mentioned in periodic monitoring reports if deemed necessary. The outcomes of the IRP shall be evaluated and reviewed for application to other projects.

Table IX-7: Monitoring framework for activities of the Income Restoration Program on the Main Canal

No	Activity	Description	Method of Measurement	Test Method
1	Vocational training and job placement	Vocational knowledge and skills are improved Giving people support in finding jobs	Quantity of attendants Skills that attendants are trained after the courses and attendants' capabilities to get new jobs. Number of trainees who get new jobs. Income from the new jobs.	- Attendants List - Consulting with vocational schools and trainees. - Training contracts
2	Contents of agricultural development	Providing sustainable livelihood methods to the severely affected households who have adequate conditions and motivation to conduct the pilots; Improving income of the households that still have agricultural land and have simple agricultural income; Immediately creating jobs for households which depend on agriculture.	Economic effects: additional incomes from the rest land areas, profit/costs Income/month; saving costs The success of the pilot (increased income, practical experience and lessons) Number of household members attending the program.	Conducting surveys and interviews with severely affected households.  Organizing conference to summary the activity and learn from experience.
3	Technical training on agricultural production, participating in pilot models.	Providing the seriously affected households with: (i) technical training classes to successfully implement agricultural production pilots; (ii) participation in agricultural production pilots.	Quantity of training classes, workshops and visits Quantity of attendants Skills that attendants are trained after the activity	Consulting with DRITs and CRITs Interviewing severely affected households
4	Creating jobs for unskilled workers who are members of severely or vulnerably affected households	Members of severely or vulnerably affected households who are unskilled workers look for common work	Number of people are offered jobs working for contractors of the Northern Chu and Southern Ma Rivers Irrigation System Project	Consulting with DRITs, PPMU, DPC,DARD, Irrigation Project Management Unit no 3. Interviewing severely affected households

135. Activities of career training for job changing and agricultural extension in the Livelihood Restoration Program are inserted in the vocational training program for rural labors according to the Decision 1956/QĐ-TTg by the Prime Minister, Decree no 02/2012/ND-CP by the Government and the Circular no 15/2013/TT-BNN&PTNT as well as cost estimates on agricultural extension provided by Tho Xuan and Ngoc Lac districts. The cost estimate for income restoration is described in the table below.

Table IX-8: Cost estimate and responsibilities for implementing the Livelihood Restoration of the Main Canal

	Contents	Unit	Average unit price	Quantity of households	Amount (VND)	Implementing agencies
1	Vocational training	Person	3.000.000	50	150.000.000	DIRIT
2	Training on feeding and planting	Person	400.000	294	117.700.000	DIRIT
3	Supporting by assets for households losing over 70% of their agricultural land	House hold	15.000.000	03	45.000.000	DIRIT
4	Supporting by assets for households losing from 50% to 70% of their agricultural land	House hold	10.000.000	139	139.000.000	DIRIT
5	Supporting by assets for households losing from 30% to 50% of their agricultural land	House hold	4.000.000	107	428.000.000	DIRIT
6	Supporting by assets for households losing from 10% to 30% of their agricultural land	House hold	1.500.000	161	241.500.000	DIRIT
7	Expenses on management and activities of agencies implementing the livelihood restoration program	%		5	321.115.000	Submit to the competent level for approval
8	Contingencies	10%		5	309.115.000	
	<b>Total</b>				<b>1.751.430.000</b>	

(Source: REMDP2)

Note: This table is generally based on result of the survey on the need of livelihood of severely affected households. While conducting the program, it is a must to update the Livelihood Restoration Program and submit to the competent level for approval in advance.

## B. SPECIFIC ACTION PLAN FOR EM HOUSEHOLDS

136. Activities that help mitigate negative impacts of the project and boost benefits for EM communities are proposed in the following table:

Table IX-9: Livelihood Restoration activities for EM households

Identified risks	Methods	Scale of support and organization
1. EM households who have affected land, houses and other structures.	<b>Activity 1.</b> EM household who are affected will be compensated and supported as policy framework on compensation and assistance of the project. No EM household will move without support from the commune where they are living.	-All 461 EM affected household in 4 communes.
2. Risk of being difficult to recover Affected households' livelihood, including EM households.	<p><b>Activity 2.</b></p> <ul style="list-style-type: none"> <li>- Implementing livelihood restoration program: Organizing training courses that provide/transfer knowledge to apply new techniques on cultivation, buffalos and cows feeding (including reproductive cows and cows bred in cowsheds) and pest control.</li> <li>*Transferring knowledge on several non-agricultural careers as required by the EM affected communities in the communes.</li> <li>*Providing food support for seriously Affected households.</li> </ul> <p><b>Activity 3.</b></p> <ul style="list-style-type: none"> <li>- EM affected households are supported 2 million dong/household</li> <li>- Consulting EM affected households.</li> </ul> <p><b>Activity 4. Support to improve the EM communities' lives</b></p> <ul style="list-style-type: none"> <li>+ Affected people receive several special assistances from EMDP on supplying domestic animals and plants.</li> <li>+ Severely Affected households (who have to relocate) may be given buffalos, cows or breeding pigs.</li> <li>+ Improving the short inter-hamlet roads between Phuc Thich and Kien Tho.</li> <li>+ Building a house of culture for 1 EM affected hamlet in Nguyet An commune.</li> <li>+ Buying strong-boxes for archiving documents (in Phuc Thinh commune), buying amplifiers, radio and speaker, tables and chairs for the houses of culture for hamlets of Phung Giao commune.</li> <li>+ Drawing up a training program on cattle and poultry breeding and disease prevention for domestic animals.</li> <li>+ Visiting typical pilots on economic development household in and out of the province.</li> <li>+ Training on non-agricultural careers.</li> </ul>	<ul style="list-style-type: none"> <li>-Affected EM households</li> <li>- CPC, District and Provincial compensation and resettlement committees, Affected households and supply services.</li> </ul> <ul style="list-style-type: none"> <li>- EM affected households +4 CPCs, RP-RPMU CWU/ Farmer Union</li> </ul> <ul style="list-style-type: none"> <li>-EM communities in 4 communes and affected households.</li> <li>- Ngoc Lac DWU.</li> <li>- RP-PMU, Ngoc Lac DRC</li> </ul>
3. Dust and risk of environment pollution due to construction activities	<b>Activity 5.</b> The Contractor must implement mitigation methods as required in the contract under the supervision of the Monitoring Consultant.	Contractor, Monitoring Consultant, PPMU, ICB3
4. Risk of spreading diseases in the community living	<b>Activity 6.</b> Conducting communication campaign on environment protection in the communes.	DWUs and CWUs are responsible for organizing and managing – local

along the canal.		people participate in.
5.Risk of spreading HIV/AIDS and drug addiction from construction workers to local people.	<b>Activity 7.</b> Fostering the management of the contractor's staff and construction workers as well as dissemination of the information to them.	+ Contractor, PPMU
6. The compensation and resettlement assistance for each household are unreasonably spent and possibly the men will control the entire amount by themselves.	<b>Activity 8.</b> - Giving households instructions on managing the compensation and allowances through training courses and talk shows. - Raising awareness of gender equality through several workshop.	- DWUs and CWUs
7.Risk of accidents for adults and children while the canal and the road on the right of the canal are under construction.	<b>Activity 9.</b> Applying methods to guarantee labor safety as regulated in the contract under the control of the Supervision Consultant - Installing signs, pickets, barriers, etc	Contractor, Supervision Consultant, PPMU
8. Risk of traffic accidents after the road is used.	<b>Activity 10.</b> Giving local children and people instruction on highway traffic laws	Local authorities

137. Expense for EMDP: Among above activities, building houses of culture in hamlets where EM communities are living is to help the heads of those hamlets organize consultation meetings with the community more effectively. Amplifiers, radio and speakers are used to help them invite local people to the meeting more easily. They can speak through the speakers instead of coming into every house. In addition, thanks to those equipment and facilities, cultural activities can be more easily organized every year.

Table IX-10: Cost estimate for EMDP

	Content	Unit	Quantity	Unit price (VND)	Amount	Note
1	Giving direct support to EM Affected households in the Livelihood Restoration and Improvement Program	House hold	461	2.000.000	922,000,000	Implementing in the Compensation plan
2	Support on livelihood restoration and infrastructure improvement					
<b>a</b>	Providing reproductive cows to households who must relocate	House hold	12	20,000,000	240,000,000	Making cost estimates and submit to the competence levels for approval before conducting
<b>b</b>	Providing breeding pigs or chickens to the rest Affected households	House hold	449	1,000,000	449,000,000	Making cost estimates and submit to the competence levels for approval before conducting
<b>c</b>	Upgrading the inter-hamlet road in the EM hamlet Kien Tho (width: 3.5m, thickness: 20cm, performance concrete: 200)	m3	250 m3	1,042,000	260,500,000	The local authorities submit procedure to the competence levels for approvals before conducting
<b>d</b>	Upgrading the inter-hamlet road in Bao hamlet, Phuc Thich commune (length: 500m, width: 3.5m, thickness: 20cm, performance concrete: 200)	m3	250 m3	1,042,000	260,500,000	The local authorities submit procedure to the competence levels for approvals before conducting.

<b>e</b>	Hỗ trợ xây dựng nhà họp cộng đồng thôn Đồng Thuận, xã Nguyệt Ân	house	1		450,000,000	The local authorities submit procedure to the competence levels for approvals before conducting.
<b>g</b>	Buying repeaters, TVs, radios and speakers, tables and chairs for houses of culture in Tin Thanh hamlet, Team 3, Phung Giao commune where has a lot of EM households and in Dong Thuan hamlet, Nguyet An commune	hamlet	2	30,000,000	60,000,000	Buying goods in accordance with Vietnam law on Procurement
<b>h</b>	Buying iron cupboards to archive documents and books for Bao hamlet house of culture (Phuc Thinh commune)	Cupboard	4	3500,000	14,000,000	Buying goods in accordance with Vietnam law on Procurement
	<b>Total 1</b>				1,534,200,000	= USD 71,692,000 The allowance 2 million dong/EM household is not included
<b>3</b>	<b>Training courses/visits to successful pilots</b>					
<b>a</b>	Training and transferring gac fruit planting techniques, intensive farming techniques on sugar cane and rice; training on cattle and poultry breeding (1 course for each commune Phung Giao and Phuc Thinh, 3 courses for Nguyet An, 2 courses for Kien Tho). Every course lasts 1 day; 100 students/course	course	7	7,500,000	52,500,000	Making cost estimates and submit to the competence levels for approval before conducting
<b>b</b>	Training on genders and holding talkshows on reproductive health care, environment protection, HIV prevention (1 course on genders and 8 courses on environment and canals protection for each commune)	course	8	3,000,000	24,000,000	Making cost estimates and submit to the competence levels for approval before conducting
<b>c</b>	Organizing EM households to visit successful pilots outside the province in 2 days (Cost: Nguyet An: 80 million, Kien Tho and Phuc Thinh: 45 million/commune); Phung Giao: 35 million)	commune			205,000,000	Making cost estimates and submit to the competence levels for approval before conducting
<b>d</b>	Building successfully economic EM household pilot in 4 communes, in Nguyet An: 2 pilots, 1 pilot in each other commune.	pilot	5	15,000,000	75,000,000	Making cost estimates and submit to the competence levels for approval before conducting
<b>e</b>	Giving instructions on managing compensation effectively (2 classes in Nguyet An and 1 course for each other commune)	course	5	3,000,000	15,000,000	Making cost estimates and submit to the competence levels for approval before conducting
	Training on highway traffic law (2 classes in Nguyet An and 1 course for each other commune)	course	5	3,000,000	15,000,000	Making cost estimates and submit to the competence levels for approval before conducting
	<b>Coordinator of the EM groups</b>	year	2	40,000,000	80,000,000	Making cost estimates and submit to the competence levels for

						approval before conducting
	<b>Total 2</b>				<b>466,500,000</b>	= USD 21,799
	<b>Monitoring and evaluation were calculated in the expense for RP</b>					<b>Were included in Resettlement Expense</b>
	<b>Sub total 3 (sub 1+Sub 2)</b>				<b>2,000,700,000</b>	= USD 93,490
	Contingency	%	5		100,035,000	= USD 4,675
	<b>Sub total 4</b>				<b>2,100,735,000</b>	= USD 98,165
	Managing and operating the plan	%	5		105,036,750	= USD 4,908
	<b>Total budget for EM plan 2</b>				<b>2,205,772,000</b>	= USD 103,071,000
	<b>Total budget excluding Gender program</b>	<b>VND</b>			<b>2,205,772,000</b>	
	<b>Exchange rate: 1 \$= 21.400 VND</b>	<b>USD</b>			103,071,000	

## X. BUDGET FOR REMDP

### Source of capital

138. The government arranged enough capital for compensation, allowance and resettlement for the main canal.

### Cost estimate on compensation and allowances

139. According to compensation and allowance policies mentioned in this REMDP and real prices of all types of affected assets, RP-PMU made cost estimate on compensation for the subproject with a total budget of 107.180.778.259,0 dong (5.008.447,0 USD), which includes compensation for affected assets; livelihood restoration cost (1751430000,0 dong), cost for implementing EM development plan (2,205,772,000 dong) management cost and contingency cost (5%). Sum of compensation, allowance and resettlement costs are described in the table below:

Table X-1: Cost estimate on compensation and resettlement assistance for the subproject

No	Item	Unit	Weight	Total (dong)	Note
<b>I</b>	<b>Land</b>		<b>570290</b>	<b>35918846296</b>	
1	Housing land	m2	76533	22016885600	
2	Garden land	m2	54681	1803928140	
3	Agricultural production land	m2	353012	11250086352	
4	Forestry production land	m2	74131	370653500	
5	Pond land	m2	11933	477292704	
<b>II</b>	<b>Houses and structures</b>			<b>18386905778</b>	
1	House		6201	10536685009	
	House level 2	m2	773	2253645800	
	House level 3	m2	1375	3616837014	
	House level 4	m2	4053	4666202195	
2	Other structure			7850220769	
<b>III</b>	<b>Plants and farm products</b>			<b>6162460241</b>	
1	Plants	tree		2318095608	
2	Farm products (rice, corn, sugar cane, cassava ,etc)	m2	514444	3844364632	
<b>IV</b>	<b>Allowances</b>			<b>35355891249</b>	
1	Allowance for garden land which is not recognized as housing land	m2	54681	3348621180	
2	Allowance for career training and job change	household	410	16073556320	
3	Allowance for agricultural land in residential quarter			3538634009	
4	Allowance for stabilizing the households' lives	household	410	5227728750	
5	Allowance for public land of the communes	m2	50831	619809650	
6	Allowance for contract land of the farm	m2	98880	271227250	
7	Allowance for business	household	2	9900000	
8	Allowance for transition	household	54	764232000	
9	Allowance for relocation	household	19	57000000	
10	Allowance for vulnerable households		663	3129018490	



	1. EM:	household	461	922000000	
	2. Poor	household	86	1975018490	
	3. Women	household	161	322000000	
V	<b>Total (I-IV)</b>			<b>95824103564</b>	
VI	<b>Expense for EMDP</b>			2205772000	
VII	<b>Expense for livelihood restoration program</b>			1751430000	
VIII	<b>Total (IV-VII)</b>			99781305564	
IX	<b>Cost for managing and implementing REMDP</b>		2% (V+VI+VII)	1995626111	
X	<b>Monitoring cost</b>			300000000	
XI	<b>Total (VIII+IX+X)</b>			102076931675	
XII	<b>Contingency</b>		0.05	5103846584	
XIII	<b>Cost estimate for REMDP</b>			<b>107180778259</b>	

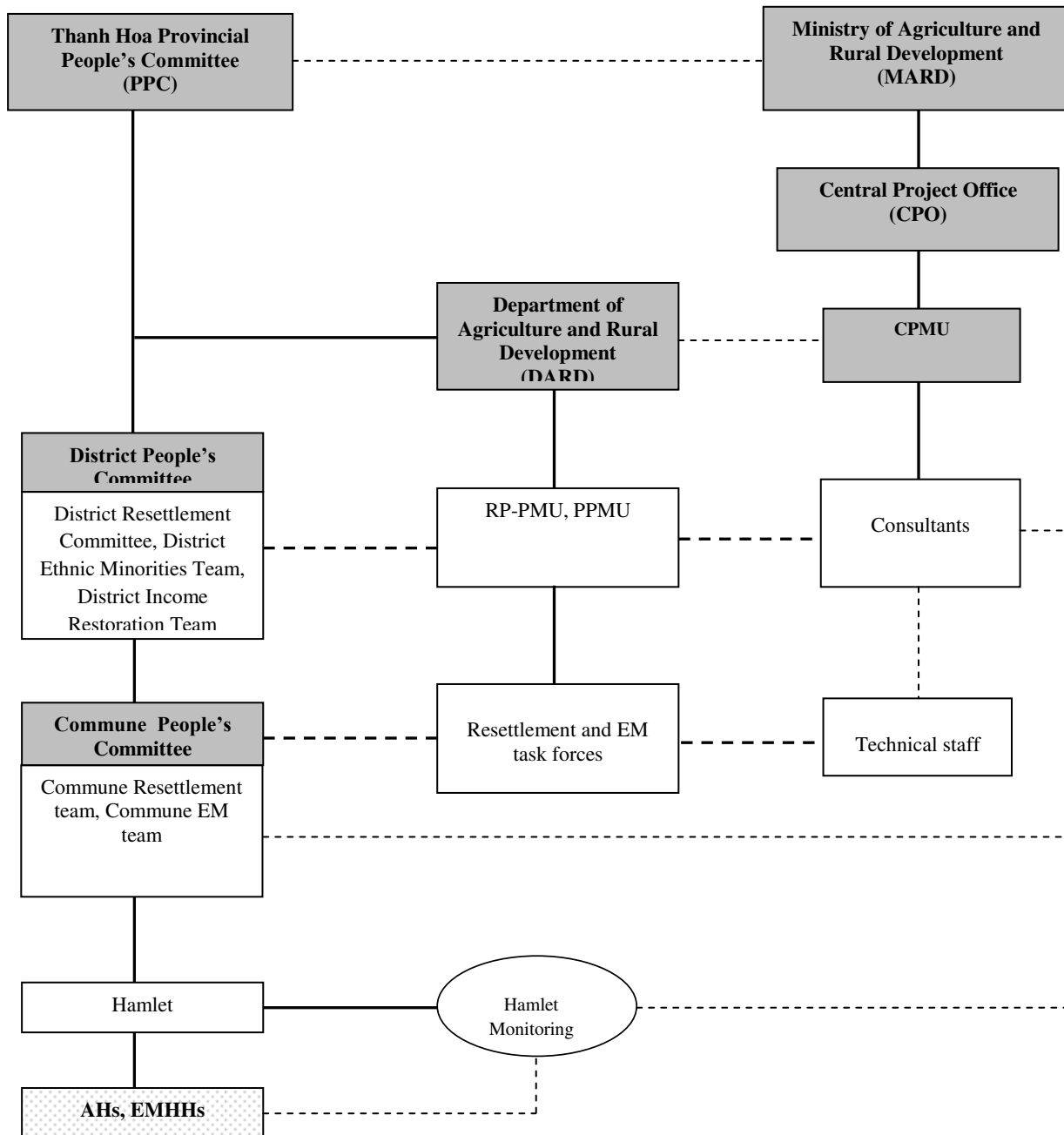
(Source: DMS results and Compensation plan, DRCs, September 2014)

## XI. INSTITUTIONAL ARRANGEMENTS

140. This Section describes the institutional framework for the implementation of the REMDP and presents an indicative implementation schedule. Implementation of the resettlement plan requires the participation of relevant agencies from the Central to local district, and commune level. The Executing Agency has the overall responsibility for implementation of the RPs and EMDPs is Thanh Hoa PPC.

141. REMDP implementation organizational frame-work

Figure XI-1: Organizational framework



## A. CENTRAL LEVEL

### **Ministry of Agriculture and Rural Development (MARD)**

142. MARD has delegated responsibility of the Executing Agency to a Central Project Management Unit (CPMU) within MARD's Central Project Office (CPO). The CPMU comprises full-time qualified and experienced staff of CPO. Project implementation consultants will assist the CPMU in following tasks.

#### **CPMU**

143. The CPMU is responsible for:
- (i) Provide overall management and coordination of the project;
  - (ii) Liaise with Implementing Agency to carry out all project components;
  - (iii) Coordinate with ADB in providing resettlement consultant, social consultant services for the project;
  - (iv) Support DARD and its relevant units including RP-PMU and PPMU for updating RPs and EMDPs/GAP of the project's components;
  - (v) Consolidate project progress reports on land acquisition and resettlement submitted by the RP-PMU for relevant ministries and ADB;
  - (vi) Consolidate project progress reports on the implementation of EMDP/GAP submitted by the PPMU for relevant ministries and ADB; and
  - (vii) Recruit and supervise the external independent organisation (or consultants) for external resettlement monitoring.

## B. PROVINCIAL LEVEL

### **Thanh Hoa PPC:**

144. The PPC is responsible for issuing all decisions and approvals relating to the implementation of RP and EMDP/GAP and grievance redress. The PPC will direct the DPCs and other related departments or organizations to provide resources for implementation of the RP and EMDP.

### **Thanh Hoa DARD:**

145. Thanh Hoa DARD established the Management Unit for the Land Acquisition, Resettlement and Compensation of Northern Ma-Southern Chu rivers irrigation system Project (RP-PMU) to support to Director of DARD to direct relevant local authorities to implement land acquisition activities and RPs for the Project. Activities of implementation and monitoring EMDP, GAP will be assigned to PPMU. However, in order to ensure the linkage in implementation of project's EMDP and RP, a member of RP-PMU will be assigned by PPMU to participate into EMDP implementation monitoring committee. RP-PMU and PPMU will oversee and support all activities of DRCs and DWUs, CPCs and other social organizations (if employing) to implement RP and EMDP within the area of project communes.

## **RP-PMU**

146. The RP-PMU has been assigned to oversee all activities of District Resettlement Committees (DRCs) in regard to the implementation of the RP. The RP-PMU is responsible for:
- (i) Updating RPs as per phasing and sequencing agreement for the project components;
  - (ii) Coordinating with relevant parties to resolve problems relating to REMDP;
  - (iii) PPMU undertakes to provide compensation and assistance allowances on time to implementing REMDP.
  - (iv) Performing and preparing reports on internal monitoring.
  - (v) Giving instructions on Income Restoration Program to districts.

## **PPMU**

147. PPMU has responsibilities for:
- (i) Closely coordinating with RP-PMU to support the management board of Income Restoration Program in developing and checking it carefully before submitting it to the CPC;
  - (ii) Performing the approved Income Restoration Program and tightly cooperate with District Income Restoration Team (DIRIT) and Commune Income Restoration Team (CIRIT);
  - (iii) Preparing reports on implementing Income Restoration Program then submitting them to Thanh Hoa DARD/CPMU.
  - (iv) Performing tasks on Ethnic Minorities Development under REMDP and Gender Action Plan within the project area with following activities:
  - (v) Monitoring the publication of plans and important information to relevant agencies and ethnic communities timely and properly during the project.

### **C. DISTRICT LEVEL**

#### **District People's Committee (DPC)**

148. Ngoc Lac DPC is responsible for the following:
- (i) Establish District Resettlement Committee (DRC) in order to implement land clearance and resettlement activities, and establish District Income Restoration Team;
  - (ii) Direct CPCs and relevant organizations on land clearance, compensation and resettlement activities as well as activities on Ethnic Minorities and Gender;
  - (iii) Approve Compensation plans and detailed Income Restoration Plan;
  - (iv) Monitor the implementation of Resettlement Plan in the district;

#### **District Resettlement Committee (DRC)**

149. DRC's primary responsibilities include:
- (i) Openly publicizing information and other documents on the project; ensuring that all the AHs comprehend land acquisition process.
  - (ii) Making plans and carrying out detailed measurement, drawing up Compensation plans submitted to DPC for approval and compensation payment.

- (iii) Identifying severe and vulnerable AHs, making plans and employing restoration methods for those AHs.
- (iv) Coordinating with the communes to identify the resettlement zone and new arable land for AHs if required.
- (v) Assisting in settling grievance of the AHs.
- (vi) Assisting in independent monitoring consultation while monitoring resettlement in the region.

### **Commune People's Committee (CPC)**

150. CPC's responsibilities include:

- (i) Assigning commune staff to support and participate in RDC, RP-PMU, and PPMU while updating and implementing REMDP;
- (ii) Assisting in publicizing information and other public documents of the project so as to ensure that affected people thoroughly comprehend the compensation and land clearance procedure;
- (iii) Identifying replacement land area for affected households if necessary;
- (iv) Signing on Detailed Measurement Records;
- (v) Assisting in grievance redress; and
- (vi) Proactively taking part in all activities relating to resettlement, ethnic minorities and genders action plan;
- (vii) Establishing Commune Income Restoration Team; and
- (viii) Participating in all activities of Income Restoration Program.

### **D. CONSULTANT**

151. Project Management Consultants: Consultants will support the Central Project Management Unit (CPMU) in updating and implementing REMDP and coordinate with CPMU and RP-PMU in organizing education and intensive abilities training courses for DRC's staff.

### **E. INSTITUTION AND CAPACITY IMPROVEMENT**

152. Improving abilities of local staff who undertake the resettlement plan: RP-PMU and DRC have experienced in applying the land acquisition and resettlement procedure in accordance with the Government's regulations. However, these units lack experience in apply supplementary requirements to match with ADB's policies on obligatory resettlement, particularly in preparing and updating Resettlement Plans in accordance with ADB's regulations, consultation, information publication and external monitoring processes.

153. Improving abilities of authorities and representatives of ethnic minorities groups to (i) resolve ethnic minorities' problems in the project area; (ii) create favourable conditions for them to carry out activities of Ethnic Minorities Plan more efficiently.

## XII. IMPLEMENTATION SCHEDULE

### A. IMPLEMENTATION SCHEDULE FOR RESETTLEMENT

154. The implementation process of Resettlement Plan is as follows:

- (i) **Establishment of District Resettlement Committees (DRCs).** DPCs set up DRCs and assigned duties for relevant units and organizations. **Done.**
- (ii) **Capacity strengthening for local staff.** Training courses on ADB's non-voluntary Resettlement Policy for staff of RP-PMU DRC and CPCs were organized by society and resettlement specialists from PMC. **Done.**
- (iii) **Delivery of acquired land:** After the technical design had been approved, the Employer and the Consultant handed over the acquired land area to RP-PMU under Thanh Hoa DARD and Ngoc Lac DRC. **Done.**
- (iv) **Information disclosure before DMS:** Before applying Detailed Measurement System (DMS), RP-PMU along with local authorities in districts and communes disclosed information of the project to people living in the project area. The information was broadcasted through **local public loudspeaker** and other media such as radio, newspaper, television, flyers and documents on the project, the resettlement policy and the grievance redress mechanism. **Done.**
- (v) **Detailed Measurement System (DMS):** DMS was conducted by the DRCs with the assistance of commune land surveyors, the participation of affected people and representatives of affected households. **Done.**
- (vi) **Preparation of Income Restoration Plan. The need of income restoration of severe AHs was evaluated.** IRP and relocation plan were prepared and involved consultation with affected people and relevant agencies. Livelihood activities and their cost estimates were proposed. **Done.**
- (vii) **Preparation of compensation and assistance alternatives.** Basing on measurement results and approved replacement prices, DRCs suggested compensation and assistance alternatives for **all affected people and their properties.** Compensation plan for each household consists of types of affected properties and compensation and assistance allowances. AHs checked and signed to confirm. **Done.**
- (viii) **Submission of REMDP to PPC and ADB.** The draft REMDP was submitted to CPMU. The final one will be submitted to Thanh Hoa PPC and ADB to be approved.
- (ix) **Uploading on ADB's website.** REMDP which is approved by PPC and ADB will be posted on ADB's website.
- (x) **Implementation.** Compensation and assistance allowances will be directly paid for AH under the supervision of representatives of DRCs, commune authorities and representatives of AHs.
- (xi) **Founding DIRIT and CIRIT.** Done.
- (xii) **Conducting Income Restoration Program.** Combined with Income Restoration Program currently in Ngoc Lac district under Southern and Northern main canals.

155. The tentative implementation schedule for the major activities is presented below.

Table XII-1: Implementation Schedule for the REMDP

<b>Activities in Resettlement and Ethnic Minorities Plan</b>	<b>Timeline</b>
Conducting Detailed Measurement and preparing for REMDP	Done
Submitting REMDP to PPC and ADB	Late December 2014
Disclosing approved REMDP2 to local authorities and AHs.	January 2015
Conducting REMDP	Late January – February 2015
Starting carrying out packages under REMDP	April 2015
Building and implementing detailed Income Restoration Program	Combine with REMDP2
Conducting Ethnic Minorities Action Plan	From May 2015
Internal monitoring (Report progress quarterly)	From April 2015
Independent monitoring (periodly)	From June 2015

#### B. IMPLEMENTATION SCHEDULE FOR ETHNIC MINORITY ACTION PLAN

156. Ethnic minorities action plan is carried out as a separate program. Table XII-2 presents plans for implementing main stages, time marks that impact the project, activities in REMDP MC and management as well as monitoring and evaluating the ethnic minorities action plan for communes within REMDP MC. Some activities were added into REMDP MC.

Table XII-2. Implementation Schedule For Ethnic Minority Development Plan

		Year	2015				2016				2017					
			Quarter	1	2	3	4	1	2	3	4	1	2	3	4	
Activities	Responsible	Description														
+ Carrying out compensation for affected assets and preparing for the Livelihood Restoration Program	District compensation and resettlement committee															
+ Conducting livelihood improvement activities, supporting 2 million dong for each ethnic affected households.	CPCs with the help of CWUs and District compensation and resettlement committees' staff	District compensation and resettlement committees provide list of affected households verified by CPCs. APHs register usage purposes/investment with the CWU before receiving assistance. CWU will monitor these activities.														
Conducting training on environment protection and reproductive health care for the community including ethnic minorities	District compensation and land clearance committees, DUWs/CWU and the Youth Union with the assistance of social consultants	With the assistance of CPO, WU and Youth Union hold meetings with ethnic women, hand out flyers and invite doctors/medical staff to attend the talk shows.														
Talking and sharing orientation knowledge with engineers and workers on national culture and tradition, HIV/AIDS prevention and women trafficking	Leaders of the construction contractor with the assistance of WU, Youth Union, and Social consultants	The implementing agencies cooperate with WU, Youth Union and the contractor organize an orientation course for engineers and workers on HIV/AIDS prevention, national culture, customs and methods to minimize negative impacts of the project.														



		Year	2015				2016				2017			
			Quarter	1	2	3	4	1	2	3	4	1	2	3
Activities	Responsible	Description												
Evaluating the needs of ethnic households for non-agricultural vocational training, then preparing and organizing training courses for them	District compensation and resettlement committee & DWU, CWU and CPC with the assistance of Social consultants	Holding meetings with ethnic minority households to evaluate their needs for training then cooperating with vocational schools and CPCs to prepare for relevant training courses.												
Preparing for training on breeding techniques, care and diseases prevention for castles. Transferring techniques to plant gac fruit, visiting successful pilots, setting up pilots in the communes	DWU with the assistance of CPCs	WU and Youth Union hold meetings with ethnic women to discuss on training schedule, then making a plan with the District Agricultural Extension Center/services suppliers to organize the training courses. +WUs plan to visit successful pilots and take the EM households to successful pilots in the communes to learn their experiences.												
Buying amplifiers, radios and speakers, TVs, tables and chairs for the houses of culture.	CPCs and heads of hamlets having ethnic Affected households.	Referring to bidding codes for procurement of equipment/assets of the project.												
Improving hamlet roads, building houses of culture.	PPMU, CPCs and affected people	Determining the budget for construction and combining with ethnic contributes by cash or work												
Setting up grievances and grievances redress mechanism	PPC, DPCs, CPCs	All grievances of affected people must be sent to CPCs, then to higher levels if they do not satisfy with CPCs' decisions.												
<b>Consulting within implementing process</b>	PPMU, DWU and Social consultants from CPMU													
<b>Monitoring and supervising</b>														
Internal monitoring	PPMU, PR-PMU	The agencies should assign an officer to monitor the implementation of Resettlement and Ethnic Minorities Plans internally. Reports on internal monitoring must be submitted to DPC, , CPO and ADB quarterly.												

		Year	2015				2016				2017			
			Quarter	1	2	3	4	1	2	3	4	1	2	3
Activities	Responsible	Description												
Independent monitoring	Independent monitoring agency ?(EMA)	Independent monitoring is included in the Resettlement Plan. CPO recruits an agency to monitor the implementation of Resettlement and Ethnic Minorities Plans independently.												
Final assessment	EMA	IMC will finally evaluate results of the activities.												

### **XIII. MONITORING, EVALUATION AND REPORTING**

#### **A. OBJECTIVES OF MONITORING**

157. Monitoring is a process where the progress of completion, effectiveness and objectives of the project are regularly monitored. Evaluation is the activity which is carried out at a time to figure out impacts of the interventions and the achievements.
158. The general objective of monitoring is to ensure that compensation, assistance and resettlement activities have been implemented in time under the project's policies as mentioned in REMDP. In addition, monitoring is to provide the project management boards with implementation results, disadvantages and difficulties while carry out REMDP as soon as possible and propose solutions as well. Monitoring activity will be undertaken by: (a) REMDP agency and (b) Independent monitoring consultant.

#### **B. INTERNAL MONITORING**

159. Thanh Hoa's RP-PMU, with the support from resettlement specialist, are responsible for internal monitoring REMDP activities.

##### **Monitoring indicators**

The following indicators will be monitored regularly:

- (i) Payment of compensation to all APs in various categories, according to the compensation policy described in the RP;
- (ii) Delivery of income restoration and social support entitlements to AHs;
- (iii) Public information dissemination and consultation procedures as per this Resettlement Plan;
- (iv) Priority of APs regarding the options offered;
- (v) Adherence to grievance procedures;
- (vi) Adherence to outstanding issues requiring management's attention; and
- (vii) Restoration of affected public works.

##### **Internal monitoring report**

160. The following information should be included in the internal monitoring report:
- (i) Number of affected people categorized by types of impacts and status of delivery of compensation and assistance of income restoration for AHs;
  - (ii) Allocated budget for compensation categories and paid amount total.
  - (iii) Results after handling complaints from the previous monitoring and existing problems that need ADB or managers' support;
  - (iv) Difficulties during implementation process; and
  - (v) Actual resettlement schedule has been adjusted (if any).

#### **C. INDEPENDENT MONITORING**

161. CPO must recruit an independent monitoring organization (IMO) during the project implementation. It must be an organization specializing in Social Science and having experience in monitoring resettlement activities. The independent monitoring organization will start as soon as the updated Resettlement Plan (REMDP) is approved.

#### **Objectives of independent monitoring**

162. The objective of independent monitoring is:

- (i) To provide independent evaluation on resettlement and compensation activities. If necessary, the IMO will provide external support and technical professional knowledge to the enforcement agencies and compensation boards;
- (ii) To give opinions on how to handle existing or potential problems arise as implementing proposed programs in this Resettlement Plan;
- (iii) To give overall evaluation on activities of Resettlement Plan with wider and deeper socio-economic vision.

#### **Monitoring and evaluation indicators**

163. IMO will monitor and evaluate activities basing on these following indicators:

- (i) Compensation payment: (a) Affected people should be paid compensation adequately before acquisition of their land starts and the compensation value should be high enough to replace their affected properties; (b) compensation for affected structures must be equal to the replacement cost of materials and labor based on construction standards and specifications without depreciation and value of reclaimed materials.
- (ii) Coordinate resettlement activities and construction schedule: It is important to finish all activities relating to resettlement and land acquisition of any component before signing construction contract for that component.
- (iii) Provide technical support in building houses: Technical support in building house should be given to affected people so that they can build the works on the rest land area or at the new location arranged by the project.
- (iv) Inquire information and raise the community's awareness on the compensation policy: (a) The affected people need to be provided with enough information on every activity relating to resettlement such as land acquisition, land rent and relocation activities; (b) community's awareness on compensation policy for affected people and their rights will be evaluated; (c) Awareness on different alternatives for affected people as stated in this Resettlement Plan will also be evaluated.
- (v) Income restoration: The restoration of the affected people's productive activities will be monitored.
- (vi) Training: (a) Training for affected people as required in this Resettlement Plan will be monitored; (b) Form of training depends on the affected people's priorities and available courses; (c) In case it does not require the people to relocate, the courses will last in 3 months since the project starts leaving its impacts. Resettlement Plan
- (vii) Satisfaction level of the affected people: (a) Satisfaction level of the affected people on different fields relating on compensation, assistance and resettlement will be monitored and recorded carefully; (b) situation of the grievance redress mechanism, results and effectiveness will be considered as well.

- (viii) Living standards: During the implementation of resettlement activities, there is a tendency for affected people to change their living standards and it will be surveyed and monitored. Any potential risk in living standards restoration will be recorded and reported.

### **Monitoring report**

164. IMO must submit periodic monitoring results (or a period of time that all parties agree) to Project Management Unit, then the PMU will submit them to ADB as an appendix in the project progress report.
165. The report should include these following points:
- (i) Differences, if any, to regulations and principles of (REMDP);
  - (ii) Progress of existing resettlement activities and solutions to shortcomings and difficulties identified in the monitoring report of the previous period;
  - (iii) Shortcomings and difficulties discovered while monitoring and solutions so that agencies concerned will consider and handle in time.

### **Evaluation**

166. IMO prepares an overall evaluation report on resettlement implementation and its impacts after all activities complete 6 to 12 months, use the same survey notes and forms for monitoring activities.

## **APPENDICES**

- Appendix 1: LIST OF AFFECTED HOUSEHOLDS AND IMPACTS**
- Appendix 2: SAMPLE QUESTIONNAIRE FOR SOCIOECONOMIC SURVEY**
- Appendix 3: PROJECT INFORMATION BOOKLET**
- Appendix 4: SAMPLE RECORD OF PUBLIC CONSULTATION**