Preparing the Ban Sok–Pleiku Power Transmission Project in the Greater Mekong Subregion
(Financed by the Japan Special Fund)

Annex 3.2: Land Acquisition and Resettlement Action Plan in Lao PDR (500 KV Transmission Line and Substation)

Prepared by
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For Asian Development Bank

This consultant’s report does not necessarily reflect the views of ADB or the Government concerned, and ADB and the Government cannot be held liable for its contents. All the views expressed herein may not be incorporated into the proposed project’s design.

Asian Development Bank
FINAL REPORT

500kV TRANSMISSION SYSTEM PROJECT

ANNEX 3.2 – 500kV TRANSMISSION LINE & SUBSTATION
Land Acquisition and Resettlement Action Plan (LARAP)
In Lao PDR
Land Acquisition and Resettlement Action Plan (LARAP)

Lao PDR Section: Ban Hatxan Substation and 62km 500kVA Double Circuit Three Phased Transmission Line from the Substation to the Vietnam Border.

As Part of ADB TA No. 6481-REG: Ban Hatxan (BanSok) LaoPDR to Pleiku Vietnam, 500kVA Transmission Line and Substation Construction Feasibility Study.

Final Draft: September 2011

Prepared by the Consultant for EDF and ES on behalf of Electricite du Lao (EDL) and for the Asian Development Bank (ADB).

The views expressed in this LARAP do not necessarily represent those of ADB’s Board of Directors, Management, or staff, and may be preliminary in nature.
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Executive Summary

1. This Land Acquisition and Resettlement Action Plan (LARAP) have been prepared as part of the detailed feasibility study (ADB TA No. 6481-REG) of a planned 500kV Transmission Line (TL) between Hatxan Substation in Lao PDR and Pleiku Substation in Vietnam.

2. This LARAP is for the Lao PDR section of the transmission line, between the proposed Hatxan substation and the Lao-Vietnam border. A parallel LARAP has been prepared for the Vietnam section of the Transmission Line from the border to the Pleiku substation. The substation and Lao section of the transmission line are located in Attapeu Province in southern Lao PDR. The preferred alignment runs along the old Ho Chi Minh Trail along the southern border of Don Amphang National Protected Area and then north along the Cambodia-Lao PDR border.

3. The LARAP is designed as the basis of a Resettlement Framework (RF), provided in response to an ADB requirement for a social and environmental due diligence audit and the retrofit planning and implementation of LARAPs of associated hydropower projects and TL supplying power to the Hatxan sub-station. Due diligence audit found that existing social impact studies and RAPs for associated projects are not compliant with ADB guidelines or with Lao Government guidelines and regulations. The RF provides the terms of reference for the iterative preparation of retrofit LARAPs of associated hydropower projects and TLs as they come on stream during the coming decade.

1.1 Brief Project Description

4. The Government of Vietnam has signed a Memorandum of Understanding with the Government of Lao PDR for the purchase of 5,000 MW of electricity per year by 2020 (Powering Progress, 2010). The import of electricity from Lao PDR over the coming decades is an important aspect of economic cooperation between the two countries, and is important for Vietnam’s economic development, especially in the south of the country where electricity shortages impede progress. The Ban Sok-Pleiku Transmission Line (TL) Project will support the import of electricity from Lao PDR through the construction of a high-voltage TL from Ban Haxtan in Attapeu Province, Lao PDR to the Pleiku substation in Kon Tum Province, Vietnam. The TL project includes the construction of: (i) 150 kilometres of double-circuit 500 kV transmission line between Hatxan sub-station and Pleiku in Vietnam; (ii) the new Hatxan 500/230kV substation and (iii) the extension of the Pleiku 500/220kV substation.

5. The TL corridor will cross two Districts (with the substation in Xaysetha District and the TL in Phouhong) and will affect land in five (5) villages (one affected by the sub-station and four by the TL Right-of-Way (ROW)).

1.2 Summary of Social Impacts

6. During the design phase, a number of measures were taken to avoid or mitigate the impact of TL construction and operation, including aligning the TL to minimise impact on villages and permanent agricultural land. In consequence, there is only minimal impact on agricultural land and structural assets. No relocation of households will be required.

7. As currently aligned, the impact of the TL is mainly limited to loss of some upland agricultural lands and small teak tree plantations belonging to 24 households in one village (Somboun). The TL will
also affect the community forests of Somboun and three neighbouring villages (Namxuan, Phouyang, Poukeua), as well as contributing to the loss of approximately 56 ha of production forest and 42 ha of forest in the Dong Ampham NPA. The proposed Hatxan substation is in an area of land that is owned by the Provincial Government, and is largely unused except for casual and scattered quarrying of road material and secondary forest. There is also likely occasional use of this land for swidden agriculture or grazing.

8. The most significant impact of the TL, however, is the impact that it will have on the approximately 640 indigenous households (Brao, Kayong and Sdang) in the area. The sub-station and TL will directly and permanently affect: access to and the character of communal forests; visual amenity in the immediate landscape of the 4 villages along the old Ho Chi Minh trail, and will exacerbate existing issues of land shortage, and related food deficiencies and malnutrition.

9. The TL will be one of several economic and infrastructural changes taking place in the Attapeu, Sekong and neighbouring Provinces of southern Laos, including hydropower dams (and their associated transmission lines) supplying the Hatxan substation. Associated projects have been part of a due diligence review undertaken as part of TA No. 6481-REG. The large number of developments in this region of Lao will affect the entire populations of Attapeu and Sekong Provinces through in-migration (largely of a majority Vietnamese workforce) and increased pressure on public services. These impacts have been discussed in the due diligence review, HIV / AIDS Awareness and Prevention Plan and RF.

1.3 Mitigation Measures and Implementation Arrangements

10. The resettlement principles and assistance have been designed to cover compensation for lost assets and restore or enhance the livelihoods of all categories of affected people. To mitigate the impact on communal forests, proposed measures include the development of a land and forest concession to be provided in the neighbouring NPA and the provision of inheritable land rights for the Brao and related groups in the Ho Chi Minh Trail section of the TL.

11. The four villages affected by the TL (Somboun, Namxuan, Phouyang, Phoukeua) and Hatxan (in whose land the substation lies, but which is not affected the TL,) are ethnic people, mainly the Brau people, with some Kayong and Sdang ethnic groups and some Lau Loum traders and administrators. As a results, an Indigenous Peoples Development Plan (IPDP) has been included as part of this LARAP (Annex 1). The indigenous peoples and gender development planning have been combined due to the common issues of poverty and vulnerability of these two vulnerable groups.

1.4 Consultation and Grievance Redress

12. Five consultation meetings were held, one in each affected village. The most important and frequent responses at all consultation meetings (all villages and mens and women’s groups) related to their situation of poverty and to existing shortages of food and land. Their primary concern about the TL was that they would no longer be able to hunt or gather forest products in ROW and in areas adjacent to the ROW.

13. The Project Owner will undertake grievance resolution in accordance with the provisions in Article 13 of the Decree on Compensation and Resettlement of People Affected by Development Projects (2010), and the WREA Technical Guidelines on Compensation and Resettlement (2005).
1 Introduction

14. Lao PDR has significant hydropower potential for domestic consumption and, as the nation's major currency earner, for export to neighboring countries. The Ban Sok - Pleiku TL (hereafter referred to as the 'TL') will be used to export electricity from six proposed hydropower facilities in Lao PDR to Vietnam. The Government of Lao PDR (GoL) has an export agreement with the Government of Vietnam for the provision of 5,000 MW of electricity per year by 2020 (Powering Progress, 2010).

15. The TL will be 150 kilometres of double-circuit 500 kV transmission line between Haxtan in Attapeu Province in Lao PDR and Pleiku in Vietnam. The TL project will include the construction of a new 500/230kV substation in Haxtan and the extension of the existing Pleiku 500/220kV substation.

16. This LARAP is part of a regional feasibility study involving Lao PDR and Vietnam, with the objective of permitting Lao PDR and Vietnam to borrow the funds from the Asian Development Bank (ADB) to proceed with construction and operation of transmission line and substations connecting the two countries.

17. This LARAP addresses only the Lao PDR part of the project. It has been prepared as a direct requirement defined in the ADB’s involuntary resettlement and indigenous peoples safeguard requirements for infrastructure project planning involving ADB funds. This LARAP forms part of the IEE study for the TL, reflecting the regulatory requirement of the Government of Lao PDR and of ADB for resettlement and compensation, in accordance with the local and international social and environmental protection Laws, regulations and guidelines.

18. A separate LARAP is being prepared, on behalf of the Electricite du Vietnam (EVN) for the Vietnam component of the project.
2 Project Description

2.1 Type and Category of Project

19. This RETA involves completing a feasibility study for a new transmission line and substation from Ban Hatxan to the Lao PDR-Vietnam border. The project is being completed by the consultant, on behalf of EDL, to assist with the completion of all documentation needed for Lao PDR to obtain the necessary loan to build the facility.

20. The ADB has classified this project as a category B. This category requires the completion of an Initial Environmental Examination (IEE), including a set of consultations as well as an Environmental Management Plan (EMP) and a Land Acquisition and Resettlement Action Plan (LARAP).\(^1\) This project is classified as Involuntary Resettlement Category B, as 24 households are likely to be affected by the loss of land and / or other assets. This project is classified as Indigenous Peoples Category A according to ADB Indigenous Peoples Classification as almost 90% of the affected population is from ethnic minority groups, and as such requires the preparation of an Indigenous Peoples Development Plan.

\(^1\) 2010 Environmental Impact Assessment legislation in Lao PDR classifies the project as requiring a full EIA. This does not change the requirement for social assessment or the need for a LARAP.
2.2 Location
21. The project is located in Attapeu Province in southern Lao PDR.
22. Figure 2-1 and Figure 2-2). The Ban Hatxan substation is located at km 40 on the N side of NH18 coming East from Attapeu. From that point on, the transmission line options are to the Northeast (TEPCO), East (1) and Southeast (2). The TEPCO and No. 1 options are not being seriously considered since both must cut across the Dong Amphang National Protected Area (NPA). 2 From a social perspective, Option 2 is also the preferred route, as it minimizes the need for relocation and acquisition of agricultural land. Option 2 alignment closely parallels the old Ho Chi Minh Trail which passes around the southern border of Dong Amphang NPA. At the border with Cambodian the TL alignment turns north along the Lao-Cambodian border for around 9 km before connecting to the Vietnamese side of the TL. The exact alignment of Option 2 has been further optimised to prevent impact on settlement areas and settled agricultural lands.

2.3 Size of Operation and Proposed Schedule of Implementation

23. The actual area physically disturbed by the work, namely vegetation clearance is required for the ROW, access tracks and tower footprints will be a 70 m by 62,000 m area or roughly 434 ha, plus up to 80 ha for the substation, where roughly 14 ha will be occupied by the substation buildings and switches. The work will involve clearing under the power line alignment and constructing concrete foundations each requiring around 0.16 ha where topsoil will be removed. Construction is expected to take approximately two years. The work will likely be awarded to a single contractor. A total workforce of not more than 200 people will be involved on the transmission line construction and another 150 with the construction of the substation.

24. A service road for four-wheel drive vehicles will be established underneath the line, but used only to maintain the towers and the conductors.

25. Once operational the substation will have a staff of 30-60 people with living quarters in the vicinity. The TL will be monitored remotely and maintained continuously, primarily to check vegetation growth and encroachment by local residents. Height of clearance below the transmission line will be a minimum of 9 m.

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2 Dong Amphang NPA is considered one of Lao PDR’s premier three protected areas, thought to be home of the globally endangered Asian Tiger, and another 11 globally endangered wildlife species. Unfortunately there has been no environmental survey of this NPA since 1998-99. For that reason options 1 and 2, including the ‘TEPCO’ route are excluded.
Figure 2-1. Project Area Map Showing Developments on Sekong and Xekhaman Rivers
Figure 2-2. Project Area Map Showing the area with the impoundment of the Xekhaman 1 / Xansay reservoir.
3 Legal and Policy Framework

26. The policy framework for this LARAP is that laid down in the Laws, Decrees and Regulations of the Government of Lao PDR (GOL), and in the ADB Handbook on Involuntary Resettlement of 1998 and subsequent updates, including Appendices 2 and 3 (Involuntary Resettlement and Indigenous Peoples) of the Safeguard Policy Statement (June 2009). The key compensation and resettlement policies followed in the project are listed below.

3.1 Government of Lao PDR Policies

27. The LARAP’s policy and legal framework, and entitlement matrix are based on the Constitution of Lao PDR (1991), the Decree on Compensation and Resettlement of People Affected by Development Projects, (2010), and the Decree 192/PM on Compensation and Resettlement of People Affected by Development Project (2005), plus the associated Lao PDR policies, practices and the Technical Guidelines in the Regulation on Resettlement and Compensation (2005). Also relevant are the Lao PDR Land Law (2003), the Forestry Law (2008), the Electricity Law (2008). Table 3-1 provides a list of relevant decrees, laws and policies.

28. The provisions and principles adopted in the LARAP for the project supersede the provisions of relevant decrees currently in force in Lao PDR wherever a gap exists.

Table 3-1 Legal framework for compensation and resettlement in Lao PDR

<table>
<thead>
<tr>
<th>Law / Policy</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decree on Compensation and Resettlement of People Affected by Development Projects</td>
<td>2005</td>
</tr>
<tr>
<td>Decree on Environmental Impact Assessment</td>
<td>2010</td>
</tr>
<tr>
<td>Decree on the Establishment of the Water Resources and Environment Administration</td>
<td>2007</td>
</tr>
<tr>
<td>Decree on the Implementation of the National Policy on Health Impact Assessment</td>
<td>2006</td>
</tr>
<tr>
<td>Decree on the Implementation of the Water and Water Resources Law</td>
<td>2001</td>
</tr>
<tr>
<td>Decision on the Management Standard of Drinking Water Quality and Household Water Use</td>
<td>2005</td>
</tr>
<tr>
<td>Decree on the Preservation of Cultural, Historical and Natural Heritage</td>
<td>1997</td>
</tr>
<tr>
<td>Decree of the Prime Minister on Compensation and Resettlement of People Affected by Development</td>
<td>2005</td>
</tr>
<tr>
<td>Projects No. 192/PM</td>
<td></td>
</tr>
<tr>
<td>Decree on State Land Lease or Concession</td>
<td>2009</td>
</tr>
<tr>
<td>Implementing Decree for the Environment Protection Law</td>
<td>2001</td>
</tr>
<tr>
<td>Decree on the Agreement and Endorsement of the national strategy environment year 2020 &amp; Action</td>
<td>2004</td>
</tr>
<tr>
<td>plan for the year 2006-2010</td>
<td></td>
</tr>
<tr>
<td>Decree on the Environment Protection Fund</td>
<td>2005</td>
</tr>
<tr>
<td>Electricity Law</td>
<td>2008</td>
</tr>
<tr>
<td>Environment Protection Law</td>
<td>1999</td>
</tr>
<tr>
<td>Forestry Law</td>
<td>2008</td>
</tr>
<tr>
<td>Land Law</td>
<td>2003</td>
</tr>
</tbody>
</table>
29. The key government agency responsible for environmental assessment of the Project via the EIA process is the Ministry of Natural Resources and Environment. The MNRE was recently established in 2011 and merges the former Water, Resources and Environment Administration (WREA) department with the National Land Management Authority.

30. The policy framework for this LARAP is based on the *Decree on Compensation and Resettlement* (2010) and in the *WREA Technical Guidelines for Resettlement and Compensation* (2005), and embodies the following principles:

i) Fair compensation will be provided for all land and fixed assets and for livelihoods lost in the implementation or operation of public sector development projects and will be set out in time-bound Land Acquisition and Resettlement Action Plan;

ii) The LARAP will be based on consultation with and full disclosure to affected people and on their participation in decisions about mitigation and restoration measures;

iii) Compensation for land loss will be provided to affected people regardless of their legal status or title as owners and users of the impacted land;
iv) Specific provision will be made for assistance to vulnerable and severely affected households;

v) Resettlement will be planned as an integral part of the project and will so far as is possible be developmental in character and execution, leading to improvement in the pre-project social and economic situation of affected people;

vi) Specific measures will be taken to provide for the participation of and benefit from employment and income generation activities arising from the construction and operation of the transmission line; and

vii) The LARAP and its institutional arrangements will include provision for a grievance mechanism known and available to affected people to permit the communication and redress of any complaint or dissatisfaction in respect of disclosure and availability of compensation or assistance or with the basis in survey, measurement and negotiated agreement on which compensation has been based.

31. The over-riding principle of the LARAP is that where a person or group is affected by land acquisition, damage to income generating assets/activities or resettlement as a result of the project, fair compensation will be provided in order that livelihoods are the same or better than before the project. The entitlement matrix, resettlement policies and procedures set out in the LARAP reflect this principle.

32. The resettlement policy framework will include the following elements:

   i) Involuntary resettlement should be avoided or minimized through design efforts;

   ii) Where involuntary resettlement is unavoidable, resettlement activities should be conceived and executed as sustainable development programs, providing sufficient compensation, assistance and rehabilitation to the Affected Persons (APs) so that they would be at least as well off as they would have been in the absence of the project;

   iii) APs will benefit from the project;

   iv) Project stakeholders (including APs) are consulted and given the opportunity to participate, as practicable, in the design, implementation, and operation of the project; and

   v) APs will be assisted in their efforts to improve their livelihoods and standard of living or at least to restore them, in real terms, to pre-displacement levels.

33. The compensation and entitlements policy should apply to all impacted persons regardless of their land title, total number affected or the severity of impact. Particular attention is paid to the needs of vulnerable groups among those displaced: especially those below the poverty line, the elderly, the women and children and ethnic minorities.

Laws

34. The Environmental Protection Law No.02/99/NA, (1999) does the following:
i) Assigns the Science, Technology and Environmental Agency (STEA) the rights and primary responsibilities for protection, mitigation and restoration of the environment in Lao PDR;

ii) Defines the environmental conservation responsibilities of other GOL agencies such as the Department of Electricity, Department of Forestry etc;

iii) States that environmental conservation comes before mitigation and restoration;

iv) Stipulates that those who generate an environmental impact are responsible for the resulting damage caused; and

v) Directs that environmental management and monitoring units (EMMUs) be established at all levels of government, with responsibilities to include such things as: establishing and enforcing sector environmental plans; taking action to mitigate environmental damage; issuing orders to adjust, suspend, remove or close down activities that cause negative impacts.

35. **The Electricity Law 2008** – Requires that “the licensee (Project Owner / EDL) is responsible for ensuring that environment is protected, and that residents are compensated in cash or in kind for lost property, diminished living conditions, relocation and resettlement.”

36. **The Land Law (2003)** – The land law stipulates that in case of the public infrastructure development projects cause damage to the trees, crops or buildings of the private owner, the land and structure owners have the right to be compensated for the loss of or damage to such assets.

37. **Forestry Law (2008)** – The forestry law stipulates that forest land can be converted to other uses when necessary and if in the public interest, and subject to approval from responsible authorities. An individual or organization given permission to convert forest to another use is responsible for payment of a conversion fee, land reclamation, tree planting, and other requirement.

**Regulations and Decrees**

38. In addition to the above laws, the Department of Electricity, Ministry of Energy and Mines also issued Environmental Management Standard documents, which provide more detailed guidance on how to prepare power sector projects, and require the project owner to prepare an IEE to be approved by Ministry of Energy and Mines (MEM) and the Water Resources and Environment Administration (WREA).

39. **Decree No 192 on Resettlement and Compensation (2005, revised 2010)** - The Decree is an important instrument in guiding resettlement and land acquisition activities in Lao PDR. The key compensation and resettlement principles of this Decree are listed below, which are in general agreement with the requirements of ADB and the World Bank:

i) Project Affected Persons (PAPs) will be provided compensation for their lost assets affected in full or in part, at full replacement cost.

ii) Compensation for PAPs relating to type of land (agriculture, residential or commercial) will provided through “land to land” replacement with a plot of equivalent size or productivity and at a location acceptable to the PAP concerned. If the land is not available, cash
compensation at full replacement cost will be applied. If the house or structure is partially being affected by the project but the remaining structure is rendereduviable or the area is less than the minimum house size, PAPs will be entitled to compensation.

iii) For cases where PAPs are affected by the partial loss of structures where the remaining structure is still viable, assistance will be provided in the form of cash or material compensation to restore the structure.

iv) In case of the temporary impacts by the project, there will be full compensation of the net loss of income. If the temporary use of affected assets is less than 6 months, compensation will be for 10% of the replacement cost of the affected assets. If temporary use is for more than 6 months, then compensation will be negotiated with the owner of the assets.

v) In cases where PAPs have leased the house or structure, the form of compensation will be equivalent of 3 months rental allowance if applied. Assistance will also be provided to find alternatives for rental accommodation.

vi) PAPs without any legal title or ownership right to the affected land or assets they occupy should be compensated and provided with assistance to ensure they are not worse-off due to project.

vii) All previous claims and unresolved issues related to tenure status and ownership of land and other assets on each sub-project or components will be resolved before land acquisition.

viii) Resettlement process should be carry out in a participatory manner following the General Guidelines for Public Involvement.

3.2 ADB Policies

40. The ADB Operational Policies (OM Section F1/BP March 2010), Involuntary Resettlement Policy (1995) and subsequent Handbook (1998) aim to avoid or minimise involuntary resettlement wherever possible. Where it is not possible to avoid resettlement or land acquisition, the policy aims to ensure that affected people achieve a standard of living at least at the same level as prior to the Project. ‘Involuntary resettlement’ is characterized by the ADB as occurring in situations where the development of a project leads to temporary or permanent social and economic impacts through: (a) the acquisition of land and other fixed assets; (b) change in use of land, or (c) restrictions imposed on land as a result of a project.

41. ‘Affected People’ are defined as any people, households, firms or private institutions who, on account of changes that result from the project will have their: (a) standard of living adversely affected; (b) right, title, or interest in any house, land (including residential, commercial, agricultural, forest, and/or grazing land), water resources, or any other moveable or fixed assets acquired, possessed, restricted, or otherwise adversely affected, in full or in part, permanently or temporarily, and/or (c) business, occupation, place of work or residence, or habitat adversely affected, with or without displacement.

42. The three key elements of the ADB policy are (a) compensation to replace lost assets, livelihood and income; (b) assistance for relocation, including the provision of relocation sites with appropriate
facilities and services, and (c) assistance for rehabilitation to achieve at least the same level of well-being with the project as without it.
4 Socio-Economic Information and Profile

4.1 Project Area and Stakeholders

43. The transmission line project area (section in Lao PDR) crosses through two Districts (Xaysetha, which is only affected by the sub-station, and Phouvong, which is affected by the TL ROW) and five (5) villages: Hatzan (affected by the sub-station) and Somboun, Namxuan, Phouyang and Poukeua (affected by the TL ROW) (Figure 4-1 – note, Houaykeo is a hamlet of Somboun) it is located within the NPA near the Vietnam border). These five (5) villages have 640 households and total population of 3,426 people (Table 4-1). No households will be displaced. Twenty-four (24) households in Somboun village will be affected by loss of settled agricultural land. The 346 households in the four villages affected by the TL ROW will also lose access to the community forest land within the TL ROW (approximately 100 ha of forest land). Some of the affected forest land is considered ‘spirit forest’ (culturally important forest land), and other areas of affected forest are used for hunting and collection of timber and non-timber forest products.

44. All of the 24 households directly affected by the TL are of the Brao ethnic minority group, and over 90% of the households affected by loss of access to community forests are ethnic minority households – primarily Brao, but also Kayong and Sdang. The Kayong and Sdang households are located in Poukeua village, which is the village closest to the Vietnam border.

Table 4-1 Number of Households and Populations of Affected Villages

<table>
<thead>
<tr>
<th>Village</th>
<th>No. of HH</th>
<th>No. of Families</th>
<th>Total Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Somboun</td>
<td>219</td>
<td>241</td>
<td>1267</td>
</tr>
<tr>
<td>Poukeua</td>
<td>42</td>
<td>55</td>
<td>218</td>
</tr>
<tr>
<td>Phouyang</td>
<td>28</td>
<td>30</td>
<td>159</td>
</tr>
<tr>
<td>Namxuan</td>
<td>57</td>
<td>61</td>
<td>344</td>
</tr>
<tr>
<td>Hatzan</td>
<td>294</td>
<td>382</td>
<td>1438</td>
</tr>
<tr>
<td>Total</td>
<td>640</td>
<td>769</td>
<td>3426</td>
</tr>
</tbody>
</table>

Source: Household Survey, April 2011 and village and Sub-District records, 2011.
Figure 4-1 Settlement areas and land use types along the proposed TL alignment.
4.2 Methodology

45. A field census/survey and consultation programme was carried out during April 2011. A total of 115 households (approximately 20% of all households in the area of the substation and TL) were interviewed (Table 4-2). Field activities included:

   i) Full census of affected households;

   ii) Inventory of affected structures/assets (IOL);

   iii) Socio-economic survey of 100% of directly affected households and approximately 20% of not directly affected households; and

   iv) Consultations at the village level with community members including all affected people, women and representatives of all ethnic groups, local leaders, EDL officials and the land occupier.

46. The socio-economic profile provided in the next section is based on the information collected from the 115 households surveyed, as well as consultation with the village head and community members.

Table 4-2 Number of households interviewed in each village

<table>
<thead>
<tr>
<th>Village</th>
<th>No. of HH</th>
<th>No. of HH Directly Affected</th>
<th>No. of HH Interviewed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Somboun</td>
<td>219</td>
<td>24</td>
<td>45</td>
</tr>
<tr>
<td>Poukeua</td>
<td>42</td>
<td>0</td>
<td>12</td>
</tr>
<tr>
<td>Phouyang</td>
<td>28</td>
<td>0</td>
<td>7</td>
</tr>
<tr>
<td>Namxuan</td>
<td>57</td>
<td>0</td>
<td>10</td>
</tr>
<tr>
<td>Hatxan</td>
<td>294</td>
<td>0</td>
<td>41</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>640</strong></td>
<td><strong>24</strong></td>
<td><strong>115</strong></td>
</tr>
</tbody>
</table>

Source: Household Survey, April 2011

47. The IOL includes a list of affected households, land and assets, which allows calculation of estimated costs of compensation and mitigation actions. The IOL also provides a basis for the Detailed Measurement Survey (DMS), which will be undertaken once the location of the sub-station and the TL alignment are precisely known. The IOL covered 100% of affected households and included a cadastral survey of impacted land, crops and trees, and a household questionnaire survey. The latter provides a basis for the determination of income losses, poverty and vulnerability of individual households for purposes of determining the need for any specific assistance.

48. The data collected do not include assessment of land losses by reference to total land of affected households to determine those which are severely affected. Data on percent of land loss of each affected household (i.e. lost land >10% of total land, which is the ADB’s cut-off for determining significant impact) will be determined in next stage of the project in a Detailed Measurement Survey to determine compensation for losses, allowances and income restoration, and specifically to identify measures for vulnerable and severely affected households.
4.3 Socio-Economic Profile

Provincial and District Socio-economic Status

49. The TL and substation are located in the Xaysetha and Phouvong Districts of Attapeu Province. Attapeu Province is among the three poorest Provinces of Lao PDR and has some of the lowest per capita income, literacy rates, school attendance rates, health and nutritional status in the country. It has a population of 112,120 people, and has the lowest population density in Lao PDR with a little over 10 people per km². The population comprises predominantly ethnic groups from a number of Mon Khmer Language groups, traditionally – and still to a large extent – practicing swidden agriculture, hunting and the gathering of forest products.

50. In the Districts affected by the Project, livelihoods are primarily swidden agriculture, most often combined with some paddy production in well-watered areas close to villages and along roads. Forest resources (i.e. hunting, non-timber forest products and fuel wood) are an important source of livelihood. Livelihoods are primarily subsistence based with a majority of agricultural production and collected forest resources used to meet household needs. There is little involvement in selling or trading goods at a market, though some residents of the area rely on gold panning, collection and sale of semi-precious stones and the collection and sale of UXO remnants for income.

Socio-Economic Profile of the Affected Population

Basic Demographics and Ethnicity

51. The five (5) affected villages effectively live in two physically separate groups – Ban Hatxan (in Xaysetha District) is one group and the four (4) villages along the old Ho Chi Minh trail (Somboun, Namxuan, Phouyang and Poukeua) is the other group.

i. The first group is comprised of 294 Brao households in Ban Hatxan, which is located approximately 25 km from Attapeu Provincial Center. This group has been settled at or in the immediate vicinity of Hatxan Village for approximately 30 years. Most of the households are located along National Road 18B, which runs from Attapeu Provincial Center through the Dong Amphang NPA to Vietnam border.

The socio-economic situation of Ban Hatxan has changed significantly over the past 10 years due to the development of rubber plantations – including 9,000 ha planted in 2009 – and the construction of the Kekaman 1 Hydropower Project (and subsequent relocation of five (5) villages into the immediate vicinity of Ban Hatxan village land on the edge of the NPA on the Xekhaman river). The rubber plantations are located along Route 18B – with the new (2009) plantations on the north side of the road, and the older plantations south of the road.

ii. The second group is comprised of 346 households – with a majority (219) in Ban Somboun. Somboun has been developed by the Government as the Phouvong Sub-District Centre. The village was created through a Government consolidation program combining neighbouring Brao hamlets into one large village to improve road access and access to

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4 This general picture is also true of the several minority groups which will have their villages or farms inundated in the Xekaman 1 and other associated hydropower projects which will supply the Hatxan sub-station, see Annex 6 Summary Report on Due Diligence Audit.
services (health and education), clean water and electricity. All four villages in this group have recently been affected by the improvement and widening of the road that runs along the old Ho Chi Minh trail.

52. Almost 90% of the interviewed households in the affected area are male headed – with percentages in individual villages ranging from 100% in Phouyang and Poukeua to 75% in Namxuan. All but one of the women headed households were widows. Almost 80% of households are comprised of just one married couple, while almost 20% have two married couples. The average household size is 5.7 persons per household, with is consistent with national average for rural areas.

Table 4-3 Number of married couples per household (of the 115 interviewed households)

<table>
<thead>
<tr>
<th>Village</th>
<th>No. of HH Interviewed</th>
<th>Male Head</th>
<th>Female Head</th>
<th>No. of Married Couples per HH</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. HH</td>
<td>% of HH</td>
<td>No. HH</td>
<td>% of HH</td>
</tr>
<tr>
<td>Hat Xan</td>
<td>41</td>
<td>36</td>
<td>88%</td>
<td>5</td>
</tr>
<tr>
<td>Somboun</td>
<td>45</td>
<td>39</td>
<td>87%</td>
<td>6</td>
</tr>
<tr>
<td>Namxuan</td>
<td>12</td>
<td>9</td>
<td>75%</td>
<td>3</td>
</tr>
<tr>
<td>Phouyang</td>
<td>7</td>
<td>7</td>
<td>100%</td>
<td>0</td>
</tr>
<tr>
<td>Poukeua</td>
<td>10</td>
<td>10</td>
<td>100%</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>115</td>
<td>101</td>
<td>88%</td>
<td>14</td>
</tr>
</tbody>
</table>

Source: Household Survey, April 2011

53. Of the affected households, the Brao are the predominant ethnic group (over 75% of interviewed households) (Table 4-4). The Brao comprise the majority of households in all villages with the exception of Poukeua, where a majority of the residents are of the Kayong and Sdang ethnic groups. Kayong and Sdang ethnic groups are closely related to Brao, in terms of language and culture. All three groups are part of the Mon Khmer ethno-linguistic family. Most of the Lao Loum households were reported in Ban Hatxan, where they comprised 30% of the interviewed households. Lao Loum households are mainly recently settled traders (shop keepers) or administration staff (police, army, and other Government staff).

Table 4-4 Ethnic Composition of Interviewed Households

<table>
<thead>
<tr>
<th>Villages</th>
<th>Brao</th>
<th>Lao Loum</th>
<th>Kayong</th>
<th>Sub-Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hat Xan</td>
<td>29</td>
<td>12</td>
<td>0</td>
<td>41</td>
</tr>
<tr>
<td>Somboun</td>
<td>45</td>
<td>0</td>
<td>0</td>
<td>45</td>
</tr>
<tr>
<td>Namxuan</td>
<td>12</td>
<td>0</td>
<td>0</td>
<td>12</td>
</tr>
<tr>
<td>Phouyang</td>
<td>0</td>
<td>0</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>Poukeua</td>
<td>1</td>
<td>1</td>
<td>8</td>
<td>10</td>
</tr>
<tr>
<td>Total</td>
<td>87</td>
<td>13</td>
<td>15</td>
<td>115</td>
</tr>
</tbody>
</table>

Source: Household Survey, April 2011

Education, Health and Access to Infrastructure and Services
54. Each of the villages has a primary school. There is no secondary school in Phouvong District and children of all villages have to travel to the secondary school at Attapeu Provincial Centre. Table 4-5 below illustrates both the varying school enrolment between villages, and the differential between male and female child school enrolment. Both factors are related to distance from main roads, but also to attitudes to schooling. The higher level of female to male enrolment in secondary school at Hatxan is an indication of changing attitudes and of the safety and ease of travel and communication with the Provincial Centre at Attapeu. This, however, largely reflects the presence of 78 Lao Loum households, rather than changed attitude of the Brao majority.

55. At present, parents reported little incentive to keep children in school, notably for girls, as they feel there is only limited opportunity for employment in the wider labour market – and where opportunity exists, there is little interest among the Brao population. Therefore, there is little economic advantage to developing employable skills outside of the traditional economy. Moreover, children contribute substantially to household livelihoods, for example, in hunting, animal herding and in the collection of forest products for male children, and the fetching of water and child-care of young siblings for female children.

Table 4-5 School Enrolment

<table>
<thead>
<tr>
<th>Village</th>
<th>Primary (Year)</th>
<th>Secondary (Year)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>M</td>
<td>F</td>
</tr>
<tr>
<td></td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Somboun</td>
<td>49</td>
<td>19</td>
</tr>
<tr>
<td>Hatxan</td>
<td>40</td>
<td>20</td>
</tr>
<tr>
<td>Poukeua</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td>Phouyang</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>Namxuang</td>
<td>15</td>
<td>7</td>
</tr>
</tbody>
</table>

Source: Village data provided to the survey team by headmen.

56. The recruitment of primary school teachers reflects the recent emphasis given by the District Government to the development of Somboun as a consolidated village and improved road access, shops and electricity supply there, making it a more attractive place for teacher residence.

Table 4-6 Primary School Teachers by Village

<table>
<thead>
<tr>
<th>Village</th>
<th>M</th>
<th>F</th>
</tr>
</thead>
<tbody>
<tr>
<td>Somboun</td>
<td>9</td>
<td>4</td>
</tr>
<tr>
<td>Hatxan</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>Poukeua</td>
<td>NR</td>
<td>NR</td>
</tr>
<tr>
<td>Phouyang</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Namxuang</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

Source: Village data provided to the survey team by headmen and adapted by the consultant.

57. Availability of health services in the affected area is either that of government dispensaries, supplied and staffed by the District Government Health Department, or by private stores which provide a limited range of mainly Chinese manufactured pharmaceuticals, or by traditional healers and midwives. Government pharmacies are present in Hatxan and Poukeua, but not at Somboun at present (one was functioning there during the 2009 mission) or at Phouyang or Namxuang. Most households rely on stores to provide drugs but seek advice from the village dispenser when
available; access to drugs at the dispensary is unreliable because of erratic supply. The main diseases suffered by all villages are malaria, typhoid fever and respiratory diseases.

58. Water supply is from tube wells and pumps in villages developed recently under the Government’s community development programme, but otherwise mainly from streams, still used as the main sources by a majority of households. The Table below is taken from village data provided to the survey team by village headmen.

Table 4-7 Sources of water supply in Villages.

<table>
<thead>
<tr>
<th>Village</th>
<th>Water source</th>
<th>Quality</th>
<th>Distance(m)</th>
<th>Water source</th>
<th>Quality*</th>
<th>Distance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Somboun</td>
<td>Pumped tubewell</td>
<td>Good</td>
<td>Village centre</td>
<td>Stream</td>
<td>Not good**</td>
<td>500</td>
</tr>
<tr>
<td>Hatxan</td>
<td>Pumped tubewell</td>
<td>Good</td>
<td>Village centre</td>
<td>River</td>
<td>Good</td>
<td>500</td>
</tr>
<tr>
<td>Poukeua</td>
<td>Lined dug well</td>
<td>Not good</td>
<td>Village centre</td>
<td>Stream</td>
<td>Not good</td>
<td>100</td>
</tr>
<tr>
<td>Phouyang</td>
<td>Stream</td>
<td>Unknown</td>
<td>100 m.</td>
<td>Stream</td>
<td>Unknown</td>
<td>Unknown</td>
</tr>
<tr>
<td>Namxuang</td>
<td>dug well</td>
<td>Not good</td>
<td>100 m.</td>
<td>Stream</td>
<td>Unknown</td>
<td>Unknown</td>
</tr>
</tbody>
</table>

Source: Village data provided to the survey team by village headmen
* “Quality” is based on verbal, qualitative comments. Samples were taken during the field visit, but the consultant has not been provided with the results.
**The water quality in streams at Somboun and in neighbouring areas has reportedly become polluted over the past two years with chemicals being used by a Vietnamese small-scale mining operation licensed by the District Council.

59. Food deficits measured by months without rice supply is a significant issue in all villages in the project area. The survey team also noted that a majority of the children observed were visibly stunted or malnourished.

60. All villages are located along a road – either 18B (Ban Hatxan) or along the newly improved road along the old Ho Chi Minh trail. Electricity is available in Haxtan along the main road and at Ban Somboun (installed in 2011), but many households are unable to benefit from this, as they reported that they could not afford the electricity.

Livelihoods

61. The approximately 3,000 Brao people who live in the five (5) villages affected by the Hatxan substation and TL, are traditionally dependent on swidden agriculture, hunting and the gathering of forest products. Permanent rice paddy, fruit (mainly banana), and vegetable production, and livestock husbandry (mainly of cattle, pigs and poultry) have also developed, notably at Somboun, as the Brao people have become more settled over the past few decades. There are also some small teak plantations in this area.

62. Residents of the four (4) villages located along the Ho Chi Minh trail also generate some income from artisanal gold panning and from the collection and sale of UXO remnants.

63. There is at present almost no involvement of the Brao in employment outside their territory or outside of their traditional responsibilities of household agriculture, livestock and natural resource management. Shop owners, traders and GOL employees in the affected villages are of the Lao Loum ethnicity (the ethnic majority in Lao PDR). A notable exception to this is the Brao households
residing within the rubber estate whose residents work for the rubber estate as a condition of their rights to live in estate housing. Details of sources of livelihoods provided by village headmen for four villages are detailed in the table below:

<table>
<thead>
<tr>
<th>Village</th>
<th>Livelihood Activity</th>
<th>No. of families*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Somboun</td>
<td>Crop farming</td>
<td>382</td>
</tr>
<tr>
<td></td>
<td>Livestock</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Collect NTFP</td>
<td>372</td>
</tr>
<tr>
<td></td>
<td>Trade/Service/Business</td>
<td>8</td>
</tr>
<tr>
<td>Poukeua</td>
<td>Crop farming</td>
<td>38</td>
</tr>
<tr>
<td></td>
<td>Livestock</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>Collect NTFP</td>
<td>42</td>
</tr>
<tr>
<td></td>
<td>Trade/Service/Business</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Goverent/Army/Police/Retire</td>
<td>2</td>
</tr>
<tr>
<td>Phouyang</td>
<td>Crop farming</td>
<td>30</td>
</tr>
<tr>
<td></td>
<td>Collect NTFP</td>
<td>30</td>
</tr>
<tr>
<td></td>
<td>Other</td>
<td>30</td>
</tr>
<tr>
<td>Namxuang</td>
<td>Crop farming</td>
<td>61</td>
</tr>
<tr>
<td></td>
<td>Livestock</td>
<td>30</td>
</tr>
<tr>
<td></td>
<td>Collect NTFP</td>
<td>61</td>
</tr>
<tr>
<td></td>
<td>Fishery</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Trade/Service/Business</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>Handicraft</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Employ/Worker/Hireling</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Goverent/Army/Police/Retire</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Remittance</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Other</td>
<td>61</td>
</tr>
</tbody>
</table>

Source: Village data provided to the survey team by village headmen.
*Provided on the basis of separate family rather than households.

Vulnerable Households

64. Approximately 95% of the households in the Project area (all except the recent Lao Loum migrants) can be considered vulnerable. The principle element of vulnerability is the situation of the Brao, Kayong and Sdang ethnic groups who comprise 95% of the affected population. These groups currently maintain a subsistence lifestyle with livelihood very closely linked to their environment. Due to their traditional lifestyle and their current lack of interest or experience in the modern market economy, these households are considered to have a low capacity to cope with the changes brought about by socio-economic development in the area.

65. Income levels of the ethnic minority households are substantially below the national poverty line, and virtually all these households are living in poverty by reference to national social and economic indicators. Over 75% of the interviewed households were below the official rural poverty line (and almost 85% of the interviewed Brao and Kayong households). Monetary income from gold panning and UXO salvage are practiced only to permit the purchase of minimal requirements from the external market: clothes, tobacco, some jewellery, soap, medicines, school books, and rice purchases. As land becomes scarcer and more degraded, the amount of items that need to be
purchased is increasing. Headmen’s official records of number of households who are in poverty or relatively better off are as follows

Table 4-9 Household poverty

<table>
<thead>
<tr>
<th>Village</th>
<th>#Better Off Family</th>
<th>#Poor Family</th>
<th>#Lack opportunity of betterment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Somboun</td>
<td></td>
<td>Brao = 239; Kayong = 2</td>
<td>0</td>
</tr>
<tr>
<td>Hatxan</td>
<td></td>
<td>323</td>
<td>32</td>
</tr>
<tr>
<td>Poukeua</td>
<td>3</td>
<td>34</td>
<td>5</td>
</tr>
<tr>
<td>Phouyang</td>
<td>5</td>
<td>23</td>
<td>0</td>
</tr>
<tr>
<td>Namxuan</td>
<td>0</td>
<td>61</td>
<td>6</td>
</tr>
</tbody>
</table>

Source: Village data provided to the survey team by Village Headmen

66. Poverty can also be measured by the lack of rice for substantial periods of the year. Over 80% of households do not have sufficient rice for 12 months of the year (and of these, over 90% are ethnic minority households). Approximately 65% of households reported a lack of rice for between 2 and 6 months of the year and 15% for a period greater than 6 months. This figure is consistent with the administrative and official socio-economic survey and census records of the Sub-District administration provided by village headmen for Hatxan and Poukeua, below. Rice shortages are supplemented by an increased reliance on forest products or cultivated vegetables and/or purchase from traders, often using high interest loans.

Table 4-10 Rice sufficiency in Poukeua and Hatxan.

<table>
<thead>
<tr>
<th>Village</th>
<th>Period of lack of rice</th>
<th>No. of Families</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hatxan</td>
<td>3 months</td>
<td>32</td>
</tr>
<tr>
<td></td>
<td>6 months</td>
<td>323</td>
</tr>
<tr>
<td></td>
<td>9 months</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>12 months</td>
<td>27</td>
</tr>
<tr>
<td>Poukeua</td>
<td>3 months</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>6 months</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>9 months</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>12 months</td>
<td>8</td>
</tr>
</tbody>
</table>

Source: Village data provided to the survey team by village headmen

67. Government consolidation and relocation programs have improved access to roads, but have done little to improve food security and malnutrition by not addressing issues of land shortages (this is consistent with the experience of other indigenous minority communities that have experience consolidation in other areas of Lao PDR). The main reason for this is that involvement in the modern job market is not being encouraged, and the residents have not been provided with the support necessary to allow them to benefit from improved access to roads and other services.

68. Households with elderly head of households (4%), and widowed female headed households (12%), are also amongst the households that are living below the poverty line. It can be concluded that except for cash compensation which could be additional where more than one factor of vulnerability exists, the measures taken to address vulnerability can best be provided to the whole community.

69. Only 1 household was found to be landless, a situation arising from life-cycle status rather than rights to land which are integral to Brao and other indigenous minority culture. This situation of
occasional landlessness does not reflect the degree of insecurity of land tenure which traditionally has been a dominant factor in Brao history.⁵

Table 4-10 Vulnerable Households by Village

<table>
<thead>
<tr>
<th>Villages</th>
<th>Aged HH Head</th>
<th>Income below poverty line</th>
<th>Widowed Female head of house</th>
<th>Landless</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hat Xan</td>
<td>1</td>
<td>32</td>
<td>5</td>
<td>0</td>
</tr>
<tr>
<td>Somboun</td>
<td>3</td>
<td>25</td>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td>Namxuan</td>
<td>0</td>
<td>4</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Phouyang</td>
<td>0</td>
<td>3</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Poukeua</td>
<td>1</td>
<td>4</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>5</td>
<td>68</td>
<td>13</td>
<td>1</td>
</tr>
</tbody>
</table>

Source: Consultant Socio-economic survey.

Safety and Unexploded Ordinance (UXO)

70. Attapeu is one of the most UXO contaminated provinces in Lao PDR. Since the TL alignment is along the old Ho Chi Minh trail, the area is likely to be highly contaminated with unexploded ordinance (UXO). Residents reported salvaging UXO material for sale as one form of income. The number of accidents / injuries related to UXO per year in the affected area was not reported.

⁵ Figures of landless also do not show the loss in 2009 and 2010 of 9,000 ha traditionally used by Hatxan residents, which was reportedly “taken back” by the District Government as a rubber plantation in a Concession Agreement to a Vietnamese company. Residents reported that no compensation was provided for this land or for the 30 houses that were demolished. The 30 households were subsequently relocated and given replacement homes within the rubber estate on condition of working on the rubber estate as waged labourers (e.g. residents do not own their homes – they can only stay as long as they work for the rubber company).
Figure 4-2 Risk of UXO in the project area.
5 Public Consultation and Disclosure

5.1 Consultation and Disclosure during Planning

71. Consultation meetings were held with each of the five village communities prior to the conduct of inventory of losses, census of PAPs and socio-economic survey. Details of the dates, matters discussed at each meeting and the people attending are attached in Annex 4. Separate discussions were held with small groups of women to identify their perception of potential project impacts and of their needs for assistance. The composition of these groups also consisted of indigenous groups living in each village, so that it was not considered necessary to hold separate meetings with different ethnic groups.

72. Information regarding the construction of TL, its route and the location of land impacted by the towers and substation, as well as information regarding the project’s operating characteristics was provided during the consultation meetings. In addition, information relating to the calculation methods and negotiation of compensation rates as well as the grievance procedure was provided in a brochure (Annex 5). A question and answer session was held at all villages prior to IOL and socio-economic survey. The brochures were in Lao (which is used locally as a written language rather than the vernacular Brao) and were provided to local group leaders and to household heads for approximately 15% of households. They were also displayed as posters at the village headmen’s houses, village meetings rooms and the District and Sub-district Centres. PAPs, village headmen and elders were informed that the LARAP would be made available for consultation at the District and Sub-District Centres.

73. Consultation was also conducted with PAPs, community leaders and officials during the survey of affected land within the project. Information was provided and discussion was undertaken both during the socio-economic survey and during the census of loss of the affected households and in meetings with the communities, and with village heads and sub-district officials, during April 2011.

74. The consultation meetings had two main purposes: i) to ensure that the community were fully informed regarding the transmission line project and its potential impact, and ii) to understand community’s response to the project, their perceived benefits and impacts, as well as the local needs/options, and project options and alternatives.

75. Discussion of the latter questions was specifically related to the communities’ ethnic composition and to impact on their culture, social structure and livelihoods system. Focus group meetings with village leaders and with women and older men were directed particularly to exchanging views on impact of the TL and sub-station, and measures which both mitigate impact and contribute to sustainable development. Particular attention was paid to considering measures which in the view of the leaders and members of the ethnic groups would sustain traditional ways of life and livelihoods. Discussion with their leaders, and separately with men and women, was addressed particularly to their dependency on and observances towards the forest environment.

76. The size of meetings related mainly to the availability of adult members of households, who were, throughout the survey and meetings, fully occupied with the preparation of swidden rice fields. Advance notice was provided to villages to ensure maximum participation. To accommodate the availability of residents, four (4) meetings were held over a period of three days at Somboun, which is the largest village and, being close to the TL, is the most impacted by potential land loss.
77. A ‘needs assessment’ was also undertaken where APs and the community at large were asked, both in the socio-economic questionnaire survey and in consultation meetings, to identify their specific needs, to discuss any impact of the TL on well-being, and to suggest measures for assistance, improvement of livelihoods, strengthening of services and the local economy. These suggested measures were used to inform the preparation of the income restoration programme. The assessment was also undertaken specifically for indigenous groups and women to ensure their concerns and needs are addressed in the IPDP and GDP prepared as part of the LARAP.

5.2 Community Attitudes toward the Project

78. Responses of the PAPs to the Project are based on the information which they had been given about the TL during the past two years, including information provided during the socio-economic survey and IOL. Very few of the ethnic minority residents (primarily a few men from Brao villages) reported having seen a transmission line before, and therefore, only a few have a realistic idea of its impact.

79. Most believed that the TL was connected to the development of electricity supply to the area (currently being implemented in Somboun). Many felt that electricity would be a great benefit, however most households felt that they would not be able to afford it. Their primary concern about the TL was that they would no longer be able to hunt or gather forest products in ROW and in areas adjacent to the ROW.

80. Most expect simply to be treated fairly in terms of compensation, but in response to careful questioning a number of options were generally agreed to be valuable in restoring losses of forest and in compensating for the impact of the TL.

81. Benefits of the TL will be derived from increased employment opportunity related to the annual clearing of the TL corridor, and from specific planned measures to restore or enhance any loss of livelihoods. These are outlined in the LARAP, the Indigenous Peoples’ Development Plan and the Gender Development Plan (GDP) and include: improved access to health facilities, training and educational programs, electricity connections to the recently installed supply system at Somboun, water supply, and small scale irrigation, agricultural and livestock development. A major factor limiting any benefits of the project is that of land shortage and loss of access to forest resources, which could limit the potential for ‘land for land’ compensation. There is the potential to overcome this issue by securing land and providing access to forests in the adjoining NPA.

5.3 Framework for Ongoing Consultation and Participation

82. Consultation will continue to take place, with PAPs and their leaders, at every stage of preparation and implementation of the LARAP. Proposals and institutional structures, including participative management and grievance mechanisms, are set out within this report and have been disclosed to PAPs during consultation to ensure continued consultation throughout the implementation of the LARAP.

5.4 Grievance Redress Mechanisms

83. The Project Owner will undertake grievance resolution in accordance with the provisions in Article 13 of the Decree on Compensation and Resettlement of People Affected by Development Projects (2005), and the Technical Guidelines in the Regulation on Compensation and Resettlement (2005). All grievances related to any aspect of the project will be handled via consultations aimed at
resolving matters through consensus at the project level. The affected people will be given many opportunities to review the survey results and compensation policies during the process of resettlement planning and implementation. However, during implementation, various issues might be encountered by the affected people. In order to resolve these concerns in a timely and effective manner, a grievance redress mechanism shall be established. The affected people will be notified about such a mechanism before the implementation of the resettlement process.

84. If a person is not satisfied with his or her compensation or rehabilitation measure, he or she can voice his or her complaint to the head of the affected village or directly to the EMU. The village head or the EMU will provide an answer within two weeks. If the complainant still does not agree with the solution, he or she could appeal to the PEMC where the PEMC sub-committee known as the “Grievance Committee” will address these issues. The Grievance Committee will make a final decision within two weeks. If the complainant still does not agree with the decision, he or she could go to the court to settle the matter.

85. A Grievance Committee will also be formed by each district authority to assist where Project Owner / EDL and APs cannot reach an agreement on compensation, and to deal with complaints for up to 3 months following completion of construction. The Grievance Committee will consist of the same authorities as the Compensation Committee, with the addition of the village head and two PAP representatives. The Project Owner / EDL will estimate the total compensation and relocation funds as agreed with the PAPs, update the RAP budget and submit a final compensation budget proposal to request funds to Project Owner / EDL management for approval. Once approval has been gained, EDL will release the funds for compensation payments, and Project Owner / EDL will disburse the funds to APs, obtaining the necessary receipts. Once compensation has been received, PAPs will hand over or vacate the land within two months. The title of the land is then transferred to Project Owner / EDL by the Provincial Land Office. The Project Owner / EDL will maintain filed copies of all PAP contracts, compensation receipts and RoW notices, and furnish the same to AP signatories.

86. Each district Grievance Redress Committee (GRC) will be comprised of:

i) Representative from the Cabinet Office (Ministry of Energy and Mines);

ii) Provincial Water Resources and Environment Administration (PWREA);

iii) Provincial Ministry of Energy and Mines;

iv) Provincial Land Office;

v) Village heads;

vi) Village elders, at least one of whom should be a woman;

vii) Representatives from APs (at least one being female or representative of Brau or Kayong); and

viii) Project Owner / EDL officer.
6 Land Acquisition and Resettlement Plan

6.1 Objective and Scope

87. The main objectives of the LARAP are to provide planned and time-bound measures and resources to restore the livelihoods of the people impacted by the transmission line to achieve a better or at least equal condition of wellbeing and income levels as prior to the implementation of the project.

88. The specific objectives of the LARAP are to provide an effective guideline for the GoL and the Project Environmental Management Committee (PEMC) to use for acquisition of land and entitlements to people affected by the project ensure that they are compensated under the prevailing legal norms of GoL and in compliance with the policies of the GoL as well as the ADB.

89. The LARAP identifies the following: (i) impacts and extent of losses; (ii) principles and legal framework applicable for the management and mitigation of losses; (iii) provisions for the restoration of income/livelihood; and (iv) responsibilities for the delivery and monitoring of the RAP process.

90. The LARAP is directed at managing and mitigating the impact of the construction and operation of the sub-station and transmission line and to providing fair compensation and replacement of resources and means of livelihood to affected households and communities, including:

i) Compensation for temporary and permanent agricultural land loss;

ii) Compensation for loss of crops and trees;

iii) Restoration and improvement of livelihoods affected by loss of access to the forest and to forest products and to hunting grounds, principally by the provision of a land and forest concession for the Brao and related indigenous groups in the neighbouring NPA;

iv) Compensatory measures for impact on cultural and religious sites and practices;

v) Developmental measures for impact on the livelihoods and wellbeing of women;

vi) Developmental measures for improvement of agricultural and related production and post-harvest systems;

vii) Provision for earning opportunities related to the project;

viii) Land and water resource development and provision of title to permanent land rights;

ix) Artisanal and small-scale trading opportunities related to the opening up of the territory of ethnic groups;

x) The financing of an HIV/AIDS Awareness and Prevention Programme to strengthen existing Provincial Government Centre for HIV / AIDS / STIs (CHAS) services in the context of the impact of incoming work forces both of the TL construction and of associated hydropower projects.
6.2 Principles

91. The LARAP embodies the following principles:

i. Impact of the TL on social assets, displacement and resettlement will be avoided as far as possible at the stages of project design and implementation, and steps will be taken to mitigate impact and losses wherever they occur;

ii. Fair compensation will be provided for all land and fixed assets and for livelihoods lost in the implementation or operation of the TL and sub-station and this will be set out in a time-bound LARAP;

iii. The LARAP will be based on consultation and full disclosure to affected people and will involve their participation in decisions regarding management, mitigation and restoration measures;

iv. Compensation for land loss will be provided to affected people regardless of their legal status or title as owners and users of the impacted land;

v. Specific provision will be made for assistance to vulnerable (including women and indigenous peoples) and severely affected households;

vi. Resettlement will be planned as an integral part of the project and will so far as is possible be developmental in character and execution, leading to improvements in the pre-project socio-economic situation of project affected people;

vii. Specific measures will be taken to provide for the participation and benefit of PAPs from employment and income generation activities arising from the construction and operation of the transmission line; and

viii. The LARAP and its institutional arrangements will include provision for a grievance mechanism known and available to affected people to permit the communication and redress of any complaint or dissatisfaction in respect of disclosure and availability of compensation or assistance or with the basis in survey, measurement and negotiated agreement on which compensation has been based.

92. The over-riding principle of the LARAP is that where a person or group is affected by land acquisition, damage to income generating assets/activities or resettlement as a result of the project, fair compensation will be provided in order that assets are replaced and livelihoods are the same or better than before the project. The entitlement matrix, resettlement policies and procedures set out in this LARAP reflect this principle.

6.3 Eligibility Criteria

93. The LARAP covers all areas and people directly affected by the Project including all affected people defined by GoL legislation as:
i. Any person, legal entity, or organisation who/which will be directly or indirectly affected by a project due to requisition of lands or real estate, changes in land category, and/or impacts on ecological and environmental systems in their areas; and

ii. Any person or entity or organization affected by a project, who in the context of acquisition of assets or change in land use before the project commencement date, would have their: (i) standard of living adversely affected; (ii) right, title or interest in all or any part of a house, land (including residential, commercial, agricultural, plantations, forest and grazing land) water resources or any other moveable or fixed assets acquired or possessed, in full or in part, permanently or temporarily adversely affected; (iii) business, occupation, place of work or residence areas adversely affected with or without displacement; and/or (iv) community resources adversely affected.

iii. People later accepted for inclusion by the Grievance Procedure.

94. The entitlement unit of the LRP is the village, and as such all households within all three (3) villages (at the time of the cut-off date) are eligible to participate in LRP activities.[1] In-migrants to the village are not entitled to participate in the LARAP.

95. These people are entitled to compensation and/or livelihood restoration in accordance the Decree on Compensation and Resettlement No 192/PM.

96. People found to be residing in, doing business or cultivating land within the project area after the cut-off date (note: excluding other relatives previously residing outside the area) are not eligible for compensation.

6.4 Impacts of the TL and Sub-Station

97. The major impacts of the TL construction in Lao PDR are in a corridor of impact between km 39 on National Road 18B east of Haxtan Village and the Lao PDR-Vietnam border in Attapeu Province. The five (5) villages along this corridor of impact are comprised of indigenous households, primarily of the Brao ethnicity, but also with Kayong and Sdang households and Lao Loum traders and administrators (as described in Chapter 4).

98. The TL alignment was specifically chosen to minimize the impact on agriculture and settlement areas. No relocation of households is required for the project. Twenty-four (24) households in Somboun village will be affected by loss of agricultural land and small tree plantations for the construction of the TL. Five (5) villages with 640 households will also lose access to approximately 100 ha of forest resources.

99. Land acquisition required for the project, as well as the impact on industrial trees, crops and community forests resources are set out in the following tables. There are no affected structures or people that need to be relocated.

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[1] All households in the village refer to households residing in the village before the official cut-off date set by the Province. The eligibility of households arriving after the cut-off date will need to be discussed between the company and District and Provincial Officials.
Table 6-1 Settled agricultural land affected by the TL ROW.

<table>
<thead>
<tr>
<th>Land Use Type</th>
<th>Settled Agriculture Area Affected (ha)</th>
<th>No. of HH Affected</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rice paddy</td>
<td>1.5</td>
<td>3</td>
</tr>
<tr>
<td>Vegetable Garden</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Swidden Rice Field</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>Teak Plantation</td>
<td>2.75</td>
<td>11</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>9.25</strong></td>
<td><strong>24</strong></td>
</tr>
</tbody>
</table>

Table 6-2. Estimated Community Forest resources\(^6\) affected by Project in ha.

<table>
<thead>
<tr>
<th>Village</th>
<th>By TL</th>
<th>By Tower</th>
<th>By Sub-Station</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Somboun</td>
<td>28</td>
<td>1.2</td>
<td>0</td>
<td>29.2</td>
</tr>
<tr>
<td>Numxuan</td>
<td>28</td>
<td>1.2</td>
<td>0</td>
<td>29.2</td>
</tr>
<tr>
<td>Phouyang</td>
<td>28</td>
<td>1.2</td>
<td>0</td>
<td>29.2</td>
</tr>
<tr>
<td>Phoukeua</td>
<td>28</td>
<td>1.2</td>
<td>0</td>
<td>29.2</td>
</tr>
<tr>
<td>Hatxan</td>
<td>0</td>
<td>0</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>112</strong></td>
<td><strong>4.8</strong></td>
<td><strong>100</strong></td>
<td><strong>216.80</strong></td>
</tr>
</tbody>
</table>

100. While permanent impacts on settled agriculture are minimal, the loss of livelihoods of the affected indigenous groups will mainly result from:

i. Temporary impact and delays in crop production during the construction of towers and stringing the TL line. This impact will primarily be on swidden areas owned by residents of Somboun;

ii. Permanent removal of trees, mainly small cultivated teak plantations, within the ROW to maintain the required clearance during operations;

iii. Fairly minor impact on hunting and the presence of game animals throughout the length of the TL both during construction and permanently;

iv. Fairly minor impact on the collection of NTFP within the ROW (approximately 100 ha) both during construction and permanently.

v. Loss of timber trees in the TL corridor (an area of approximately 56 ha of Production Forest and 42 ha in the NPA). Construction of the transmission line will also require compensation for trees / crops higher than 3 m within the transmission line ROW.

vi. Social (including health) and cultural impact of the construction, maintenance and presence of the TL.

\(^6\) Based on consultation with local residents regarding the location and range of forests used for hunting, timber and NTFP collection, forest resources are considered to be forests within 5 km of the village.
vii. Visual amenity impacts along the length of the TL.

101. Given the significant development in the area (refer to the next section), however, it is difficult to discuss the loss of livelihood associated with the TL in isolation, as the culture and livelihoods of the Brao, Kayong and Sdang are already under significant threat due to these other developments. The construction of the TL is likely to exacerbate existing issues, such as impoverishment, land shortages, food deficiencies and subsequent child malnutrition.

6.5 Existing Issues and Likely Impacts of Impending Development

102. The existing issues described in the previous section (poverty, land and food shortages) have arisen from loss of access to traditional forest land and impacts on agricultural lands (particularly swidden land) associated with the rubber, road improvement and hydropower development, as well as in-migration due to these projects. These losses are particularly significant for the Mon Khmer in the area, as their livelihoods and cultural systems are closely tied with traditional land and forest rights.

103. During a meeting with the Director of Planning (Attapeu Provincial Governors Office) (July 2009), the consultant mission was informed of a number of bauxite and gold mining concessions, which have been established with Vietnamese developers. The Director indicated that these concessions were located in the Phouvang sub-district in the immediate vicinity of Somboun, but no maps or other information were provided. At present, small-scale mining operations are being conducted by a Vietnamese concessionaire, reported to be licenced by the District Government, in the vicinity of the affected villages, which are affecting water quality in these villages.

104. The Director of Planning further confirmed that concession agreements for rubber plantation were extensive in the Province7, and that their location was a matter for decision by District Government in agreement with the Vietnamese company. As currently planned, it is intended that these projects would be designed and implemented by Vietnamese developers using primarily Vietnamese work forces, thus a significant in-migration of Vietnamese workers is expected. Rubber developments have had significant impact on the residents of Hatxan due to loss of land and in-migration of the (largely Vietnamese) workforce.

105. The upgrade of the road along the old Ho Chi Minh trail through four of the villages affected by the TL is also bringing social and economic change to the area. The widening of the road has led to loss of some agricultural land. The greatest social and cultural impact, however, is the administrative presence that it has brought, including the presence of GOL representatives (mostly Lao Loum), the introduction of an administrative structure that is different from traditional structures and the consolidation of smaller villages and hamlets into four main villages. A further impact has been the introduction of outsiders (tourists and other travelling the road, road construction workers) to this previously fairly isolated community.

106. An additional potential issue associated with development projects and in-migration is that of the spread of HIV / AIDS. Xekhaman 1 Hydropower Project reported one measure related to HIV / AIDS: Vietnamese workers are screened for HIV infection before being recruited, and are rejected if shown to be HIV positive. They are then tested at site every “six months or one year”, and are

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7 During a separate, informal meeting, the consultant team was informed that the concession agreements were for 100,000 ha of land in Attapeu Province.
dismissed and repatriated to Vietnam if found positive. It was reported that this measure was primarily to prevent HIV / AIDS infected people from working in difficult conditions. The Project had no other awareness or preventive programme, and workers are not restricted from visiting any location in Laos for recreation.

107. Finally, in Somboun and the three other villages along the old Ho Chi Minh Trail, the Government is presently implementing a program of consolidation with the goal of increasing road access and improving social services, such as education, health services, and agricultural development. As currently structured, the consolidation does not address the existing land shortage and food security issues.

6.6 Entitlements

108. The resettlement principles and assistance have been designed to cover compensation for lost assets and restore or enhance the livelihoods of all categories of affected people. Table 6-3 (Entitlement Matrix) provides a summary of the application of the principles, definition of entitled persons, entitlements and indicates results of actions.

109. Affected households will be compensated prior to onset of construction. They will be given 3 months from this time to salvage any trees or crops from the acquired land. After the expiry of the deadline, Project Owner / EDL or its contractor can take action to clear the acquired land in preparation for construction. Project Owner / EDL or its contractor may clear any structures, crops or trees planted on the acquired land after the cut off date. Any grievances and objections will be referred to the Grievance Redress Committee. If, following the contractor’s detailed design, categories of loss are identified which are not covered by the Entitlement Matrix, policies and entitlements in this RAP should be updated with reference to the Project Resettlement Framework.

110. A further entitlement provided for specifically to overcome land shortage and related impoverishment and malnutrition among the Brao and related indigenous communities, regardless of individual or household loss, is that of access to a land and forest concession of 2,000 ha proposed to be provided in the NPA adjoining Somboun village in Phouvong District.
### Table 6-3 Entitlement Matrix

<table>
<thead>
<tr>
<th>TYPE OF LOSS</th>
<th>APPLICATION</th>
<th>DEFINITION OF ENTITLED PERSON</th>
<th>COMPENSATION POLICY</th>
</tr>
</thead>
</table>
| (a) Arable land| a.1 Less than 20% of total landholding to be acquired (marginal impact on household income and living standards). | a) Legal user of affected land with permanent land rights, and AP’s who meet the criteria for permanent land use rights and will therefore be issued with permanent land title in due time. | - Cash compensation for crops and trees at market price, AND  
- Cash compensation for acquired land at 100% of replacement cost.  
  
  
  b) Legal user of affected land with temporary land rights (unlegalizable).  
  - Cash compensation for crops and trees at market price; AND  
  (a) Cash compensation for affected land corresponding to 100% of the replacement cost of affected land; OR  
  (b) Cash assistance for lost income from the affected land for the remaining period of the temporary land use right.  
  
  c) Legal user of affected land with lease land rights (unlegalizable).  
  - Cash compensation for crops and trees at market price; AND  
  - Cash assistance for loss income for the remaining lease period.  
| Arable land (cont’d) | a.2 More than 20% of total land holding and remaining land is rendered unviable for continued use. (Severe impact on household income and living standards.) | a) Legal user of affected land with permanent land rights, and AP’s who meet the criteria for permanent land use rights and will therefore be issued with permanent LURC in due time. | - Cash compensation for crops and trees at market price;  
(a) full title to land of equal productivity at location acceptable to AP’s, wherever available; OR  
(b) cash compensation for lost land at 100% replacement cost at the informed request of AP’s;  
- Transport allowance to shift to relocation site;  
- Subsistence allowance for six months;  
- Rehabilitation package (training for one family member in current or new occupation and training allowance / agricultural extension services, and farm inputs to increase productivity on remaining land, or any other type of suitable assistance)  

<table>
<thead>
<tr>
<th>TYPE OF LOSS</th>
<th>APPLICATION</th>
<th>DEFINITION OF ENTITLED PERSON</th>
<th>COMPENSATION POLICY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Temporary loss</td>
<td>Loss of use of the land for a period up to a maximum of</td>
<td>a) Legal user of affected agricultural land</td>
<td>Cash compensation for loss of crops at market prices</td>
</tr>
<tr>
<td></td>
<td></td>
<td>b) Legal user of affected land with rights of</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>● AP’s will be entitled to:</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>‐ Cash compensation for crops and trees at market price;</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>‐ cash equivalent to 100% of the replacement cost of the affected land;</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>‐ Transport allowance;</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>‐ Subsistence Allowance for 6 months,</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>‐ a rehabilitation package (training for one family member in current or new occupation and training allowance / agricultural extension services, and farm inputs to increase productivity on the farm land, or any other suitable assistance); OR</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>‐ Cash assistance to provide for lost income from the land for the remaining period of temporary land use right.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>● APs will be entitled to:</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>‐ Cash compensation for loss of crops and trees at market prices;</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>‐ Land for land compensation of equivalent productive capacity at location acceptable to the APs and on a similar lease basis if available; OR Cash equivalent to provide for lost income from affected land for the remaining lease period;</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>‐ Transport allowance;</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>‐ Subsistence allowance for each family member for 6 months;</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>‐ Rehabilitation package (training for one family member in current or new occupation and training allowance OR agricultural extension services, and farm inputs to increase productivity on the farm land OR any other suitable assistance).</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>‐ as for b)</td>
</tr>
<tr>
<td></td>
<td>b) Legal user of affected land with temporary land rights (unlegalizable).</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>c) Legal user of affected land with lease land rights (unlegalizable).</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>d) Legal user of affected land with rights of rotational use (swidden)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Legal user of affected land with temporary land rights (unlegalizable) |

- AP’s will be entitled to:
  - Cash compensation for crops and trees at market price;
  - cash equivalent to 100% of the replacement cost of the affected land;
  - Transport allowance;
  - Subsistence Allowance for 6 months,
  - a rehabilitation package (training for one family member in current or new occupation and training allowance / agricultural extension services, and farm inputs to increase productivity on the farm land, or any other suitable assistance); OR
  - Cash assistance to provide for lost income from the land for the remaining period of temporary land use right.

### Legal user of affected land with lease land rights (unlegalizable) |

- APs will be entitled to:
  - Cash compensation for crops and trees at market price;
  - Land for land compensation of equivalent productive capacity at location acceptable to the APs and on a similar lease basis if available; OR Cash equivalent to provide for lost income from affected land for the remaining lease period;
  - Transport allowance;
  - Subsistence allowance for each family member for 6 months;
  - Rehabilitation package (training for one family member in current or new occupation and training allowance OR agricultural extension services, and farm inputs to increase productivity on the farm land OR any other suitable assistance).
<table>
<thead>
<tr>
<th>TYPE OF LOSS</th>
<th>APPLICATION</th>
<th>DEFINITION OF ENTITLED PERSON</th>
<th>COMPENSATION POLICY</th>
</tr>
</thead>
<tbody>
<tr>
<td>(b) Residential and/or commercial land (without structures built thereon)</td>
<td>1 year.</td>
<td>Rotational use (swidden)</td>
<td>Cash compensation for loss of crops at market prices</td>
</tr>
<tr>
<td>(c) Residential and/or commercial land (with structures built thereon)</td>
<td>Loss of residential or commercial land due to the project works</td>
<td>Legal land user with permanent rights or temporary rights (but legalizable).</td>
<td>APs will be entitled to cash compensation at 100% of replacement cost of the affected land.</td>
</tr>
<tr>
<td></td>
<td>Legal land user with temporary right (unlegalizable).</td>
<td></td>
<td>APs will be entitled to cash assistance equivalent to 30% of replacement cost of the affected land.</td>
</tr>
<tr>
<td>(d) Loss of residential or commercial land (with structure)</td>
<td>APs has remaining permanently legal or legalizable residential and/or commercial land less than 100m²</td>
<td>a) Legal APs of the affected land with permanent use rights.</td>
<td>Group Relocation:</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Land for land compensation of full title to a standard size plot, on a project sponsored relocation site, (for residential or commercial 100 m²; and for commercial only 14 m²) of land of the same quality (or better) as the affected land and for their remaining legal land (not less than the minimum standard plot size). APs losing an area greater than the plot in RS will receive compensation in cash for the difference;</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Sites will be serviced with electricity, water, drainage, access and internal road, and will provide the same access to services (health, education, market) as at the former location, either on site or in the vicinity; OR</td>
</tr>
<tr>
<td>TYPE OF LOSS</td>
<td>APPLICATION</td>
<td>DEFINITION OF ENTITLED PERSON</td>
<td>COMPENSATION POLICY</td>
</tr>
<tr>
<td>--------------------------------------------</td>
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<td>-----------------------------------------------------------------------------------------------</td>
<td>-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td><strong>Self Relocation</strong>: At the informed request of the APs they may make their own arrangements for relocation and will be entitled to:</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Cash in lieu of land at 100% replacement cost;</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Transport allowance;</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Subsistence allowance for a period of 6 months;</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- APs who have their business affected will be entitled to a special income rehabilitation allowance (USD 100 per household) to provide for loss of income during the transition period.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Assistance from local authorities to locate possible plots and to purchase land for resettlement.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td><strong>Re-organization</strong>: Only in exceptional cases permission may be given to APs to organize on their remaining legal land in less than standard area. APs will be entitled to a special allowance equivalent in value to the difference in land area between the standard plot size on a RS and the remaining area on which AP is reorganizing, at the rate of RS land. Reorganizing APs will get subsistence allowance for three months.</td>
</tr>
<tr>
<td>Residential or commercial land (continued)</td>
<td>less than 100m²</td>
<td>b) Legal APs of the affected land with temporary use rights (but unlegalizable).</td>
<td>- AP’s will be entitled to:</td>
</tr>
<tr>
<td></td>
<td>(same as above)</td>
<td></td>
<td>Group Relocation: same as for entitled persons category a); OR</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Self Relocation: At the informed request of APs they may make their own arrangements for relocation and will be entitled to:</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Cash equivalent to 100% of the replacement cost of their lost land;</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Cash compensation to 100% of replacement cost of structures;</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Subsistence allowance for 6 months;</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Transport allowance;</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- APs who had business at their affected location and who must relocate are entitled to a special income compensation.</td>
</tr>
<tr>
<td>TYPE OF LOSS</td>
<td>APPLICATION</td>
<td>DEFINITION OF ENTITLED PERSON</td>
<td>COMPENSATION POLICY</td>
</tr>
<tr>
<td>------------------------------------------------</td>
<td>-------------------</td>
<td>---------------------------------------------------------------------------------------------</td>
<td>------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Residential or commercial land (continued)</td>
<td>less than 100m²</td>
<td>c) Illegal APs with no rights to use the affected land and not legalizable.</td>
<td>- Rehabilitation allowance of USD 100 to provide for loss of income during the transition period;</td>
</tr>
<tr>
<td></td>
<td>(same as above)</td>
<td></td>
<td>- Assistance from local authorities to locate possible plots and to purchase land for resettlement.</td>
</tr>
<tr>
<td>(e) Structures</td>
<td>Structures affected by the project</td>
<td>a) Legal owner of the affected structure.</td>
<td>- APs with legal right to build the affected structure will be entitled to compensation at 100% of replacement cost of the affected structure, including material, cash or a combination of the two. No deduction will be made for depreciation or for salvageable materials.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Partially affected structures will be compensated for the affected part at replacement cost and additional cash assistance (Repair allowance) will be made to cover the cost of repairing the structure.</td>
</tr>
</tbody>
</table>

Group relocation: same as for entitled persons category a); OR Self-Relocation: At the informed request of APs they may make their own arrangements for relocation and will be entitled to:
- Cash assistance equivalent to the actual cost of a plot in resettlement site;
- Cash compensation at replacement cost for their structures;
- Transport allowance to relocation site;
- Subsistence allowance;
- APs who are entitled to relocation and who have business affected will be entitled to a special income rehabilitation allowance of USD100 to provide for loss of income during the transition period;
- Assistance from local authorities to locate possible plots and to purchase land for resettlement.
<table>
<thead>
<tr>
<th>TYPE OF LOSS</th>
<th>APPLICATION</th>
<th>DEFINITION OF ENTITLED PERSON</th>
<th>COMPENSATION POLICY</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>b) Tenants of leased affected structure</td>
<td>- Tenants of structures will be entitled to 3 months rent allowance and assistance in finding alternate rental accommodation</td>
<td></td>
</tr>
</tbody>
</table>
| (f) Independent shop owners | Shops located in the project area (with residences at a different location). | a) Legal owner of the shop with permanent rights to use the affected land. | APs will be entitled to one of the following options: Group Relocation:  
- Land for land compensation of full title to a plot of land on a group resettlement site of the same area and quality as the area lost (minimum 14 m²) on the site suitable for restoring business or at a market place;  
- Cash compensation for affected structure at replacement cost;  
- Transport allowance;  
- Subsistence allowance for 6 months;  
- Special income rehabilitation allowance of US$ 100 to provide for lost income during the transition period;  
- Suitable rehabilitation assistance; OR  
Self relocation: At the informed request of APs they may make their own arrangements for relocation and will be entitled to:  
- Cash compensation at replacement cost for their land lost:  
- Cash compensation for their structures;  
- Transport allowance;  
- Subsistence allowance;  
- Suitable rehabilitation assistance;  
- Special income rehabilitation allowance of US$ 100 to provide for lost income during the transition period.  
- Assistance from local authorities in identifying individual resettlement sites |
| Independent shop owners (continued) | b) Illegal owner of the shop with no land use rights | APs will be entitled to one of the following options: Group relocation:  
- Assistance to relocate to suitable site or at market place; |
<table>
<thead>
<tr>
<th>TYPE OF LOSS</th>
<th>APPLICATION</th>
<th>DEFINITION OF ENTITLED PERSON</th>
<th>COMPENSATION POLICY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Graves</td>
<td>Graves located in the area acquired.</td>
<td>Household who owns the graves</td>
<td>APs are entitled to cash compensation for all costs of excavation, movement and reburial including payment for consecration.</td>
</tr>
<tr>
<td>Private wells</td>
<td>Wells located in area acquired.</td>
<td>Household who owns the well.</td>
<td>Cash compensation at replacement cost or a replacement well if requested by the AP.</td>
</tr>
<tr>
<td>Crops</td>
<td>Affected Crops</td>
<td>Owner of affected crops</td>
<td>Compensation in cash at current market prices (farm gate price of the harvested crops plus cost of production)</td>
</tr>
</tbody>
</table>
| Perennial Trees | Affected Trees | Owner of trees | APs will be entitled to:  
- A lump sum amount for young non-fruit bearing trees to cover for the cost of maintenance and inputs;  
- For fruit bearing trees compensation at 3 years production value at current market prices.  
- for timber trees: compensation at the current market |
<table>
<thead>
<tr>
<th>TYPE OF LOSS</th>
<th>APPLICATION</th>
<th>DEFINITION OF ENTITLED PERSON</th>
<th>COMPENSATION POLICY</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>value of the trees, or the cost of replacement and cultivation of young trees plus the calculated current market value of the trees.</td>
</tr>
</tbody>
</table>
6.7 Compensation, Relocation and Income Restoration

111. Based on the laws, regulations, and compensation principles outlined above, and on successful implementation experience of previous projects, a set of compensation standards and valuation methods have been developed for the proposed project as follows:

**Permanent Land Acquisition**

112. For permanent land acquisition, different compensation will be paid based on different types of land areas. It is agreed that for productive farmland, mainly paddy land, the basic compensation will be 10 times the annual output value for lost farmland. Refer to formulas in Chapter 7 for detailed formulae of estimating the unit compensation rate for permanent compensation cost.

113. For acquired scrub land and garden land, the compensation rate will be set at one third of compensation rate for paddy land.

114. Individual household land losses will be compensated in cash. This is partly because it would be difficult for the Provincial Government, in the absence of unoccupied land or a land market, to identify or procure replacement land within farming reach of the concerned families. With compensation funds, affected families are likely to be able to adjust their remaining land use or procure land through traditional systems.

115. The more widespread problem of land shortage which will be exacerbated by land loss caused by the TL and sub-station will be met by a proposed land and forest concession in the NPA adjoining Somboun village, the Sub-District Centre of Phouvong District, which would be made available to all Brao related indigenous minority communities.

**Temporary Land Occupation**

116. In addition to the income losses from permanent land acquisition, there will be income losses from temporary land occupation or disturbances during project construction. For such losses, compensation of lost crops at replacement value and cost of restoring land into original conditions will be paid by the project owner. Depending on length of such occupation, most of impacts will be limited to one crop loss, but for some cases, such occupation might take up more than one year with multiple crop losses. The compensation will be based on average yield and market price of lost crops. Efforts will be made by the project owner to minimize the impacts of temporary land occupation by timing the construction after planting season. Project Owner will also minimise temporary impacts by using (and / or improving) existing track, rather than constructing a new one. Requirements to minimise temporary impacts will be included in construction contracts. Refer to Chapter 7 for unit cost details.

**Structures and Assets**

117. No structures have been identified in the IOL. In the event of any structures discovered to be affected in the Detailed Measurement Survey (DMS), the basic compensation principle will be to provide compensation at replacement value, which will include (i) cash for lost structures sufficient to replace materials and labor to build replacement structures to an equivalent size and standard;
(ii) housing plot to build the replacement structure; and (iii) allowance for the expense of relocation and lost of income during transfer.

**Economic Trees and Cash Crops**

118. Only a small number of teak trees have been identified as requiring cutting. Tree compensation unit cost will be based on similar previous projects carried out with Attapeu, Champakda and Sekong provinces and draft recommendation on compensation of the transmission line project by Department of Environment, Ministry of Energy and Mines (refer to Chapter 7).

**Other Compensation and Assistance**

119. No loss of infrastructure facilities, community services and other community assets, such as roads, bridges, schools, electricity, or water has been identified. In the event that any such loss is found during the DMS, the Project Owner / EDL provide in-kind compensation or by rebuilding these facilities to their original status. Such replacement will be completed prior to the construction of transmission projects, so that the daily life of concerned communities will not be affected.

120. In case of the transmission line passing through the cultural area of the villages like “spirit forest” area and cemetery area, the Project Owner / EDL will consult with villages to arrange a traditional moving ceremony according to village practice, and the Project Owner / EDL will be responsible for any cost related to the relocation. Any cemetery on the ROW alignment, especially any human death kiln will need to be moved.

**6.8 Other Measures**

121. Throughout the DMS, construction and operation of the line, EMU/EDL will regularly assess the effect of the TL on the people living in close proximity to the line. Additional measures, including information programmes and consultation, may be required to allay fears of adverse long-term effects or any immediate unacceptable impact.

122. To minimise any safety impacts from UXO, construction area clearing will take place prior to any other activity and workers will be allowed to start work only after clearance is given by the UXO team.

**6.9 Indigenous Peoples and Gender Development Planning**

123. The decision to combine indigenous peoples and gender development planning relates to the common issues of poverty and vulnerability of these two vulnerable groups. It also recognizes the important and mainstream role which women play in Brao, Kayong and Sdang society. The combination of IPDP and the GDP is further justified by recent studies in Lao PDR, which indicated that ethnicity created a more significant barrier to inclusion than gender – and that gender-specific impacts were more significant in ethnic minority communities. Ethic and gender needs and issues would, if treated separately mean substantial overlap and duplication of structures and resources, and would be less effective than an integrated program with integrated management. The proposal for the provision of a land and forest concession, mentioned above, is included as part of the IPGDP.

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124. The IPGDP is provided in Annex 1. A total budget of USD $125,000 has been identified for implementation of the IPGDP, and a further provisional sum of $200,000 for the creation implementation of a Land and Forest Concession under the IPGDP.

6.10 HIV / AIDS Awareness and Prevention Measures

125. Provision is made for a Province-wide HIV/AIDS Awareness and Prevention Programme, which will be provided through support to the Provincial Centre for HIV / AIDS / STIs (CHAS) programme of the Provincial Health Department. A study on an appropriate HIV/AIDS Awareness and Prevention Programme has been conducted by the Consultant and the Local Consultant in consultation with the CHAS Office in the Ministry of Health and with NGOs, report on the provision of a HIV/AIDS awareness and prevention programme discussed with the project manager and in subsequent discussion with WREA, is outlined in Annex 2.

126. Subject to further study, it has been provisionally verbally agreed with the national CHAS office of the Ministry of Health that there should be one programme which the project would support, which would be Province-wide, integrated with other action being taken by CHAS and NGOs, and which would be introduced in all Hydro-power projects. Subject to the agreement of the Central and Provincial Health Authorities, an HIV/AIDS Awareness and Prevention Programme, outlined in Annex 2, will include all of the elements which are currently promoted in the CHAS programme:

i) Peer education groups among high risk groups, including hydropower workers, and service women (the term employed in Lao for women working in restaurants, bars, karaoke and massage parlours) and among ethnic peoples’ men’s and women’s groups;

ii) 100% condom use in these enterprises and related free or low-cost availability to groups at risk

iii) Information and publicity programmes in Lao and in local languages through radio, TV and press

iv) Teaching about HIV/AIDS and STD prevention in MCH groups and handicraft groups

v) Voluntary and free counselling and testing. Peer education groups among high risk groups, including hydropower workers, and service women (the term employed in Lao for women working in restaurants, bars, karaoke and massage parlours) and among ethnic peoples’ men’s and women’s groups;

vi) 100% condom use in these enterprises and related free or low-cost availability to groups at risk

vii) Information and publicity programmes in Lao and in local languages through radio, TV and press

viii) Teaching about HIV/AIDS and STD prevention in MCH groups and handicraft groups

ix) Voluntary and free counselling and testing.
7 Implementation Arrangements

7.1 Institutional Structures

127. For the Hatxan-Pleiku 500 kV Transmission Line Project, there will be various institutions involved in the process of resettlement planning and implementation. The first organization is the Project Environmental Management Committee (PEMC), which consists of officials from relevant key Departments and relevant sectors of Attapeu Provincial Government Chaired by Head of Cabinet of the Ministry of Energy and Mines.

128. The second is the Environmental Management Office (EMO) of the EDL headquarter which will be responsible for overall planning and implementation of environmental management and resettlement for the project.

129. The third organization is Environmental Management Unit (EMU) and Project Management Office (PMO) of PROJECT OWNER/EDL offices, which will be responsible for actual project implementation and coordination with local authorities as well as the affected households.

130. These three organizations will form the institutional network to ensure smooth implementation of resettlement activities in accordance with Decree on Compensation and Resettlement of People Affected by Development Projects 2010.

131. Project Environmental Management Committee (PEMC). The Project Environmental Management Committee (PEMC) has been established based on the Decree of Attapeu Provincial Governor no. to decide compensation conditions, and monitoring social and environmental aspects for the project. The PEMC consist of 13 persons who are representatives from the different authorities concerned such as Ministry of Energy and Mines (Cabinet), Attapeu Provincial Governor (Vice Cabinet, PWREO, Land office, Industry and Commerce, Forestry, and Security), Dep. General Manager of EDL, EDL Technical Committee (Manager), Vice District Governor (and Villages headmen (11 villages). The Committee will have subcommittees such as Environmental management Committee, Forest Clearing Committee, Grievance Committee and Compensation Committee. PEMC will not only be responsible for the environmental monitoring but assuming the compensation role, negotiating with APs and local authorities to determining the compensation costs.

132. Environmental Management Office (EMO) in EDL Headquarter Office. While the Project Management Office for the Hatxan-Vietnam border 500 kV Transmission Line will be responsible, within the overall structure of the Ban Sok-Pleiku TL, for overall project preparation and implementation, Environmental Management Office (EMO) in EDL Headquarter Office will be responsible for environmental and social aspects on the project in coordination with PROJECT OWNER. The EMO will prepare all required documentation concerning the environmental and social aspects following the Lao regulations, to monitor and supervise resettlement implementation by the PEMC in order to ensure that the resettlement is complied with... The EMO is also responsible for conducting internal resettlement monitoring and preparing resettlement progress report, which will be submitted to DOE and STEA during the project implementation period.

133. Environmental Management Unit (EMU). The actual implementation of the project will be managed by PROJECT OWNER/EDL Office. The EMU which will be established for project monitoring and coordinating purposes. At least one official will be assigned for the EMU. The EMU will be responsible for implementation and monitoring of the Environmental Monitoring Plan (EMP) and
this Resettlement Action Plan (RAP) as well as coordination with local authorities and the affected persons. Act as the first contact on the ground directly for the EMO and indirectly for the PEMC. Receive all complaints and grievances arise in the course of the implementation of the EMP and the RAP.

134. An independent Land and Forest Concession Unit will be established under the supervision of the EDL EMO and the EMU, for the planning and development of a land and forest concession for the Brao and related peoples in the NPA adjoining Somboun Village and TA provided for this purpose. A Land and Forest Concession Committee, with a majority of representatives of indigenous groups, will be established for purposes of coordination and liaison with concerned agencies and for purposes of land and forest management.

7.2 Budget

135. The cost of potential land acquisition and resettlement will be included in the total project cost for the transmission project. PROJECT OWNER/EDL will be sure sufficient funding is available to cover all resettlement related cost for the Project.

136. During project implementation, detailed cost estimate of the compensation and resettlement will be developed after detailed survey. The total resettlement budget submitted by EMU will be reviewed and approved by PROJECT OWNER/EDL Headquarter. After receiving the letter of approval from PROJECT OWNER/EDL headquarter and the Project Environmental Management Committee (PEMC) will make funds available for implementing land acquisition and resettlement.

Calculation of Compensation and Resettlement Budget

137. The methods used to estimate indicative compensation costs for this project were broadly applied in other similar previous power projects and have been satisfactory for both sides (project owner and affected villagers). However, for this project, the methods and rates will need to be refined closer to actual period of compensation and especially when it is clearly understood what type of compensation package, the affected Persons (APs) want and what is actually available.

138. According to the other similar previous projects, the compensation cost especially for the lost of land including seasonal and irrigated rice paddy field, swidden / cultivation areas and other agricultural land was estimated based on the total of average productive value of land in the past ten years and the actual area of the land. In the present project IOL it was found that land shortage had led to areas close to the village traditionally regarded as swidden of the user household becoming permanent land holdings. In these cases the land will be compensated or temporary loss will be compensated at full market price of the land. Cash compensation will be normally considered when a suitable or equivalent alternative asset is not available.

139. The formulas below were used for the calculation of Permanent loss and Temporary loss of land in other similar previous EDL power projects. They were specifically used in the compensation of the rice paddy field and other farmland or garden which have been satisfactory for both sides (project owner and affected villagers). However, the actual methodology for compensation estimate needs to be agreed upon and finalized by EDL and PEMC in consultation with the concerned local authorities, villagers as well as PAs. It will be set-up in a final compensation agreement, well before the construction takes place:
i) for Permanent loss of productive land

ii) for Permanent loss of fallow/non productive/swidden land

iii) for Temporary loss of land

iv) for losses of economic trees

140. Compensation is provided on a provisional basis for the limited land losses which will occur at Somboun, to be adjusted by EDL and PEMC on the basis of actual losses and calculation according to the following formula, used in similar recent TL resettlement programmes.

**Formula 1:** Compensation Cost = \( \frac{1}{3} \) [Average Annual Productive Value of Land per One Hectare (or one sq meter)] \times [Area of lost Land (ha or m²)] \times [Actual Price of the Product/KG] \times [10 years]

**Formula 2:** Compensation Cost = [Average Annual Productive Value of Land per One Hectare (or one sq meter)] \times [Area of lost Land (ha or m²)] \times [Actual Price of the Product/KG] \times [10 years]

Compensation Unit Cost\(^9\)

1) Paddy land = 80 kip/m²

2) Garden land = 60 kip/m²

3) Swidden =50 kip/m²

4) Non productive/unused land = 30 kip/m²

141. Land impacted in the ROW has been measured and photographed household by household as part of the IOL, and a socio-economic questionnaire survey conducted with the household concerned to determine their level of land-holding, other livelihood sources and income levels, to determine the severity of impacts. Most loss is of temporary land use and in no case is there severe impact on any household.

142. In addition to measures for compensation for the TL impacts, larger program to restore and maintain land and forest rights is also recommended. This is proposed to be undertaken through the designation of 2,000 ha of adjoining NPA land and forest areas as an ‘Indigenous Peoples Conservation and Use Area’. Further information is provided in the IPGDP (Annex 1).

143. Income Restoration. Income restoration is primarily by the provision of cash compensation for temporary or permanent land losses and loss of trees, and for crop losses, permitting the AP to meet the cost of the loss. Compensation at market prices will permit the replacement by purchase of permanent land losses. Income restoration measures are therefore primarily directed to assistance to vulnerable groups, and mainly to indigenous peoples with incomes below the poverty line and suffering land shortages and food deficiencies, and to women, especially to women heads of household (refer to the IPGDP, Annex 1).

**Budget Summary**

\(^9\) The unit cost above were based on previous similar projects in Champasak and Saravan Provinces.
144. Estimation of Compensation Cost for Land losses:

   (i) Permanent land loss. A provisional sum of $2,000 is provided for permanent land loss in tower footings;

   (ii) Temporary losses. A provisional sum of $4,000 is provided for temporary land use and losses of standing crops.

145. Estimation of Compensation for Economic Tree Losses. A provisional sum of $4,000 is provided for losses of small plantations of teak trees at Somboun.

146. Estimation of Budget for Indigenous Peoples’ and Gender Development Plan. A provisional sum of $125,000 is provided for social and economic development in the IPGDP (Table 7-1).

### Table 7-1 Proposed IPGDP budget

<table>
<thead>
<tr>
<th>Item</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mother Child Health Care</td>
<td>$10,000</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$20,000</td>
</tr>
<tr>
<td>Language and Literacy Training</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$15,000</td>
</tr>
<tr>
<td>Small scale irrigation</td>
<td>$10,000</td>
<td>$10,000</td>
<td>$10,000</td>
<td>$30,000</td>
</tr>
<tr>
<td>Water Supply</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$15,000</td>
</tr>
<tr>
<td>Electrical connection</td>
<td>$5,000</td>
<td>$5,000</td>
<td>-</td>
<td>$10,000</td>
</tr>
<tr>
<td>Agriculture and Livestock in Existing Village Areas</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$15,000</td>
</tr>
<tr>
<td>Technical Assistance/Community Based Organisation</td>
<td>$10,000</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$20,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$50,000</td>
<td>$40,000</td>
<td>$35,000</td>
<td>$125,000</td>
</tr>
</tbody>
</table>

147. Estimation of Budget for Somboun Land and Forest Concession. A provision sum of $200,000 is provided for the planning and implementation of the Land and Forest Concession in the NPA at Somboun and for operation and management costs during it first 3 years.

### Table 7-2 Proposed budget for Somboun land and forest concession.

<table>
<thead>
<tr>
<th>Item</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>TA/Community Based Management and Organisation</td>
<td>$30,000</td>
<td>$20,000</td>
<td>$20,000</td>
<td>$70,000</td>
</tr>
<tr>
<td>Forestry nursery and replanting</td>
<td>$20,000</td>
<td>$20,000</td>
<td>$20,000</td>
<td>$60,000</td>
</tr>
<tr>
<td>Agriculture and Pasture/Livestock Development</td>
<td>$10,000</td>
<td>$10,000</td>
<td>$10,000</td>
<td>$30,000</td>
</tr>
<tr>
<td>Ethno-Tourism Centre Construction and Management</td>
<td>$20,000</td>
<td>$10,000</td>
<td>$10,000</td>
<td>$40,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$80,000</td>
<td>$60,000</td>
<td>$60,000</td>
<td>$200,000</td>
</tr>
</tbody>
</table>

148. Estimation of Budget for Forest Trees. A provisional sum of $50,000 is provided for compensation and replacement costs at $500 per ha for the loss of forest trees in approximately 100 ha of TL in Production Forest and NPA.

149. Estimation of Budget for HIV/AIDS Awareness and Prevention Programme. A provisional sum of $50,000 is provided for an HIV/AIDS Awareness and Prevention Programme to be administered by the Provincial CHAS programme of Attapeu Provincial Health Department.

150. Budget Estimation for Resettlement Monitoring and Evaluation. A provisional sum of $30,000 is provided for External Resettlement Monitoring and Evaluation.
151. Budget Estimation for DMS and other fieldwork of PEMC. A provisional sum of $35,000 is provided for the DMS and other fieldwork of the PEMC.

Table 7-3. Summary of Total Budget Estimation.

<table>
<thead>
<tr>
<th>No.</th>
<th>Item</th>
<th>Estimated Budget USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Permanent land loss(^10)</td>
<td>2,000</td>
</tr>
<tr>
<td></td>
<td>Temporary land loss</td>
<td>4,000</td>
</tr>
<tr>
<td>2</td>
<td>Economic trees</td>
<td>4,000</td>
</tr>
<tr>
<td>3</td>
<td>IPGD</td>
<td>125,000</td>
</tr>
<tr>
<td>4</td>
<td>Somboun Land and Forest Concession</td>
<td>200,000</td>
</tr>
<tr>
<td>5</td>
<td>Forest Trees</td>
<td>50,000</td>
</tr>
<tr>
<td>6</td>
<td>HIV/AIDS Awareness and Prevention</td>
<td>50,000</td>
</tr>
<tr>
<td>7</td>
<td>Resettlement M&amp;E</td>
<td>30,000</td>
</tr>
<tr>
<td>8</td>
<td>DMS and other PEMC fieldwork</td>
<td>35,000</td>
</tr>
<tr>
<td></td>
<td><strong>Total:</strong></td>
<td><strong>500,000</strong></td>
</tr>
</tbody>
</table>

7.3 Implementation Schedule

152. The following steps will be taken in order to ensure the resettlement policy framework is being complied with.

i. **Detailed Measurement Survey.** Although the project will generate only minor impacts according to the result of the IOL, further detailed site survey is required before starting project construction and this will help confirm of the existing data. Contractors for the project under the supervision and guidance of the EDL Environmental Management Department and the PEMC will conduct detailed site survey to identify objects to be compensated and to collect detailed data concerning the loss of assets and compensation cost, in collaboration with local authorities.

ii. **Review of Resettlement Action Plan.** Based on the data and information collected during the detailed site survey, this RAP will be reviewed. Following the resettlement policy framework above and consultation between PROJECT OWNER/EDL and PEMC, a data sheet needs to be prepared and updated which include three basic sections (i) the scope of impacts (name and quantities of affected assets) (ii) detailed compensation rates and rehabilitation measures for affected assets, and (iii) total amount to pay to the affected people.

iii. **Consultation with Affected People.** The prepared data sheets and resettlement plan or compensation policies will be consulted with local governments, affected villages and individuals. The comments and feedback from local governments and affected people will be reviewed by PROJECT OWNER/EDL management and considered in the RAP finalization before implemented of the project.

iv. **Signing of Compensation Contract and Payment of Compensation to the Affected People.** The final step of resettlement implementation is to sign compensation contract and delivery payment to the affected people, which should be completed prior to project implementation.

\(^{10}\) Provisional estimates for permanent and temporary land loss will need to be refined during the DMS.
However, if house relocation and substantial land loss taking place, such payment need to be completed at least three months prior to construction, which will give the affected people reasonable time to complete new houses and move their belongings. During the implementation, PROJECT OWNER/EDL will pay such amount directly to each affected household in the presence of local government representatives.

153. The scheduling of the resettlement programme the government’s final decision on the Project. While implementing the Project, EDL will initiate advance actions like the identification of responsible district staff, establishment of GRC, CC. This RP will be updated after detailed design is approved to include new loss assessment data and budget and submitted to the PROJECT OWNER for approval prior to this RP’s implementation.

154. The project will provide adequate advance notification to the PAFs and will pay all due resettlement benefits, including relocation and income restoration/assistance as appropriate, prior to issuing right of way documents for construction work. All activities related to land acquisition and resettlement will be completed prior to construction commencement. For land acquisition, the project office will survey the lands to be acquired as per the contractor’s agreed detailed design and in conjunction with the district authorities in the project area, make an initial assessment of the compensation amount and prepare a requisition to be submitted to the PROJECT OWNER/EDL along with a request for land title transfer preparation to Attapeu Provincial Land Office. EDL will notify the compensation committee of the total amount assessed, who upon reaching agreement and settling any grievances, will request PROJECT OWNER/EDL’s payment of compensation to the entitled APs/PAFs The compensation committee will assist PROJECT OWNER/EDL with actions required to facilitate acquiring the identified land/s from the respective landowners and paying the due compensation to the affected landowners and tenants, according to procedures laid down in this RP, and defined in the Entitlement Matrix. Once the land has been acquired and the compensation paid to the APs/PAFs, APs/PAFs will hand over possession of the acquired lands to EDL for occupation by contractors.

155. Payment of compensation for other types of losses, for example for documented trees and crops, structures, income loss, income restoration, etc will be paid directly by the PEMC through its District offices. This process will be monitored and verified to PROJECT OWNER/EDL by an External Monitoring Agency in order to obtain PROJECT OWNER’s “No Objection”, which allows EDL to advise contractors to begin the construction works.

Arrangements for Valuing and Disbursing Compensation

156. PROJECT OWNER/EDL with local authorities carries out census and profile of APs based on the final design and quantifies all categories of loss. The local village administrative authority, with assistance from provincial and national authorities, recommends the appropriate market value of affected land for compensation purposes. Each authority will also determine whether land-for-land can be offered in the village. A Compensation Committee is then formed in each area (which may be a group of villages or a single village, depending on concentration of APs) to agree on level of compensation for land, crops and buildings, and to oversee the compensation process. The Compensation Committee will be made up of representatives from PROJECT OWNER and EDL, Ministry of Energy and Mines, Provincial Cabinet, Provincial Water Resources and Environment Agency (WREA) and Attapeu Provincial Land Office.
A Grievance Committee will also be formed by each district authority to assist where PROJECT OWNER/EDL and APs cannot reach an agreement on compensation, and to deal with complaints for up to 3 months following completion of construction. The Grievance Committee consists of the same authorities as the Compensation Committee, with the addition of the Village Head and two AP representatives. PROJECT OWNER/EDL will estimate total compensation and relocation funds as agreed with APs, update the RAP budget and submit a final compensation budget proposal to request funds to PROJECT OWNER/EDL management for approval. Once approval has been gained, the EDL Finance Section releases funds for compensation payments, and PROJECT OWNER/EDL disburses the funds to APs, obtaining the necessary receipts. Once compensation has been received, APs will hand over/vacate the land within two months. The title of the land is then transferred to PROJECT OWNER/EDL by the Provincial Land Office. PROJECT OWNER/EDL will maintain file copies of all AP contracts, compensation receipts and RoW notices, and furnish the same to AP signatories for their housing relocated.

**Reporting and Approval**

During the feasibility study of the Project, the Initial Environmental Examination (IEE) was conducted. This RAP is prepared as a part of this study. Before starting of construction works, detailed survey/loss data confirmation will be conducted in collaboration with local authorities under the supervision of the Project Environmental Management Committee (PEMC), and then consultations will be conducted between the committee and project-affected people. PROJECT OWNER/EDL office will prepare all datasheet and records of consultations with project-affected people. EMU of PROJECT OWNER/EDL will summarize all the information to review this RAP if any major changes from this RAP.
8 Monitoring and Evaluation

159. Monitoring and evaluation (M&E) is a major part of the resettlement management system. The Resettlement Action Plan will be both internally monitored and externally monitored (by an independent agency such as an NGO or research institution engaged for this purpose). In accordance with the WREA’s guidelines, during the project implementation, both internal and external, resettlement monitoring and evaluation will be carried out in order to ensure that all affected people are compensated adequately, effectively and their income and livelihood are better off and at the minimum restored.

8.1 Internal Monitoring

160. The following periodic environmental monitoring will be carried out by EMU, EMO and PEMC periodically. During the monitoring, progress of resettlement implementation and compensation for affected people will be monitored and evaluated. Monthly monitoring: EDL’s EMO will send their staff to the project site once a month to consult with the EMU and PEMC, participate in field work and conduct interview with the project affected villagers. Three month monitoring: A joint monitoring and evaluation between EDL’s EMO and Social Environmental Unit (SEU) of Department of Electricity (DOE) of Ministry of Energy and Mines (MEM) will be conducted at the project site once in three months. The purpose of the monitoring is to work with the EMU and PEMC to review the progress of EMP work, to adjust the EMP effectiveness and to consult with village representatives and project affected villagers. Six month monitoring: A joint monitoring and evaluation of Provincial STEA, DOE, EDL will be conducted once in six months. The purpose of the monitoring is to review the entire recommendation made by the monthly and three month monitoring and evaluation reports, to consult with the EMU and PEMC, to consult with the project affected villagers, to evaluate, review and modify if required the EMP and RAP implementation plan.

8.2 External (Independent) Monitoring and Evaluation

161. Base on the STEA’s guidelines for independent review (or third party review), external monitoring and evaluation will be conducted by an independent third party. PROJECT OWNER/EDL will select an independent institution, which consists of social specialists, with approval of the PROJECT OWNER/EDL. The selected institution should have extensive experience in similar activities.

162. The main objective is to provide independent monitoring and evaluation of the resettlement implementation program, to see whether the work carried out by EMU, and PEMC and others concerned reflects the resettlement and the environmental management policy and the conceived plan is achieved. The scope of monitoring and evaluation includes the implementation progress, resettlement policies, delivery of compensation and replacement land, changes of income and livelihood among affected people, consultation and participation and development of local communities. The method of resettlement monitoring and evaluation will be based on a combination of sample household survey and rapid appraisal in the field.

8.3 Post Implementation Monitoring and Evaluation

163. Six months to one year after the end of resettlement activities, the Independent Monitoring Body shall conduct an evaluation study of severely affected APs and the vulnerable groups among the affected population to determine whether or not the objectives of the Resettlement Action Plan, in terms of restoration of incomes and living standards have been achieved. The methodology for
the evaluation study will be based on the follow up socio-economic survey to determine the impact of the Project on APs income levels and living standards of those severely affected by the Project. Survey data at post evaluation stage will be compared with the baseline survey at the RAP preparation stage. The Post Implementation Evaluation Study may propose additional assistance to severely affected persons if resettlement measures were not adequate and may also provide recommendations for future resettlement planning.
Annex 1 Indigenous Peoples and Gender Development Plan
Annex 1

Indigenous Peoples and Gender Development Plan

_Lao PDR Section: Ban Hatxan Substation and 62km 500kVA Double Circuit Three Phased Transmission Line from the Substation to the Vietnam Border._

As Part of ADB TA No. 6481-REG: Ban Hatxan (BanSok) LaoPDR to Pleiku Vietnam, 500kVA Transmission Line and Substation Construction Feasibility Study.

Draft: August 2011

Prepared by John Pilgrim, Social and Resettlement Consultant, on Behalf of Electricite du Lao (EDL) and for the Asian Development Bank (ADB).

The views expressed in this LARAP do not necessarily represent those of ADB’s Board of Directors, Management, or staff, and may be preliminary in nature.
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Executive Summary

1. This Indigenous Peoples and Gender Development Plan (IPGDP) has been designed as part of the Land Acquisition and Resettlement Plan (LARAP) prepared under ADB Technical Assistance for the Ban Sok to Pleiku Transmission Line Project, in cooperation with the Governments of Lao PDR and Vietnam.

2. The TL Project affects 640 households – 24 households directly affected by loss of land or assets and 616 households indirectly through impacts on community forests and other village lands. Of these 640 households, approximately 90% are ethnic minority households – primarily of the Brao ethnicity, but with a few Kayong and Sdang households. Brao, Kayong and Sdang are all of the Mon-Khmer ethno-linguistic family, and therefore are closely related in terms of language and culture. The large number of ethnic minority households affected necessitates the preparation of this IPGDP.

3. The decision to combine indigenous peoples and gender development planning relates to the common issues of poverty and vulnerability of these two vulnerable groups. It also recognizes the important and mainstream role which women play in Brao, Kayong and Sdang society. The combination of IPDP and the GDP is further justified by recent studies in Lao PDR, which indicated that ethnicity created a more significant barrier to inclusion than gender – and that gender-specific impacts were more significant in ethnic minority communities.1 Ethnic and gender needs and issues would, if treated separately mean substantial overlap and duplication of structures and resources, and would be less effective than an integrated program with integrated management.

4. The impact of the TL on the Brau, Kayong and Sdang is mainly of four kinds:
   o Limited loss of land, some of which is primarily swidden farm plots, but also includes scattered paddy fields and smallholder teak tree plantations along the TL corridor;2
   o Loss of forest along the ROW as far as the Vietnam border. This forest area is used by ethnic group village as hunting, spirit forests, and forest product collection areas;
   o Temporary social and cultural impact of the construction and maintenance of the TL; and
   o Long term physical and visual presence of the TL in traditional forest and hunting areas adjacent to villages.

5. In addition to the impacts of the TL, the indigenous peoples in the project area have been significantly affected over the past 10 years by a number of developments including rubber plantations, road improvements and the resettlement of villages for the construction of the Xekhaman 1 Hydropower Project (which will provide power to the TL, and is therefore considered an associated project). These developments have resulted in increased poverty, land shortages and food shortages, all of which may be exacerbated by the presence of the TL. As a result, traditional mitigation measures for the TL (i.e. compensating lost assets) are not likely to be sufficient, and this


2 See map 2 & 3.
6. IPGDP includes additional measures to reduce poverty and increase food security among the indigenous people affected by the TL.

7. It is also recommended in the LARAP and this IPGDP that the ADB, though TA funding for environmental and social safeguards for associated projects, consider supporting additional measures that will further reduce poverty and ensure that the Brao and other ethnic minority residents can benefit from the mainstream development without losing their cultural identity.

8. Within the IPGDP, it is recommended that gender issues be mainstreamed throughout all social impact mitigation measures, though there are also recommendations for specific programs and resources targeted to women – including health, nutrition and mother-child care programs; skills, handicrafts and language training; and HIV/AIDS awareness programs.

9. An estimated budget of $125,000 has been identified for IPGDP programs. An additional budget of $200,000 has been identified for the Somboun land and forest concession.

1. Background

10. The Ban Sok-Pleiku Transmission Line (TL) Project will support the import of electricity from Lao PDR through the construction of a high-voltage TL from Ban Hatxan in Attapeu Province, Lao PDR to the Pleiku sub-station in Kon Tum Province, Vietnam. The TL project includes the construction of: (i) 150 kilometres of double-circuit 500 kV transmission line between Hatxan sub-station and Pleiku in Vietnam; (ii) the new Hatxan 500/230kV substation and (iii) the extension of the Pleiku 500/220kV substation.

11. Attapeu is considered among the three poorest Provinces of Lao judging by most indicators, including: per capita income, literacy and school attendance, health and nutritional status, and housing, and by access to services. It has a population of 112,120 people, and has the lowest population density in Lao PDR, a little over 10 per km2.3 The poverty in this Province, as in the rest of Lao, is associated predominantly with highland dwelling indigenous ethnic groups.

12. A majority of the population of the Province — and over 90% of rural residents — are from a number of Mon Khmer language groups. Lao Tai/Lao Loum residents are concentrated in the capital and district administrative centers living as traders, administrators or other artisans or professional groups (in contrast to the Mon Khmer residents (such as those affected by the project), who tend to have more traditional livelihoods).

---

2. Summary of Affected People

13. The TL Project affects 640 households – 24 households directly affected by loss of land or assets and 616 households indirectly through impacts on community forests and other village lands. Of these 640 households, approximately 90% are ethnic minority households – primarily of the Brao ethnicity, but with a few Kayong and Sdang households.

14. The Brao affected by the project live in two physically separate groups, both of which have been strongly influenced in the past ten years by infrastructural and economic development.

- The first group is comprised of 294 Brao households in Hatxan Village, which is located approximately 25 km from Attapeu Provincial Center. This group has been settled at or in the immediate vicinity of Hatxan Village for approximately 30 years. Most of the households are located along National Road 18B, which runs from Attapeu Provincial Center through the National Park to Vietnam border. Hatxan village will be affected by the construction of the new sub-station. Approximately 80 ha have been designated for the sub-station. Hatxan residents have already been affected by two developments in the past 15 – 20 years:
  
  i. The development of 9,000 ha of rubber plantations in 2009 along Route 18A west of the Hatxan substation site on Hatxan village land. This development included the relocation of 30 Brao households to a site near Hatxan, but within the rubber estate lands (and integrated with estate worker housing). According to Provincial Government Authorities, Vietnamese developers have a Concession Agreement to develop 100,000 ha of rubber plantation in Attapeu, though, at this stage, the location of the remaining 90,000 ha to be planted is not known.; and

  ii. Construction of Xekhaman 1 hydropower station (which will supply power to the sub-station and TL) in the NPA about 15 km to the northeast of Hatxan. The hydropower project will inundate 149 square km of the NPA; and displace five villages, which will be relocated in the immediate vicinity of Hatxan (adjacent to the rubber plantations) affecting Hatxan village swidden agricultural land and forests.

- The Due Diligence Audit of projects associated with (providing power to) the Transmission Line has drawn attention to the arbitrary loss of the Brao lands at Hatxan. The Hatxan Village Headman informed the consultant mission in September 2010 that the demolition of Brao village houses, where the mission conducted interviews in February 2009, had been was conducted during the past year without prior consultation with him or the villagers, and without compensation, by the District Government, as part of a Concession Agreement for rubber plantations of the Lao Government with the Vietnamese developer, using Army personnel and bulldozers to raze the Brao houses and shops along the main road.

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4 As currently designed, only 14 ha will be required for the construction of the sub-station. The purpose of the remaining 66 ha is uncertain at this time.

5 Consultation with local residents indicated that these 30 households were involuntarily resettled and offered new housing for as long as they worked on the rubber plantation. While residents of these 30 households do not own households or land, they are paid wages for their work on the plantation. This was documented in the Due Diligence Report.
The second group of about 300 Brao households is located in three villages (Somboun, Nam Xuan and Phouyang), together with a small group of related Kayong and Sdang in a fourth village (Phoukeua), in a line stretching over a thirty kilometre section of the corridor of the old 18B road approximately twenty kilometres away from Hatxan towards the Vietnam border. Somboun, the Phouvong sub-District centre, is the largest village, with 240 households. Somboun has been developed and housing there expanded by the District Government to absorb neighbouring Brao hamlets, in a planned consolidation programme for purposes of improved and road access, health service, schooling, water and electricity supply. The Government has recently widened the road along the Ho Chi Minh Trail, which runs through these four villages. All four of these villages have land within the corridor of the TL, which runs along the line of hills at distances of between 200 and 1,000 metres from the road. The alignment was planned to minimize impact by avoiding any houses and, as far as possible, agricultural areas.

15. The Brao in Attapeu, who historically were members of a larger group in this highland area, including a larger group in Ratanakiri Province in Cambodia, and a small group in Kon Tum Province in Vietnam, have been for many years engaged in a struggle against administrative powers (first colonial, then post-independence Governments) to retain their land and their way of life.

16. Brao, Kayong and Sdang culture and social structure is matriarchal, and traditionally, women are responsible for managing social and economic systems. Women are dominant in most household affairs, and are primarily responsible for managing: resources (land, food, money); and agriculture and livestock activities, land rights. Women are also responsible for child and elder care and the collection of wood, water and NTFPs. Men are primarily responsible for hunting and heavy bush clearance. Major household decisions, such as large purchases, whether to send children to school or when to seek health care are primarily decided by women, though in discussion with men.

Livelihoods

17. The approximately 3,000 Brao people, who live in the five (5) villages affected by the Hatxan substation and TL, are traditionally dependent on swidden agriculture, hunting and the gathering of forest products.

18. Settled agriculture, paddy rice, banana and vegetable production have been developed along the line of creeks and alluvial soil in the valley bottoms along the road and the line of villages on the route of the Ho Chi Minh Trail, mainly at Somboun where there is a substantial area of several square kilometres of alluvial well watered land. This is where most land loss (of upland rice fields and small teak plantations) to the TL and towers will occur.

19. Residents of the four (4) villages located along the Ho Chi Minh trail also generate some income from artisanal gold panning and from the collection and sale of UXO remnants.

20. There is at present almost no involvement of the Brao in employment outside their territory or outside of their traditional responsibilities of household agriculture, livestock and natural resource management. A notable exception to this is the Brao households residing within the rubber estate whose residents work for the rubber estate as a condition of their rights to live in estate housing. Education and Lao literacy levels among the Brao are fairly low, and at present, there is little incentive to keep children in school as, given their current livelihoods, there is no economic advantage to literacy or developing employable skills.

3. Impacts of the Project
21. While permanent impacts on settled agriculture are minimal, the loss of livelihoods of the affected indigenous groups will mainly result from:

- Temporary impact and delays in crop production during the construction of towers and stringing the TL line. This impact will primarily be on swidden areas owned by residents of Somboun;
- Permanent removal of trees, mainly small cultivated teak plantations, within the ROW to maintain the required clearance during operations;
- Fairly minor impact on hunting and the presence of game animals throughout the length of the TL both during construction and permanently.
- Fairly minor impact on the collection of NTFP throughout the length of the TL both during construction and permanently.

22. The TL alignment was specifically chosen to minimize the impact on agriculture and settlement areas. As a result only 24 households, all in Somboun village, have been identified as being directly affected by loss of land or trees (Table 1).

**Table 1 Settled agricultural land affected by the TL.**

<table>
<thead>
<tr>
<th>Land Use Type</th>
<th>Area Affected (ha)</th>
<th>No. of HH Affected</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rice paddy</td>
<td>1.5</td>
<td>3</td>
</tr>
<tr>
<td>Vegetable Garden</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Swidden Rice Field</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>Teak Plantation</td>
<td>2.75</td>
<td>11</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>9.25</strong></td>
<td><strong>24</strong></td>
</tr>
</tbody>
</table>

23. Given the significant development in the area (refer to the next section), however, it is difficult to discuss the loss of livelihood associated with the TL in isolation, as the culture and livelihoods of the Brao, Kayong and Sdang are already under significant threat due to these other developments. The construction of the TL is likely to exacerbate existing issues, such as impoverishment, land shortages and food deficiencies (Table 2).

**Table 2 Rice and Other Food Shortages.**

<table>
<thead>
<tr>
<th>Villages</th>
<th>No. of Affected Households with Food Shortages</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1 month</td>
</tr>
<tr>
<td>Hat Xan</td>
<td>0</td>
</tr>
<tr>
<td>Somboun</td>
<td>1</td>
</tr>
<tr>
<td>Nam Xuan</td>
<td>0</td>
</tr>
<tr>
<td>Phouyung</td>
<td>0</td>
</tr>
<tr>
<td>Phou Keua</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2</strong></td>
</tr>
</tbody>
</table>
Existing Issues and Likely Impacts of Impending Development

24. The existing issues described in the previous section (poverty, land and food shortages) have arisen from loss of access to traditional forest land and impacts on agricultural lands (particularly swidden land) associated with the rubber, road improvement and hydropower development, as well as in-migration due to these projects. These losses are particularly significant for the Mon Khmer in the area, as their livelihoods and cultural systems are closely tied with traditional land and forest rights.

25. During a meeting with the Director of Planning (Attapeu Provincial Governors Office) (July 2009), the consultant mission was informed of a number of bauxite and gold mining concessions, which have been established with Vietnamese developers. The Director indicated that these concessions were located in the Phouvong sub-district in the immediate vicinity of Somboun, but no maps or other information were provided. He further confirmed that concession agreements for rubber plantation were extensive in the Province, and that their location was a matter for decision by District Government in agreement with the Vietnamese company. As currently planned, it is intended that these projects would be designed and implemented by Vietnamese developers using primarily Vietnamese work forces, thus a significant in-migration of Vietnamese workers is expected.

26. The upgrade of the road through four of the villages affected by the TL is also bringing social and economic change to the area. The greatest social and cultural impact on the indigenous groups living along the newly widened road is the administrative presence that it has brought, including the presence of GOL representatives (mostly Lao Loum), the introduction of an administrative structure that is different from traditional structures and the consolidation of smaller villages and hamlets into four main villages. A further impact has been the introduction of outsiders (tourists and other travelling the road, road construction workers) to this previously fairly isolated community.

27. An additional potential issue associated with development projects and in-migration is that of the spread of HIV / AIDS. Xekhaman 1 Hydropower Project reported one measure related to HIV / AIDS: Vietnamese workers are screened for HIV infection before being recruited, and are rejected if shown to be HIV positive. They are then tested at site every “six months or one year”, and are dismissed and repatriated to Vietnam if found positive. It was reported that this measure was primarily to prevent HIV / AIDS infected people from working in difficult conditions. The Project had no other awareness or preventive programme, and workers are not restricted from visiting any location in Laos for recreation.

28. Finally, in Somboun and the three other villages along the old Ho Chi Minh Trail, the Government is presently implementing a program of consolidation with the goal of increasing road access and improving social services, such as education, health services, and agricultural development. Unfortunately, as currently structured, the consolidation does not address the existing land shortage and food security issues.

Gender Aspects of Impacts

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6 During a separate, informal meeting, the consultant team was informed that the concession agreements were for 100,000 ha of land in Attapeu Province.
29. Generally, the benefits of economic development tend to accrue mostly to men in the form of employment (direct and indirect), compensation (usually tied to land title and ownership rather than use), development programs (usually determined through consultation with heads of household – i.e. men) and other opportunities such as flow-on business. In addition, women tend to bear the brunt of the negative impacts, such as loss of forest resources and through social changes, such as increased power disparities.

30. The influence of modern political and administrative structures has meant that men have taken an increasing leadership role, as they are responsible for occupying recognized positions of authority, such as the role of the village headman, and are responsible for interacting with outsiders, including GOL representatives.

4. **Impact Mitigation**

31. The first step in impact mitigation occurred during the design phase, when the alignment was specifically designed to avoid impact on houses and agricultural land.

32. Gender considerations will be mainstreamed through all LARAP and IPGDP measures.

**Compensation**

33. Settled agricultural land affected in the ROW has been measured and photographed as part of the Inventory of Loss (IOL) survey, and a socio-economic questionnaire survey has been conducted (refer to the LARAP). It is anticipated that land losses in the TL ROW, which are generally of swidden land will be compensated in cash at the market value of permanently farmed land. This is partly because it would be difficult for the Provincial Government, in the absence of unoccupied land or a land market, to identify or procure replacement land within farming reach of the concerned families. With compensation funds, affected families are likely to be able to adjust their remaining land use or procure land through traditional systems.

34. A land market price survey will be conducted by the Provincial Resettlement Committee at the time of the Detailed Measurement Survey (DMS), with assistance from the Consultant and EDL Environmental Management Unit, to determine the market value of land.

35. In addition to cash compensation, the LARAP recommends the implementation of agricultural extension and land officers to support affected households to ensure that viable farming systems are maintained.

**Specific Assistance for Indigenous Peoples**

36. In addition to measures for compensation for the TL impacts, larger program to restore and maintain land and forest rights is also recommended. This is proposed to be undertaken through the designation of 2,000 ha of adjoining NPA land and forest areas as an ‘Indigenous Peoples Conservation and Use Area’.

37. It is further recommended that measures be implemented that focus on ensuring that the Brao, Kayong and Sdang residents are able to benefit from the developments in the area. These measures include:
   - Giving local residents the responsibility for vegetation clearance and maintenance under the TL.
40. **Recommended Consultancy Services for Preparing the Ban-Sok Pleiku Power Transmission Project 500 kV OHL TA 6481-REG**

**Asian Development Bank**

**LAO PDR / VIETNAM**

**CONSULTANCY SERVICES FOR PREPARING THE BAN-SOK PLEIKU POWER TRANSMISSION PROJECT 500 kV OHL TA 6481-REG**

- Providing a vernacular language and peer-group based HIV/AIDS and mother-child care programme,
- Encourage eco-tourism (while tourism is likely to be an unavoidable factor resulting from the upgrade of the road, it is recommended that measures be implemented to support culturally sensitive, sustainable, eco-tourism). This would provide both livelihoods and a degree of protection for maintaining traditional cultural and practices.

38. The present structure and organisation of indigenous groups affected by the TL, and their agricultural system, are regarded as fragile but capable of maintaining their farming and forest resources if not subjected to undue outside pressures; (NSC/ADB Participative Poverty Assessment, 2006). To minimize the impact of the TL on these indigenous groups, traditional compensation methods need to be adjusted and supplemented to ensure that:

- Indigenous groups, and especially women, have access to income generating opportunities and better social services in a modern environment;
- Environment is protected, and indigenous groups are allowed to maintain access to reduce food security risks; and
- The way of life of the people affected is preserved and bettered.

39. The TL LARAP (including this IPDP) and associated projects RAPs (retrofit using the RF) can address these issues through:

- Supporting protection of demarcated community forest;
- Supporting the creation of an Indigenous Community Forest Conservation Project on 2,000 ha of the adjacent NPA;
- Supporting land titling programs that would provide residents with certification of heritable title for settled agricultural land;
- Providing agricultural extension services and improving access to markets; and
- Supporting the development of an Ethno-Tourism Projects, which would encourage tourism in a sustainable manner

**Recommended Technical Assistance and NGO Support**

40. The IPGDP will need immediate technical assistance for detailed planning and supervision, and long-term support, preferably by Lao NGOs with experience and skills in health, educational, handicrafts and agricultural and forestry conservation, ethno-tourism and development. It is recommended that this larger program be developed and funded under the ADB TA recommended as part of the Resettlement Framework for TL associated projects.

- Farming:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>small scale irrigation development</td>
</tr>
<tr>
<td>2.</td>
<td>rice production</td>
</tr>
<tr>
<td>3.</td>
<td>Training in other food and cash crops production</td>
</tr>
<tr>
<td>4.</td>
<td>Seed, fertilizers and crop chemicals.</td>
</tr>
<tr>
<td>5.</td>
<td>Agro-processing and marketing</td>
</tr>
</tbody>
</table>
6. Rice mills

- Livestock
  1. Cattle and buffalo production
  2. Pig production
  3. Duck production
  4. Chicken production
  5. Fish ponds

- Other Assistance
  1. Occupational training related to NTFP and waste wood, and marketable handicraft production
  2. Wage employment to clear the ROW every year
  3. Fuel wood or charcoal from wood cut in the ROW
  4. Marketing of medicinal or other forest products
  5. Certificate of heritable ownership of land

- Training:
  1. Training to run a business
  2. Language training in Lao speaking
  3. Training to read and write
  4. Training in bookkeeping and counting
  5. Handicrafts training

- Health Assistance
  1. Provision of drugs to Village dispensaries
  2. HIV/AIDS and STI and other health education programmes
  3. Training for traditional midwives
  4. Mosquito Nets
  5. MCH Training

**HIV/AIDS Awareness and Prevention**

41. A study on the existing national and Provincial HIV/AIDS Awareness and Prevention Programme has been carried out by the Consultant and the Local Consultant in consultation with the Centre for HIV/AIDS/STI (CHAS) Office in the Ministry of Health and with NGOs. This study and resulting recommendations are provided in the LARAP.
42. Subject to further study, it has been provisionally discussed with the national CHAS office of the Ministry of Health that there should be one programme which the TL project would support. This programme would be Province-wide and integrated with other action being taken by CHAS and NGOs. All associated projects would also be expected to support the same program.

43. The proposed Province-wide programme will include all of the elements currently promoted by CHAS, including:

   o Information and publicity programmes in Lao and in local languages through radio, TV and press
   o Teaching about HIV/AIDS and STI prevention in MCH groups and handicraft groups;
   o the provision of condoms through village dispensaries and training of dispensers;
   o Voluntary and free counselling and testing.

5. Consultation with Indigenous Peoples

44. Five consultation meetings were held, one in each affected village. A list of participants in each meeting is provided in an annex of the LARAP. The villages are primarily comprised of indigenous peoples, and indigenous peoples made up a majority of participants in the meetings, so it was not considered necessary to hold separate meetings with different ethnic groups in each village. Separate focus group discussions were held with women. Meetings and household surveys were conducted in the local dialect.

45. The meetings had two main purposes: first, to ensure that residents were fully informed about the TL project and its impact; and secondly, in order to understand community’s response to the project, perceived benefits and impacts, local needs/options, project options and choices.

46. Discussion of the latter questions was specifically related to the communities’ ethnic composition and impact on their culture, social structure and livelihoods system. Focus group meetings with village leaders and with women and older men were directed particularly to exchanging views on impact of the TL and sub-station, and discussing measures that would both mitigate impact and contribute to sustainable development. Particular attention was paid to considering measures which in the view of the leaders and members of the ethnic groups would sustain traditional ways of life and livelihoods. The discussion also focused particularly on affected villages dependency on and observances towards the forest environment.

47. The size of meetings related mainly to the availability of adult members of households, who were, throughout the survey and meetings, fully occupied with the preparation of swidden rice fields. Advance notification was provided to villagers to maximize the number of people able to participate.
48. The most important and frequent responses at all consultation meetings (all villages and mens and women’s groups) related to their situation of poverty and to existing shortages of food and land. Most believed that the TL was connected to the development of electricity supply to the area (currently being implemented in Somboun). Many felt that electricity would be a great benefit, however most households felt that they would not be able to afford it. Their primary concern about the TL was that they would no longer be able to hunt or gather forest products in ROW and in areas adjacent to the ROW.

49. Other issues included improvements to health services (better staffing and better supply of drugs; availability of lower cost services). Food security was also discussed. The people currently rely on the Government to provide rice supplies during times of shortage, but they would prefer access to more land and forests.

50. Consultation will be on-going throughout planning and construction of the TL. Information will continue to be distributed to residents through newspapers, posters and leaflets, as well as radio and television broadcasts. Information will be provided in Lao language and in local dialects.

6. Institutional Capacities and Responsibilities

51. Institutions involved in the process of resettlement have overall responsibility for the implementation of the IPGDP, including the Project Environmental Management Committee (PEMC), the Environmental Management Office (EMO) of the EDL and the Environmental Management Unit (EMU) and Project Management Office (PMO) of the Project Owner EDL. These three organizations will form the institutional network with the Provincial Government for implementation of resettlement activities in accordance to Decree 192/PM on compensation and Resettlement of People Affected by Development Projects. The roles and responsibilities of each actor are provided in the LARAP.

52. At least two EMU officials will be assigned to the implementation and monitoring of the IPGDP. These two will be responsible for coordination with local authorities and the affected persons, and will act as the first contact on the ground directly for the EMO and indirectly for the PEMC. This team will also be responsible for dealing with grievances related to the IPGDP.

53. It is further recommended that some technical assistance be provided, either in the form of a consultant or through an NGO with experience working with the indigenous people in the TL area.

54. Health and HIV/AIDS components of the programme will be administered directly by the Provincial Health Department and CHAS, under the overall supervision of the National Ministry of Health and CHAS.

7. Monitoring and Evaluation

55. Internal monitoring will be conducted by the EMO. External Monitoring and Evaluation will be conducted by the External Monitor appointed under the LARAP.
8. Estimated Budget

56. The measures costed in the budget below (Table 3). The Somboun land and forest concession is budgeted for separately in the LARAP budget (Table 4). It is understood that as indigenous peoples comprise a majority of affected people, LARAP measures (such as HIV / AIDS Awareness and Prevention Program) will also be targeted to indigenous groups as per the measures in this report, but that will be covered under the budget provided in the LARAP (Table 4).

Table 3 Estimated budget for IPDP implementation.

<table>
<thead>
<tr>
<th>Item</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mother Child Health Care</td>
<td>$10,000</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$20,000</td>
</tr>
<tr>
<td>Language and Literacy Training</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$15,000</td>
</tr>
<tr>
<td>Small scale Irrigation</td>
<td>$10,000</td>
<td>$10,000</td>
<td>$10,000</td>
<td>$30,000</td>
</tr>
<tr>
<td>Water Supply</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$15,000</td>
</tr>
<tr>
<td>Electrical connections</td>
<td>$5,000</td>
<td>$5,000</td>
<td>-</td>
<td>$10,000</td>
</tr>
<tr>
<td>Agriculture and Livestock in Existing Village Areas</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$15,000</td>
</tr>
<tr>
<td>Technical Assistance/Community Based Organisation</td>
<td>$10,000</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$20,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$50,000</td>
<td>$40,000</td>
<td>$35,000</td>
<td><strong>$125,000</strong></td>
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</tbody>
</table>

Table 4 LARAP Budget.

<table>
<thead>
<tr>
<th>No.</th>
<th>Item</th>
<th>Estimated Budget USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Permanent land loss(^7)</td>
<td>2,000</td>
</tr>
<tr>
<td></td>
<td>Temporary land loss</td>
<td>4,000</td>
</tr>
<tr>
<td>2</td>
<td>Economic trees</td>
<td>4,000</td>
</tr>
<tr>
<td>3</td>
<td>IPGD</td>
<td>125,000</td>
</tr>
<tr>
<td>4</td>
<td>Somboun Land and Forest Concession</td>
<td>200,000</td>
</tr>
<tr>
<td>5</td>
<td>Forest Trees</td>
<td>50,000</td>
</tr>
<tr>
<td>6</td>
<td>HIV/AIDS Awareness and Prevention</td>
<td>50,000</td>
</tr>
<tr>
<td>7</td>
<td>Resettlement M&amp;E</td>
<td>30,000</td>
</tr>
<tr>
<td>8</td>
<td>DM5 and other PEMC fieldwork</td>
<td>35,000</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td></td>
<td><strong>500,000</strong></td>
</tr>
</tbody>
</table>

\(^7\) Provisional estimates for permanent and temporary land loss will need to be refined during the DMS.
Annex 2 HIV / AIDS Awareness and Prevention Plan
Land Acquisition and Resettlement Action Plan

Annex 2

HIV/AIDS Profile and Awareness and Prevention Programme

Attapue Province, Lao PDR

Prepared by: Koutiane Sithivong, Social Impact Assessment Specialist
Lao Alliance Consultants Co.,Ltd (LACO)

and

John Pilgrim, Resettlement Consultant

August 2011.
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Acronym

Lao PDR                          Lao People’s Democratic Republic
HIV                              Human Immunized Virus
AIDS                             Acquired Immune Deficiency Syndrome
CHAS                             Center for Control of HIV/AIDS/STI
ADB                              Asian Development Bank
NGPES                            National Growth and Poverty Eradication Strategy
STI                              Sexual Transmitted Infection
1. Introduction

As of December 2004, the cumulative number of reported HIV cases in Lao PDR was 1,470 out of 110,968 blood tests in 15 provinces (male 62%, female 38%), of which 835 had progressed to AIDS. A total of 556 AIDS-related deaths had been recorded. This includes 258 new HIV positive cases in 2004. Among 15 provinces where HIV test facilities are available, the largest number of HIV positive cases were found in five provinces e.g. Savannakhet (671), Vientiane Capital (393), Khammouane (111), Champassak (113), and Bokeo (83). Prevalence among service women was found to have increased from 0.9% (2001) to 2% (2004) nationwide.

From 1990 to June 2005, 1636 individuals were found to be HIV-positive, with 946 AIDS cases reported, including 584 deaths. In 2006, the number of HIV-positive people is estimated at almost 4 thousand - more than double the number of two years earlier - with an estimated adult prevalence of 0.1%. The majority of Laotians with HIV is located near the borders with Thailand and China, and in the capital, Vientiane.

Almost all HIV infections reportedly occur through heterosexual contact, and indications are that in Lao PDR women and men are equally at risk. High-risk behaviour is increasing in many subgroups of the population, including an increase in the number of individuals' sexual partners, low condom use and high rates of STIs among the informal sex workers. Although, Lao PDR is one of the leading producers of illicit opium in the world, current research shows that injecting drug use remains low. However, it is expected to increase as drug users switch from alternative routes of drug administration to injection. At present, intravenous drug use is low in the Lao PDR but the use of Amphetamine Type Stimulants (ATS) is on the rise.

Due to the rapid socio-economic changes in the country, many developments and movement are taking place, such as infrastructure development, tourism and trade. With relatively high HIV prevalence rates in all of Lao PDR’s five neighbouring countries and population mobility increasing both within and across borders, the HIV/AIDS vulnerability of Lao PDR is clear.

As Lao PDR becomes more economically integrated with neighbouring countries, its vulnerability to HIV/AIDS will increase. Several major roads are under development to link the country to Thailand, Viet Nam and Yunnan, Province of China. Mining, hydropower projects and rubber plantation are all likely to employ large numbers of immigrant labour. The construction of these roads alone will attract many migrant workers and after the construction is completed, the mobility of trucks and workers along these roads will further increase. Along these roads and at other big infrastructure development sites such as hydropower dams, airports and bridges, services and entertainment such as hotels, guesthouses, restaurants, night-clubs, and beer shops increase significantly. There is significant concern about the possibility of concentrated epidemics among vulnerable populations, especially those living and working in border areas and along infrastructure development sites.

The population groups considered most likely to engage in behaviours which put them at risk of contracting HIV include mobile groups such as internal and external migrant workers, service workers in entertainment sites, truck drivers, military, police, and others who travel regularly in the course of their work, e.g. government officials and business people. There is increased youth labour migration both internally and externally, which puts young people at higher risk for HIV transmission. A high number of
school dropouts with limited access to vocational and higher education or meaningful employment is an important factor in this trend.

Seasonal migration in Lao PDR, especially of its ethnic minorities, to northern Thailand and Bangkok is large and a significant proportion of migrants operate as sex workers. According to cumulative case reports, more than 50 % of HIV positive cases were found among Lao migrant laborers who returned from neighboring countries.

Women are considered to be particularly vulnerable to HIV/AIDS, not least because of their low literacy, education and health status, which often results in a general lack of knowledge about sex, STIs and HIV/AIDS. Less empowerment and skills in negotiation for safe sex with their partners, and less economic advantage often drives them into greater risk behaviour. Culture norms often make it difficult for women and girls to access the information and services required in order to protect themselves for HIV. One group perceived to be vulnerable to HIV are those women whose husbands have multiple sex partners and who visit sex workers.

Efforts of national and international organizations over recent years have resulted in an increase in awareness of HIV/AIDS and sexually transmitted infections among the general population. Behaviour is changing, especially in urban areas, as evidenced by the increase in condom use. With heterosexual intercourse being the primary mode of transmission, sex workers and mobile populations remain the most vulnerable groups. Activities such as peer education, life skills training and other behaviour change activities are already targeting these groups.

2. National Strategic Framework


Despite significant progress made under the 2002-2005 plan, the following constraints were identified through a review of the National Strategy and Action Plan 2002-2005:

- Most of the prevention, care and treatment programs were pilot initiatives and reached only a small portion of target populations.
- Comprehensive interventions reached only a fraction of the population in need.
- There were no or limited interventions for certain vulnerable groups, such as labour migrants, drug users and men who have sex with men.
- Implementation capacity remained low at all levels.
- Research information was not effectively shared and applied by different partners.

The National Committee for the Control of AIDS Bureau (NCCAB) - under the Ministry of Health - has developed and launched the National Strategic and Action Plan on HIV/AIDS/STI 2006-2010 which will serve as its tool to guide all partners engaged in the national response on HIV/AIDS in the critical years ahead.

---

1 Information and data in this section generated from ADB website.
Based on epidemiological information and the review of the 2002-2005 plan, the following priorities were defined:

- Reaching full coverage of targeted and comprehensive interventions in prioritized provinces/districts in a phased approach.
- Establishment of an enabling environment for an expanded response at all levels.
- Increased data availability to monitor both the epidemic and the response (strategic information).
- Capacity building of implementing partners at all levels.
- Effective management, coordination, and monitoring of the expanded response.

### 3. HIV/AIDS Profile of Attapue Province

#### a. Brief Preview of Attapue Province

With a total administrative area of 9,540.1 Sq.Km, Attapue Province is one of the poorest provinces in Lao PDR, and 3 of 5 districts are identified as poor. The province has share borders with Cambodia and Vietnam. With total numbers of 159 villages and 22,029 households in 5 districts, Attapue Province has total population of 120,886 (DPI 2009), 59,521 of whom are female, please see Table 1 – Population Distributed by Districts, Attapue Province.

#### Table 1 – Population Distributed by Districts, Attapue Province

<table>
<thead>
<tr>
<th>It. Province &amp; Districts</th>
<th>Total Number of Koum Ban</th>
<th>Total Number of Villages</th>
<th>Total Number of Households</th>
<th>Population</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Male</td>
</tr>
<tr>
<td>Attapue Province</td>
<td>28</td>
<td>159</td>
<td>22,029</td>
<td>61,365</td>
</tr>
<tr>
<td>Xaysettha</td>
<td>4</td>
<td>22</td>
<td>5,626</td>
<td>15,938</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>15,404</td>
</tr>
<tr>
<td>Samakhixay</td>
<td>6</td>
<td>30</td>
<td>6,061</td>
<td>16,373</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>16,102</td>
</tr>
<tr>
<td>Sanamxay</td>
<td>8</td>
<td>47</td>
<td>4,691</td>
<td>14,975</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>13,338</td>
</tr>
<tr>
<td>Sanxay</td>
<td>6</td>
<td>45</td>
<td>3,410</td>
<td>8,635</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>8,989</td>
</tr>
<tr>
<td>Phouvong</td>
<td>4</td>
<td>15</td>
<td>2,241</td>
<td>5,444</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>5,688</td>
</tr>
</tbody>
</table>

Economically, over 80% of Attapue Province’s populace realize on natural base and agro-livelihood economy. Glutinous rice is the main staple for Lao across the country as well as in Attapue Province.

Private investments of foreign and local since 2001-2010 has been amounted to 923 Million USD, and hydropower takes largest share of 69%, follow by mining (copper, gold, bauxite, lead and zinc) of 15%, agriculture (industrial tree plantation including rubber and jatropa) of 12% respectively, please also see Figure 2 – Private Investment in Attapue Province (2001-2010).

---

2 The data in Yellow label is for poor districts and in red label is for poorest districts, identified in NGPES
Although, the hydropower is the most attractive sector for private investment (foreign), the employment of local people within and outside the province is relatively small and in some cases, have even none of Lao people. This implication is relatively similar with the agriculture sector, mainly rubber plantation. Recently, the central and local governments have attracted largest investment in history of Attapue Province, but local workforce (skilled and non-skilled) is less employed as stipulated in the Labour Law. The assumptions contributing to this incidence include weak enforcement of Labour Law of Lao PDR by concerned authorities and on the other hand it is a well-planned misinterpretation of low know-how of local workforce in order to import of large scale foreign workforce. For instant, Xekamane 1 HPP alone would import over 2,500 foreign workforces and this figure does not include family members and associate companions of those workforces. Should over 10 HPPs and mining projects would take the Xekamane 1 HPP as an example of importing foreign workforce in an illegal and unlimited numbers without considering social safeguard policy. The foreign workforce alone will dominate the employment which will then create unexpected social disorder in particular the spreading of HIV/AIDS/STI and cultural changes impacted by foreign workforce. Leaving local active labors marginalized and realize on traditional agriculture, in particular Na (permanent paddy cultivation).

b. Health Services in Attapue Province

Currently, health services in Attapue Province need substantial improvement, there are one provincial hospital with 72 beds, 4 district hospitals with 80 total beds and 24 dispensaries with 44 beds. In addition, there are also drug revolving funds at provincial, district, dispensary and village. However, the facilities have been damaged by flash flood in 2009; the incidence has back warded health service delivery in Attapue Province as a whole.

The Public health services of Attapue Province have strategically focused in 10 priority programs for instant (1) primary healthcare, (2) Malaria, (3) mother and child healthcare, (4) vaccination, (5) WatSan, (6) Health Education, (7) Control of Endemic and cholera, (8) Skin Diseases, (9) Prevention of STI/HIV/AIDS and (10). The access to health services in Attapue Province was reported at 100%.
c. HIV/AIDS/STI in Attapue Province

Attapue Province is one of the vulnerable province for spreading of HIV/AIDS/STI, the report from Health Department was that there were 100 persons tested positive of STI and 5 others got AIDS (2009 Report). However, the real figure may be higher than this, as many infected persons are shy of testing and treatment at the healthcare centers. The data reported herewith was not disaggregated between foreign and local. Cumulative reported figure by CHAS from 1990-2008 was that there were 9 persons have AIDS in Attapue Province, and should this figure added up with the reported figure by province the number of persons have AIDS would be 14. The most forefront risky groups for getting HIV/AIDS included (a) migrated workers, (b) Housewives/Husbands, (c) general workers and farmers respectively (CHAS 1990-2008, please see Figure 3 below.

Alarmingly, the total number of new STI Cases is rising in every province, Attapue Province is not an exception, please see Table 2- Number of New STI Cases by Provinces & Sex (2005-2008).

Table 2 - Number of New STI Cases by Provinces & Sex (2005-2008)

<table>
<thead>
<tr>
<th>Provinces/Center</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Skincare Center</td>
<td>1,000</td>
<td>297</td>
</tr>
<tr>
<td>Vientiane City</td>
<td>2,342</td>
<td>10,154</td>
</tr>
<tr>
<td>Vientiane Province</td>
<td>1,041</td>
<td>2,961</td>
</tr>
</tbody>
</table>
Table 2 - Number of New STI Cases by Provinces & Sex (2005-2008)

<table>
<thead>
<tr>
<th>Provinces/Center</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Borlikhamxay Province</td>
<td>380</td>
<td>2,345</td>
</tr>
<tr>
<td>Luangphabang Province</td>
<td>423</td>
<td>1,866</td>
</tr>
<tr>
<td>Xayabouly Province</td>
<td>633</td>
<td>3,620</td>
</tr>
<tr>
<td>Borkeo Province</td>
<td>491</td>
<td>1,189</td>
</tr>
<tr>
<td>Luangnamtha Province</td>
<td>1,663</td>
<td>3,329</td>
</tr>
<tr>
<td>Oudomxay Province</td>
<td>239</td>
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<tr>
<td>Xiengkhuan Province</td>
<td>1,215</td>
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<tr>
<td>Phongsaly Province</td>
<td>576</td>
<td>1,644</td>
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<tr>
<td>Khammouane Province</td>
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<td>Savannakhet Province</td>
<td>597</td>
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<td>Champasack Province</td>
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<td>6,726</td>
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<tr>
<td>Saravane Province</td>
<td>550</td>
<td>4,003</td>
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<td>1,958</td>
</tr>
<tr>
<td>Attapue Province</td>
<td>288</td>
<td>2,635</td>
</tr>
<tr>
<td>Houaphan Province</td>
<td>324</td>
<td>2,125</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>13,418</strong></td>
<td><strong>60,562</strong></td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>73,980</strong></td>
<td></td>
</tr>
</tbody>
</table>

HIV/AIDS/STI could communicate in many different ways, but different sexual affairs with several partners are the most risky way of 85% reported by the recent study.

Given the weak law enforcement in the province, local populations in every occupation in Attapue and neighboring provinces are at risk of STI/HIV/AIDS as thousand of foreign migrated/imported workforce are entering and working in the province.

The risk of further spread of HIV/AIDS in the general population is illustrated in the prevalence of infection between married partners more widely reported in Laos, found in other regional studies to result from infection of the husband in extra-marital sex with high risk service and entertainment workers and reluctance on the part of both men and women to use condoms in marital sexual relations.
Meeting at Provincial Department of Health and HIV/AIDS CHAS Unit, 4.15 p.m.

Present: Bandith, Koutiane, Vongvilay, John, Dr Viengxay, Director, PDoH, Dr Phet Lathda, Head, CHAS HIV/AIDS Unit.

A particular concern arising from the review to date of the social impact of Xekaman 1 concerns health care and any HIV/AIDS awareness and prevention programme. Vietnamese workers are screened for HIV infection before being recruited, and are rejected if shown to be HIV positive. They are then tested at site every “six months or one year”, and are dismissed and repatriated to Vietnam if found positive.

Apart from these measures, which the Project Site Manager said was to ensure that HIV positive people were not employed in the hot and dusty conditions of the site operations, there is no HIV/AIDS prevention programme of which he has been made aware. There is no awareness or preventive educational or other programme, and workers are not restricted from visiting any location in Laos for recreation.

The Xekaman 1 RP provides for relatively small sums of money to be paid to Attapeu Hospital, $10,000, and Sanxay Hospital, $5,000 - a total of $15,000 - “to assist [them] in curbing the spread of diseases when the many workers are concentrated on the construction site.”

The absence of a full HIV/AIDS Awareness and Prevention Programme is non-compliant with ADB Guidelines.

JP and Koutiane explained the purposes of the mission, and the tasks and work programme of conducting the SIA, RP, and due diligence audit of associated hydropower projects. JP explained the scope and likely timing of impact mitigation and assistance to the Province’s programmes in three aspects of health: health care delivery, mother-child health care (MCH), and HIV/AIDS awareness and prevention. The main impact would be the presence of 5,000 Vietnamese construction workers in hydropower project operations, 2,000 of whom would be at Xekaman 1. He said that the due diligence audit had shown that the provision for health care and for HIV/AIDS awareness and prevention in the Xekaman 1 RP had not been the subject of any analysis or planning, and was grossly inadequate: $5,000 to Xanxai Hospital and $10,000 to Attapeu Hospital “to meet the needs of communicable disease prevention”. Dr Peth Lathda suggested that the sums provided were greater than those stated in the RP, but were not remotely adequate or provided for any planned and realistic resource provision or programme.

Dr. Vong Salah said that the Provincial DoH and HIV/AIDS Unit had had no chance to participate in, and had not had any information on, the Xekaman 1 proposals, or been consulted on them, or on other hydropower project.
He explained the existing programmes and priorities of the PDoH, saying that the highest priority in their operations and strategy is that of Mother Child Health Care. In that context, provisional mission proposals for an MCH programme for women and children affected in the Brao/Lavi villages along the Ho Chi Minh Trail in Phouvong District were a high level priority and figured in the strategic planning of the PDoH. The MCH programme would be conducted through Traditional Birth Attendants (TBAs) and Village Health Volunteers (VHVs). These would be the key persons who would cooperate with the PDoH in inoculation campaigns, etc.

An HIV/AIDS awareness and prevention programme would also have a high priority, and should (in line with the view of the national CHAS Director and her advisers) be organised for the Province as a whole, taking in all their existing operations as well as all forthcoming hydropower projects, and should be based on existing strategies of peer group education in high risk groups, mass information campaigns and free or low cost condom distribution, with 100% condom use in recreational establishments employing women working in service capacities.

Existing programmes are conducted with the assistance of UNICEF and UNFPA. The PDoH has the capacity to conduct the programme by themselves, but could work with and coordinate the work of NGOs. They would do the planning and prepare budgets for the programme.

JP requested that the PDoE and HIV/AIDS Unit coordinate with Koutiane and Vongvilay in setting up a work programme for the preparation of the programme, beginning at the start of Stage 2, expected to be in June 2010.

JP asked, so would the PDoE plan and carry out the MCH programme in the affected Brao and Lavi villages themselves? Yes. When funding is available, they would prepare a proper plan, and would mobilise the resources to carry it out.

Dr Peth Lathda and Dr Viengxay strongly supported the creation of a Province-wide programme of HIV/AIDS awareness and prevention, as essential to cope with the numbers of immigrant workers involved, and as providing a coherence and adequately planned and funded operation.

**Outline Proposal for an HIV/AIDS Awareness and Prevention Programme in Attapeu Province.**

Subject to further study, it has been provisionally discussed with the national CHAS office of the Ministry of Health that there should be one programme which the project would support, which would be Province-wide, integrated with other action being taken by CHAS and NGOs, and which would be introduced in all Hydro-power projects.

It is provisionally proposed that, subject to the agreement of the Central and Provincial Health Authorities, this will include all of the elements which are currently promoted in the CHAS programme:

1. Peer education groups among high risk groups, including hydropower workers, and service women (the term employed in Lao for women working in restaurants, bars, karaoke and massage parlours) and among ethnic peoples’ men’s and women’s groups;
2. 100% condom use in these enterprises and related free or low-cost availability to groups at risk;

3. Information and publicity programmes in Lao and in local languages through radio, TV and press;

4. Teaching about HIV/AIDS and STI prevention in MCH groups, vocational training, literacy and handicraft groups;

5. Voluntary and free counselling and testing at Provincial and District Hospitals/Health Centres.

A provisional sum of USD 50,000 is proposed for be provided in the Ban Sok Pleiku Transmission Line LARAP budget, to be provided to the Attapeu CHAS service in the Provincial Health Department, on the basis of a plan and budget to be prepared by the service with assistance of the National CHAS office, for a three year HIV/AIDS Awareness and Prevention Programme.
Annex 3 Resettlement Framework
Ban Sok – Pleiku Transmission Line Project – ADB REG-6481

Land Acquisition and Resettlement Action Plan

Annex 3

Abridged Draft Land Acquisition and Resettlement Framework

Attapue Province, Lao PDR

Prepared by: John Pilgrim, Resettlement Consultant

August 2011.
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Abbreviations

ADB  Asian Development Bank
APs  affected persons
DMS  Detailed Measurement Survey
DRC  District Resettlement Committee
Gol  Government of Lao PDR
IOL  inventory of Losses
IPSA  Initial Poverty & Social Assessment
Khet  Group of villages, sub-district
LARF  Land Acquisition and Resettlement Framework
LARAP  Land Acquisition and Resettlement Plan
LCDC  Lao National Commission for Drug Control
LFNC  Lao Front for National Construction
LWU  Lao Women’s Union
NPRC  National Policy on Resettlement & Compensation
NTFP  Non-Timber Forest Product
AP  Project-affected person (or household)
PIB  Public information brochure
PRC  Provincial Resettlement Committee
ROW  right-of-way of the road (15 m from centreline)
RP  Resettlement Plan can be Full or Short depending on the nature or significance of the impacts (refer to the Definition of Terms)
S&PA  Social & Poverty Assessment
STEA  Science, Technology & Environment Agency
STEO  Science, Technology & Environment Offices (provincial level)
Swidden  Rotational, cut and burn land use system for rain fed cultivation
TLUC  Temporary Land Use Certificate
VRC  Village Resettlement Committee
Definition of Terms

AP includes any person or persons, household (sometimes referred to as project affected family), a firm, or a public or private institution who, in the context of acquisition, or repossession, of assets or change in land use, as of the cut-off date, on account of the execution of a development project, or any of its sub-components or part, would have their: means project-affected persons (or household) including (i) Standard of living adversely affected; (ii) Right, title or interest in all or any part of a house, land (including residential, commercial, agricultural, plantations, forest and grazing land) or any other moveable or fixed assets acquired or possessed, in full or in part, permanently or temporarily adversely affected; or (iii) Business, occupation, place of work, residence, habitat or access to forest or community resources adversely affected, with or without displacement.

Compensation means payment in cash or kind for an asset to be acquired or affected by a project at replacement cost.

Cut-off Date means the date prior to which the occupation or use of the project area makes residents/users of the project area eligible to be categorized defined as affected persons. In many projects, the cut-off date it usually coincides with the commencement of the census of APs within the project area boundaries, or the date of the detailed measurement survey after the completion of detailed design. The cut-off date for this project will be the date of completion of the detailed measurement survey. Persons not covered by the detailed measurement survey will not be eligible for compensation and other entitlements.

Entitlement means the range of measures comprising compensation in cash or kind, relocation cost, income rehabilitation assistance, transfer assistance, income substitution, and business restoration which are due to APs, depending on the type and degree nature of their losses, to restore their social and economic base. Household means all persons living and eating together as a single-family unit. The census used this definition and the data generated by the census forms the basis for identifying the household unit. Implementing agency (a.k.a. project proponent, project authority, executing agency) means the agency, public or private, that is responsible for planning, design and implementation of a development project. Income restoration means re-establishing income sources and livelihoods of APs. Land acquisition means the process whereby a person is compelled by a public agency to alienate all or part of the land a person of the land s/he owns or possesses, to the ownership and possession of that agency, for public purposes in return for fair compensation.

Rehabilitation means assistance provided to APs seriously affected due to loss of productive assets, incomes, employment or sources of living, to supplement payment of compensation for acquired assets in order to improve, or at least achieve full restoration of her/his pre-project living standards and quality of life to pre-project level.

Relocation means the physical shifting of APs from his/her their pre-project place or residence, place of work or business premises.

Replacement cost means the amount of cash or kind needed to replace an asset and is the value determined as compensation for:

i. Agricultural land at the pre-project or pre-displacement level, whichever is higher and is based on productive value; and residential or commercial land based on market value of land of equal productive potential or use located in the vicinity of the affected land, plus the cost of preparing the land to levels similar to those of the affected land, plus the cost of any registration and transfer taxes;
ii. Land in urban areas, it is the pre-displacement market value of land of equal size and use, with similar or improved public infrastructure facilities and services and located in the vicinity of the affected land, plus the cost of any registration and transfer taxes;

iii. Houses and other related structures based on current market prices of materials, transportation of materials to construction site, cost of labour and contractor’s fee, and any cost of registration and transfer taxes. In determining replacement cost, depreciation of assets and value of salvaged building materials are not taken into account and no deductions are made for the value of benefits to be derived from the project or transaction costs;

iv. Crops, trees and other perennials based on current market value; and

v. Other assets (i.e. income, cultural or aesthetic resources) based on replacement cost or cost of mitigating measures. Resettlement means all of the measures taken by the project proponent to mitigate any and all adverse social impacts of a project on APs, including compensation for lost assets and incomes and the provision of other entitlements, income restoration assistance, and relocation, as needed.

Resettlement effects mean all negative situations directly caused by the project including loss of land, property, income generating opportunity, and cultural assets.

Land Acquisition and Resettlement Plan (LARAP) means the time-bound action plan with budget setting out resettlement strategy, objectives, entitlements, actions, responsibilities, monitoring and evaluation.

Right-of-way as defined in the project documents refers to land acquired for the public use for transmission lines or access roads or other land corridors required for the control and functioning of project hydropower systems.

Social Assessment means the framework for incorporating social analysis and participatory process in project design and implementation.

Structures mean all structures affected or to be acquired by the project – houses, living quarters, agricultural structures such as rice bins or stores/warehouses, kitchens and toilets, barns, workshops, stores, roadside shops/businesses, commercial enterprises, and any community infrastructure (i.e. schools, wats, shrines, cemeteries. temples, churches etc).

Vulnerable group means any distinct groups of people who, as individuals or households or communities, might suffer disproportionately or face the risk of being marginalised from the effects of resettlement and specifically include; (i) female-headed households with dependents; (ii) disabled household heads; (iii) households falling under the generally accepted indicator for poverty; (iv) landless (v) elderly households with no means of support; and (vi) ethnic minorities.
Executive Summary

This abridged draft Resettlement Framework relates to safeguard aspects of the construction of hydro-power systems planned to supply electricity to the Ban Sok to Pleiku Transmission Line between Hatxan in Laos and Pleiku in Vietnam. The Ban Sok to Pleiku TL, for which an IEE and LARAP have been prepared with Technical Assistance (TA) by the Asian Development Bank, are core projects for which the Resettlement Framework will apply, together with all associated hydro-power projects and transmission lines supplying electricity to the TL.

A specific outcome of the Resettlement Framework is to provide terms of reference for continued TA for the preparation of Land Acquisition and Resettlement Plans, and for related compensatory and income restoration measures, for all hydropower and TL projects associated with the TL. The Resettlement Framework and TA have the particular purpose of ensuring that all associated projects, those supplying power to the TL, are compliant with ADB social safeguards as they are identified and reach design stage on an iterative basis over a period of years. Project Owners and developers and consultants engaged in the preparation of projects associated with the Ban Sok (Hatxan) to Pleiku TL in Lao PDR should seek consultation and further Resettlement Framework documentation from WREA/EDL and their consultants for guidance in the preparation and implementation of SIA, SDP and LARAPs for associated projects.

Both for associated projects not yet at the design stage, and for those for which Social Impact Assessments and Resettlement Plans and related reports have been prepared, the aim of the TA outlined in this draft Resettlement Framework is designed to ensure compliance with ADB and Government of Laos policy, procedures and guidelines, and with Government of Laos Decrees and Regulations for social and resettlement safeguard aspects of public sector development projects.

The draft RF provides the planning and terms of reference for the preparation or revision of LARAPs and conduct of land acquisition and resettlement for each associated project and for technical assistance to be provided for these purposes, first:

- for implementation of the Ban Sok to Pleiku TL LARAP itself and for the preparation of retrofit SIA and LARAPs for associated hydropower projects and their TLs for which draft preparation has been done, and which have been found in varying respects non-compliant with ADB policy and guidelines;
- secondly for the preparation of SIA and LARAPs for all associated hydropower project and their TLs for which feasibility studies will be undertaken as they come on stream over the life of the full completion of the Ban Sok to Pleiku TL project.

The non-compliant associated hydropower projects are identified and deficiencies or gaps in respect of non-compliance are described in a Due Diligence Audit Report in Annex 1 to this draft RF.

The following Summary of Project Scope and Principles will apply to all associated projects scheduled to supply power to the Ban Sok Pleiku Transmission Line:
1. Introduction

The Ban Sok Pleiku Transmission Line Project will generate substantial export revenues for the Government and people of Lao PDR and supply electricity of major importance to the Vietnam economy. It will provide for this purpose (i) 150 kilometres of double-circuit 500 kV transmission line between Haxtan in Attapeu Province in Lao and Pleiku in Vietnam; (ii) the new Haxtan 500/230kV substation and the extension of the Pleiku 500/220kV substation.

Realizing the country's hydroelectric power potential is challenging due to domestic resource constraints in financing its development, but also has very significant safeguard considerations. The Land Acquisition and Resettlement Framework is directed to ensuring that all hydropower project development supplying power to the Ban Sok to Pleiku TL will be designed and implemented to avoid harmful social impact to the affected populations, with particular reference to the situation of vulnerable indigenous minorities which make up a majority of the peoples of Attapeu and Sekong Provinces where the associated hydropower projects and TLs are situated.

As a requirement of the financing of the Ban Sok to Pleiku TL development the ADB has required that both the TL and the associated projects - the hydropower stations and transmission lines supplying electricity to the Haxtan substation and their TL - should be compliant with ADB social and environmental safeguard principles and procedures. They therefore instructed the consultant to conduct a due diligence audit of social and environmental aspects of the associated projects – the five or six hydropower projects supplying electricity to the TL. These should be the subject of retrofit social impact studies and RAPs where existing studies and planning were seen to be non-compliant or insufficient to meet the ADB safeguard requirements.

The preparation of retrofit RAPs would, however, be possible only when design and impact data are available and sufficient, as feasibility studies are undertaken for the several hydropower projects associated with and planned to provide power to the TL, and when TA is made available for the purpose. For this purpose, the Consultant’s Interim Report stated that the LARAP prepared for the TL will include a Resettlement Policy Framework designed to achieve these purposes, including:

- Full LARAP for the Haxtan-Vn Border TL to be conducted in the context of a Framework LARAP for the sector at provincial level;
- Terms of reference (TOR) for retrofit LARAP preparation, to permit them to be prepared initially as summary or short LARAPs for associated projects, which would be carried out under the proposed TA, to be developed as full LARAPs as data for these projects become available;
- The TA will be sufficiently funded and its duration sufficient, and planned on an iterative basis, for the completion of the full LARAPs for all associated projects supplying the Haxtan substation, including TLs.
- The provision of Indigenous Peoples and Gender Development Plans for the TL and for associated projects, which would embrace principles of restoration and maintenance of existing social, cultural and economic systems with provision of additional sustainable livelihoods.
- The preparation (in consultation with the concerned Provincial Government agencies) of a province-wide HIV/AIDS awareness and prevention.

The LARF provides the guidelines and terms of reference for TA for purposes of the conduct of social feasibility studies and social impact assessments and the preparation of Land Acquisition and Resettlement Action Plans for all project associated with the Ban Sok Pleiku Transmission Line. Project Owners and developers and their consultants responsible for the conduct of SIA and LARAPs are required to follow the...
terms of reference and guidelines set out in this LARF, and to follow and be familiar with the Lao guidelines and legal measures and ADB guidelines on which the LARF is based.

The LARF provides specific terms of reference for the preparation of retrofit SIAs and LARAPs which are at present non-compliant with ADB guidelines; secondly for projects for which SIAs and LARAPs have not yet been prepared as these associated projects are identified and undergo feasibility studies. Retrofit SIA and RAPs would be undertaken in detail for all associated projects coming on stream in the development program for the construction of five associated hydropower projects which, as at present known to the consultant, will provide electricity to the substation and TL.

The LARF thus provides a basis for the iterative planning and implementation of impact mitigation measures and for integrated development aspects of resettlement and livelihoods restoration in Attapeu Province, or region-wide, both for the TL and for all the associated projects over the full period during which the TL and all associated hydropower projects are constructed and come into operation.

The Ban Sok Pleiku TL is treated for these purposes as a core project of the LARF.
2. Objectives

2.1 Main Objectives of the LARF

The main objectives of the LARF are to provide guidelines and terms of reference for resettlement, compensation and income restoration in planned and time-bound measures for acquisition of land and for compensation and uses and resources to restore the livelihoods of the people impacted by the Ban Sok to Pleiku TL and by all hydropower projects associated with the TL, to at least their condition of wellbeing and income levels prior to the implementation of the projects.

2.2 Specific Purposes of the LARF

The specific objectives of this LARF are to provide an effective strategy, methodology and guidelines for Project Owners, Consultants and Monitoring and Evaluation agencies to use in the preparation of SIAs and LARAPs: to do so in a manner which will permit the GoL and the Project Environmental Management Committee (PEMC) to ensure that the people and households affected by land acquisition are compensated under the prevailing legal norms of GoL; and to ensure that the SIAs and LARAPs prepared for this purpose, and the related procedures, are in compliance with the policies of the ADB and GoL.
3. **Policy, Principles and Legal Framework**

3.1 **Policy and Principles**

The LARF is based on a recognition that the relevant ADB and Lao policy documents on Involuntary Resettlement are in all essential respects consistent with each other and make up a coherent body of technical guidelines for land acquisition and resettlement. It is essential that Project Owners, developers and their consultants make themselves fully familiar with these policy and guideline documents and with the related laws and regulations of the Government of Lao PDR.

The principle documents to which reference can be made by project developers and consultants are the ADB 2009 Safeguard Policy Statement (SPS), the Lao Government February 2010 Decree on Compensation and Resettlement and the Lao WREA Technical Guidelines for Resettlement and Compensation (November 2005)... They embody the following principles:

- **a)** where a person or group is affected by land acquisition, damage to income generating assets/activities or resettlement as a result of the project, fair compensation will be provided in order that livelihoods are the same or better than before the project. The entitlement matrix, resettlement policies and procedures set out in each LARAP reflect this principle;

- **b)** Involuntary resettlement should be avoided or minimized through design efforts;

- **c)** where involuntary resettlement is unavoidable, resettlement activities should be conceived and executed as sustainable development programs, providing sufficient compensation, assistance and rehabilitation to the Affected Persons (APs) so that they would be at least as well off as they would have been in the absence of the project;

- **d)** APs will either benefit directly from the project or from measures ensuring that the project has a net benefit to the community;

- **e)** Project stakeholders (including APs) are consulted and given the opportunity to participate, as practicable, in the design, implementation, and operation of the project, and

- **f)** APs will be assisted in their efforts to improve their livelihoods and standard of living or at least to restore them, in real terms, to pre-displacement levels;

- **g)** The compensation and entitlement policy will apply to all impacted persons regardless of their land title, total number affected or the severity of impact;

- **h)** Particular attention is paid to the needs of vulnerable groups among those affected: especially indigenous peoples, those below the national poverty line, the elderly, women and children. The following principles, set out in ADB and Government of Lao PDR Guidelines will also apply to all projects;

- **i)** fair compensation will be provided for all land and fixed assets and for livelihoods lost in the implementation or operation of public sector development projects and will be set out in time-bound Land Acquisition and Resettlement Action Plan;

- **j)** the LARAP will be based on consultation with and full disclosure to affected people and on their participation in decisions about mitigation and restoration measures;

- **k)** compensation for land loss will be provided to affected people regardless of their legal status or title as owners and users of the impacted land;
l) resettlement will be planned as an integral part of the project and will so far as is possible be developmental in character and execution, leading to improvement in the pre-project social and economic situation of affected people;

m) specific measures will be taken to provide for the participation of and benefit from employment, skills development and income generation activities arising from the construction and operation of associated hydropower projects and transmission lines;

n) LARAPs and their institutional arrangements will include provision for a grievance mechanism known and available to affected people to permit the communication and redress of any complaint or dissatisfaction in respect of disclosure and availability of compensation or assistance or with the basis in survey, measurement and negotiated agreement on which compensation has been based.

3.2 Legal Framework for Land Acquisition and Resettlement


3.2.1 Laws

Environmental Protection Law No.02/99/NA, (1999):

• Assigns the Science, Technology and Environmental Agency1 (STEA) the rights and primary responsibilities for protection, mitigation and restoration of the environment in Lao PDR.

• Defines the environmental conservation responsibilities of other GOL agencies such as the Department of Electricity, Department of Forestry, etc.

• States that environmental conservation comes before mitigation and restoration

• Stipulates that those who generate an environmental impact are responsible for the resulting damage caused

• Directs that environmental management and monitoring units (EMMUs) be established at all levels of government, with responsibilities to include such things as: establishing and enforcing sector environmental plans; taking action to mitigate environmental damage; issuing orders to adjust, suspend, remove or close down activities that cause negative impacts.

The Electricity Law (1997) requires that “the licensee (PROJECT OWNER/EDL) is responsible for ensuring that environment is protected, and that residents are compensated in cash or in kind for lost property, diminished living conditions, relocation and resettlement.”

The Land Law (1997) stipulates that in case of the public infrastructure development projects cause damage to the trees, crops or buildings of the private owner, the land and structure owners have the right to be compensated for the loss of or damage to such assets.

Forestry Law (1996) stipulates that forest land can be converted to other uses when necessary and if in the public interest, and subject to approval from responsible authorities. An individual or organization given permission to convert forest to another use is responsible for payment of a conversion fee, land reclamation, tree planting, and other requirement.
3.2.2 Other Regulations and Decrees

In addition to the above laws, Department of Electricity, Ministry of Energy and Mines also issued Environmental Management Standard Documents, which provide more details guidance on how to prepare power sector projects, which requires the project owner to prepare IEE to be approved by Ministry of Energy and Mines (MEM) and Science, Technology and Environment Agency (STEA).

Prime Minister Decree No 192 on Resettlement and Compensation (2005) and new Decree of February 2010 have becomes the main instrument in guiding resettlement and land acquisition activities in Lao PDR at the present time and in the future. The key compensation and resettlement principles of this decree are listed below, and are in general agreement with the requirements of ADB and the World Bank:

- Project Affected Persons will be provided compensation for their lost assets affected in full or in part, at full replacement cost.

- In case of compensation for the affected to type of land (agriculture, residential or commercial) will be through provision of “land to land” arrangement of equivalent size or productivity and at the location acceptable to the Affected Persons. If the land not available, cash compensation at full replacement cost is applied.

If the house or structure is partially being affected by the project but the remaining structure is rendered unvi vable or area less than the minimum house size Affected Persons will be entitled to compensation.

- In case of the Affected Persons affected by partial loss of structure and remaining still viable. The assistance in a form of cash or material to restore the structure is applied.

- In case of the temporary affected by the projects, there will be full compensation of the net loss of income. If the temporary use (affected) of the assets less than 6 months there will be compensated of 10% of the replacement cost of the affected assets. But if more than 6 months compensation should be negotiated with the owner of the assets.

- In case of the Persons have leased the house, structure or the form. Compensation equivalent of 3 months rental allowance if applied. There will be also assisted in finding the alternatives for rental accommodation.

- The affected persons without any legal title or ownership right to affected land or assets they occupy should be compensated and provide assistance to ensure they are not worse-off due to project.

- All previous claims and unresolved issues related to tenure status and ownership of land and other assets on each sub-project or components will be resolved before land acquisition.

- Resettlement process should be carry out in a participatory manner following the General guidelines for Public Involvement.
4. ADB Safeguard Policies and Guidelines

4.1 SPS 2009 Safeguard Policy Statement

The ADB policy on involuntary resettlement (SPS 2009) aims to avoid or minimize the impacts on people affected by a project and to safeguard the affected parties who lose their land and property and whose livelihood is affected as a result of land acquisition or temporary construction activities. The main objective of resettlement planning is to provide PAP’s with standard of living equal to, if not better than, their standard of original living. There are three components to the policy. They are (i) compensation for the lost assets, livelihood and income; (ii) assistance for relocation; and (iii) assistance for rehabilitation to achieve at least the pre project level of well-being. This is considered as a development opportunity and turns displaced and affected people as project beneficiaries. The objectives and principles of ADB’s Involuntary Resettlement Policy are summarized as given below:

4.2 Objectives

To avoid involuntary resettlement wherever possible; to minimize involuntary resettlement by exploring project and design alternatives; to enhance, or at least restore, the livelihoods of all displaced persons in real terms relative to pre-project levels; and to improve the standards of living of the displaced poor and other vulnerable groups.

4.3 Scope and Triggers

The involuntary resettlement safeguards covers physical displacement (relocation, loss of residential land, or loss of shelter) and economic displacement (loss of land, assets, access to assets, income sources, or means of livelihoods) as a result of (i) involuntary acquisition of land; or (ii) involuntary restrictions on land use or on access to legally designated parks and protected areas. It covers them whether such losses and involuntary restrictions are full or partial, permanent or temporary.

4.4 Procedural Steps

(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 (a) 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;
(b) prompt replacement of assets with access to assets of equal or higher value; (c) prompt compensation at full replacement cost for assets that cannot be restored; and (d) additional revenues and services through benefit sharing schemes where possible.

(iv) Provide physically and economically displaced persons with needed assistance, including the following: (a) 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; (b) transitional support and development assistance, such as land development, credit facilities, training, or employment opportunities; and (iii) civic infrastructure and 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 nonland 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.
5. **TL and Associated Projects Implementation and Impact**

The anticipated sequence of construction and commissioning of the TL and associated projects is provisionally expected to be:

1. Construction of Xekhaman 1 Hydropower Project and TL;
2. Completion of the Ban Sok to Pleiku TL;
3. Construction of Xekong 3 Upper Hydropower Project and TL;
4. Construction of Xekong 3 Lower Hydropower Project and TL;
5. Construction of Xekhaman 4 Hydropower Project and TL;
6. Construction of Xaman Hydropower Project and TL;
7. Construction of Dak Emoule Hydropower Project and TL.

All resettlement activities will be coordinated with the civil works schedule of each of the associated projects as they are developed, and the latter will in turn be coordinated under the direction of MEM and EDL in consultation with Government of Lao PDR WREA. This scheduling will take place at an early stage of the Land Acquisition and Resettlement Framework TA, with particular reference to the design and implementation of measures and structures for Province-wide measures to cope with the major impact of incoming work forces and related impacts on indigenous peoples and on Provincial urban services, utilities and health, educational, water supply and sanitation systems and on an HIV/AIDS and STD Awareness and Prevention Programme. WREA will not approve award of any civil works contract for any subproject to be financed from the loan proceeds unless the Project Owner has satisfactorily completed, in accordance with the approved Resettlement Plan for that subproject, consultation and information programmes, and the planning and financing of educational and health support services, compensation payment and relocation to new sites, and ensured rehabilitation assistance is in place and the area required for civil works free of all encumbrances prior to obtaining possession and rights to the land.

5.1 **Impact of Hydropower Projects and Reservoirs:**

The anticipated major impact of reservoirs is that of the inundation of villages and village residential and agricultural land, including grazing land and crop lands and orchards. Secondly that of impact on fisheries and water quality which may cause both social and economic loss to the affected communities and may have significant impacts on downstream communities.

The anticipated major impact of dams, headworks, offices and yards, dormitory areas and access roads may include loss of forest and swidden agricultural land and grazing land, and impact on any housing or other structures in the areas of construction.

5.2 **Impact of the Transmission Lines and Substation**

The major impacts of the TL construction are those on agricultural land, which includes permanent crop land, swidden (shifting agricultural land) vegetable gardens and fruit orchards, permanent tree crops, permanent acquisition of land for the substation and for tower footprints. Impacts include temporary land acquisition for construction access to towers, and compensation, and on forests. Losses include trees/crops higher than 3 meters which need to be cut in the corridor of the TL, including both forests and industrial tree plantations, and may include fruit, shade and industrial trees in small plantations or within farms or forested areas of individual households, or be located in community forests.
Impacts may include social and cultural impact and the visual and physical impact of the TL and towers of the construction, maintenance and presence, including the electro-magnetic field, of the TL in these areas, and related developments, temporary land use and crop disturbance and disruption to the social and cultural life of the affected ethnic groups;

Major impacts include the visual and social impact of the TL on indigenous communities, and its intrusion on communal forest rights of these people, including the access to and the gathering of NTFP and hunting. These may remove substantial livelihood and income sources and are significant impacts. Together with the loss of land and economic trees, they will require compensation and long term additional assistance to the communities concerned. Entitlements to compensation and to related resettlement support, including the restoration of assets and incomes, are described below.
6. Terms of Reference for the Preparation of SIAs and LARAPs of Associated Projects

Project Owners or Contracted Agencies will prepare SIA and LARAP for all associated projects in compliance with the principles, laws, decrees, regulations and technical Guidelines of the Government of Lao PDR. These conform with and closely follow ADB policy and guidelines.

In order to do so Project Owners, consultants and contracted agencies are required to be familiar with the ADB and Lao Government documents referred to above, with particular care given to ADB SPS (2009), to the ADB Handbook on Involuntary Resettlement (1998), and notably to Lao Government Technical Guidelines on Compensation and Resettlement (2005), and Decree on Compensation and Resettlement (2010) in respect of the actions and documentation to be followed in conducting surveys, preparation of databases and preparation of SIA and LARAPs, and as a guide to compliance with both ADB and Government of Lao policies and procedures.

For these purposes Project Owners and consultants must, prior to the preparation or retrofit preparation of SIAs and LARAPs, confer with and agrees specific terms of reference, and the participation of the concerned Lao Government agencies in the conduct of studies for these purposes.

In accordance with Lao Government regulations and guidelines they should ensure that they have made provision of sufficient budget, and conducted the necessary preliminary identification, scoping and feasibility studies as a basis for, and including, the conduct of SIAs and the preparation of LARAPs, including capacities and resources for cadastral and socio-economic survey. Team leaders and consultants should have the necessary experience and expertise in the preparation of SIAs and LARAPs in the context of ADB and similar International Development Finance Institution funding and supervision.

In order that this requirement can be complied with ADB will assist WREA and EDL EMD in the creation of a Resource Centre and in the holding of technical training workshops to assist in capacity development among participating and stakeholder agencies.

6.1 Identifying the Scope of Land Acquisition and Project Impacts

As per the ADB policy guidelines, resettlement impacts are significant if any sub-project will displace 200 or more persons through major impacts such as (i) being physically displaced from housing or (ii) losing 10% or more of their productive assets (income generating). Such households are categorised as severely affected. Both severely affected households and vulnerable households, including aged, chronically ill or disabled, very poor, women-headed households, landless and indigenous peoples, will receive both additional cash compensation in the form of appropriate allowances and planned income restoration measures to be provided to them.

Social impacts and resettlement are also significant and require full LARAPs and Indigenous Peoples’ Development Plans if indigenous peoples are impacted by the project, regardless of the severity of the impact or the number of affected people.

6.2 Steps in the Preparation of LARAPs

6.2.1 Screening and Categorization
As the initial step of resettlement planning, carry out a screening survey to identify land acquisition and resettlement impacts of subprojects. Subprojects will be categorized for involuntary resettlement impacts based on ADB’s SPS and using ADB’s involuntary resettlement impact categorization checklist (Appendix 4).

A subproject’s involuntary resettlement category is determined by the category of its most sensitive component in terms of involuntary resettlement impacts; in the case of hydropower projects associated with the Ban Sok to Pleiku TL this has been identified in preliminary and feasibility studies to that of the impact which hydropower dams and reservoirs and their TLs have on the indigenous peoples living in the areas of hydropower developments and in downstream riverine areas.

The sub-project selection criteria specifies that subprojects with significant involuntary resettlement impacts will not be taken up under the Project. The level of detail and comprehensiveness of resettlement plans will be commensurate with the significance of potential impacts and risks.

6.2.2 Census Survey, Socio-Economic Survey and Inventory of Losses

Conduct a detailed census survey and inventory of all losses based on detailed engineering design. The details on the scope and methods of carrying out the census survey are given in Appendix 5 will identify individuals and groups who may be differentially or disproportionately affected by the project because of their disadvantaged or vulnerable status. Where such individuals and groups are identified, the SPCUs will propose and implement targeted measures so that adverse impacts do not fall disproportionately on them and they are not disadvantaged in relation to sharing the benefits and opportunities resulting from development.

Based on requirement of land acquisition and impact on affected groups and assets, undertake a field census/survey and consultation, including the activities of:

(i) full census of affected households;
(ii) inventory of affected structures/assets
(iii) a socio-economic survey of all affected and a minimum of 10% of non-affected households.

For purposes of the socio-economic survey, two populations are surveyed: (i) all AH, to determine characteristics of the directly affected population; and (ii) approximately 20% of all households in a wider zone of impact, for example those who may suffer loss of a access to hunting and NTFP in a community forest, but who do not lose land, trees or structures. Directly affected household are those in the area of a reservoir, or in the site of a dam or headworks, works offices and yards, worker housing or access roads.

(iv) consultations at the village level with community members including women and representatives of all ethnic groups, local leaders, EDL officials and the land occupier participation in preparation of a LARAP disclosure grievance redress mechanisms

6.2.3 Social Impact Assessment

Preparation of Land Acquisition and Resettlement Plans

Land Acquisition and Resettlement: Plans (LARAPs) will be prepared by Project Owner on the basis of a socio-economic survey and detailed measurement survey, with assistance from the design and supervision consultant (DSC) in consultation with WREA and EDL.

The draft LARAP will include the census of displaced persons, their entitlements based on the entitlement matrix which includes methods for determining replacement costs of acquired assets, institutional mechanisms and schedules, budgets, assessment of feasible income restoration mechanisms,

The LARAP will contain
(i) executive summary;
(ii) project description;
(iii) scope of land acquisition and resettlement;
(iv) socio-economic information and profile;
(v) planned information disclosure, consultation, and participation;
(vi) grievance redress mechanisms;
(vii) legal framework;
(viii) entitlement, assistance, and benefits;
(ix) relocation of housing and settlements;
(x) measures for income restoration and rehabilitation;
(xi) resettlement budget and financing plan;
(xii) institutional arrangements;
(xiii) implementation schedule; and
(xiv) procedures and financing for monitoring and reporting.

The LARAP will be brought to the notice of displaced persons and host communities and inputs and comments will be addressed in subsequent revisions of the resettlement plan.

The resettlement plan will be prepared in English and Lao, the executive summary translated in local language, and notified to the public (this can include posters and/or resettlement booklets).

All draft resettlement plans will be submitted to ADB for clearance prior to award of contracts. The final resettlement plan will incorporate all comments from ADB and be considered final after it is posted in the ADB website. The PMU can then implement the final resettlement plan.

6.2.4 Local Community and Indigenous Group Considerations

Consultation, Participation, and Disclosure

The consultation process should begin as early as possible in preparing each subproject, and should be initiated before the commencement of project census or socio-economic survey. It will be a continuous process until the completion of the Project.

The executing agency will ensure that an SPCU staff or an SPCU engaged assistant has day to day contact with affected persons and beneficiary communities. Their presence will ensure that information is communicated, and they will act as mediators between the subproject and affected persons/communities. Table 3 shows consultations and information disclosure to be undertaken for each subproject.

Public disclosure of information and maintenance of transparency with all stakeholders, especially affected persons and communities is one of the cardinal principles of SPS. Transparent subproject activities lead to enhanced trust among the stakeholders. This process will have salutary effects on all activities of the subproject, as suspicion and mistrust can generate serious negative effects on the implementation of project activities.

PEMC will submit the following documents for disclosure on ADB’s website: (i) resettlement frameworks; (ii) resettlement plans; and (iii) social safeguards monitoring reports.
PEMC offices will provide information to affected persons in selected subproject locations on resettlement principles (and will be distributed during consultations such as those undertaken during screening) and features of the resettlement plan. Information flyers and project information booklets will be distributed among affected persons/communities and stakeholders of the Project, including assisting government agencies and services and NGOs. The descriptions of proposed road, market, water supply or any other subprojects and entitlements that the affected persons/communities will receive will be explained in the flyer/booklet including contact telephone numbers and addresses of persons who can provide further clarification and information.

<table>
<thead>
<tr>
<th>Table 3: Matrix for Consultation, Participation, and Disclosure Time</th>
<th>Objective</th>
<th>Stakeholders</th>
<th>Material to be Disclosed</th>
<th>Institution Responsible</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Inception</td>
<td>Project briefing activities and responsibilities of participating institutions</td>
<td>Respective Local Authorities, identified CBOs, community representatives</td>
<td>Project information booklet</td>
<td>Local Authorities and PMU</td>
</tr>
</tbody>
</table>

6.3 Measures to Minimise Resettlement and Land Acquisition

Measures will be planned during field alignment and survey, in the design of the TL alignment and in actions to be undertaken before clearing Right of Way, to minimize land acquisition and eliminate the need for resettlement, including attention to transmission routes to avoid impacts, locating lines along land borders avoiding all residential land and the adoption of structure designs with the least land acquisition requirement.
7. Information Dissemination, Consultation and Disclosure

Consultation must be conducted with APs and with community leaders and officials, and with concerned government services and support agencies, during the survey of affected land within the Project. Information must be provided and discussion undertaken both during the socio-economic survey and census of loss of the affected households and in meetings with the communities, and with village heads and sub-district officials.

Consultation meetings must be held with the separate village groups and leaders. Participation in village meetings. The composition of these groups should be that of the indigenous groups living in each village, so that it may be necessary to hold separate meetings with different ethnic groups.

The meetings have two main purposes: first to ensure that they were fully informed about the project and its impact, and secondly in order to understand community’s response to the project, perceived benefits and impacts, local needs/options, project options and choices.

Discussion of the latter questions should be specifically related to the communities’ ethnic composition and to impact on their culture, social structure and livelihoods system. Focus group meetings with village leaders and with women and older men should be directed particularly to exchanging views on impact of the TL and sub-station, and measures which both mitigate impact and contribute to sustainable development. Particular attention must be paid to considering measures which in the view of the leaders and members of the ethnic groups would sustain traditional ways of life and livelihoods. Discussion with their leaders, and separately with men and women, should be addressed particularly to their dependency on and observances towards the forest environment.
8. Grievance Redress Mechanisms

The Project Owner will undertake grievance resolution in accordance with the provisions in Article 13 of the Decree on Compensation and Resettlement of People Affected by Development Projects, and the Technical Guidelines on Compensation and Resettlement. All grievances related to any aspect of the project will be handled via consultations aimed at resolving matters through consensus at the project level. The affected people will be given many opportunities to review the survey results and compensation policies during the process of resettlement planning and implementation. However, during implementation, various issues might be encountered by the affected people. In order to resolve these concerns effectively and timely, a grievance redress mechanism shall be set up. The affected people will be notified about such mechanism before the resettlement implementation.

If a person is not satisfied with his or her compensation or rehabilitation measure, he or she could voice his or her complaint to the affected village head or directly to the EMU. The village head or the EMU will give him or her answer within two weeks. If he or she still does not agree with the solution, he or she could appeal to the PEMC where a PEMC sub-committee called “Grievance Committee” will be established to address these issues.

The Grievance Committee will make a final decision within two weeks. If he or she still does not agree with the decision, he could go the court for settling the matter. Depending on project, and from previous similar project, there was a case where it was settled in the parliament. The majority of cases however could usually be settled at PEMC sub-committee level.

A Grievance Committee will also be formed by each district authority to assist where PROJECT OWNER/EDL and APs cannot reach an agreement on compensation, and to deal with complaints for up to 3 months following completion of construction. The Grievance Committee consists of the same authorities as the Compensation Committee, with the addition of the Village Head and two AP representatives. PROJECT OWNER/EDL will estimate total compensation and relocation funds as agreed with APs, update the RAP budget and submit a final compensation budget proposal to request funds to PROJECT OWNER/EDL management for approval. Once approval has been gained, the EDL Finance Section releases funds for compensation payments, and PROJECT OWNER/EDL disbursers the funds to APs, obtaining the necessary receipts. Once compensation has been received, APs will hand over/vacate the land within two months. The title of the land is then transferred to PROJECT OWNER/EDL by the Provincial Land Office. PROJECT OWNER/EDL will maintain file copies of all AP contracts, compensation receipts and RoW notices, and furnish the same to AP signatories.

Each district Grievance Redress Committee (GRC) will be comprised of:

- Representative from the Cabinet Office (Ministry of Energy and Mines)
- Provincial Water Resources and Environment Office (PWREO)
- Provincial Ministry of Energy and Mines
- Provincial Land Office
- Village heads
- Village elders, at least one of whom should be a woman
- Representatives from PAFs (at least one being female or representative of ethnic group)
- PROJECT OWNER/EDL officer.
9. Impact Assessment of Transmission Lines

9.1 Summary of Impact,

Land Structures and Tree Losses.

Study and Inventory of the impact of losses need to be mainly of four kinds:

- Permanent loss of land,
- Loss of forest and forest land thus impacting on hunting, spirit forests, and forest product areas;
- Social and cultural impact of the construction, maintenance and presence of the TL
- Temporary land use and crop disturbance and disruption to the social and cultural life of the ethnic groups.

9.2 Loss of Livelihoods

The loss of livelihoods of the affected indigenous groups is mainly associated with four aspects of the construction and short and long-term land use restriction:

- Delays in crop production during the construction of towers and the TL line, mainly on swidden areas at Somboun and neighbouring villages;
- Cutting of trees, mainly small cultivated teak plantations;
- Impact on hunting and the presence of game animals throughout the length of the TL both during construction and permanently.
- Impact on the collection of NTFP throughout the length of the TL both during construction and permanently.

However, loss of livelihoods among the affected indigenous peoples cannot easily be measured in specific losses of income sources, but rather as an aspect of the impact of the TL and other related developments on their culture and livelihood system as a whole, which are now, for the Brao and related peoples affected by the Ban Sok (Hatxan) to Pleiku TL and for other indigenous peoples affected by planned TLs of associated projects for which studies are available, at crisis point measurable by impoverishment, land shortages and food deficiencies.

Losses of access to forest and specific land losses especially need to be seen as threatening the social and ecosystems which are traditionally bound up with land and forest rights. These will be impacted by TLs, but are everywhere threatened also by population increases which have eroded traditional swidden systems of land and forest regeneration. At the present time these threats to present populations, social and administrative and social services are dramatically by the cumulative effect of roads, plantation, mining and hydropower projects, and of the in-migration of construction work forces and accompanying people which are estimated to increase the populations of Attapue and Sekong Provinces by about 50% within the coming decade.

For these reasons specific measures for compensation are judged to be a valuable palliative, but need to be part of a more major restoration of land and forest rights. This is proposed to be undertaken, with respect to the restoration of livelihoods of peoples in the corridor of impact of the Ban Sok to Vietnam border TL, through the designation of adjoining NPA land and forest areas as indigenous peoples conservation areas, to extend the territory available to these groups in the Ho Chi Minh Trail section of the TL. Project developers
and consultants will confer with the relevant forest and park authorities and with EDL and WREA to determine similar land restoration measures where needed and appropriate, for every associated project.
10. Preliminary Social Impact Assessment of Associated Hydro-Power Projects

10.1 Findings of the Due Diligence Audit

The social and environmental impact of five associated Hydro-Power Projects were studied in the Due Diligence Audit carried out by the consultant on the instruction of ADB. The results of the due diligence on social safeguards based on consultant documentation provided for Xekaman 1 (SEIA and RP), Xekong 3 Upper and Lower (RP) and Xekaman 4 (IEE) and on a site visits to Xekaman 1 and Xekong 3 Upper are summarized below and set out in detail in the Annex 1. The audit indicates that their social impact will be severe for all populations in Attapeu and Sekong Provinces, and that they are not compliant with ADB’s 2009 SPS Guidelines or with the GOL’s new EIA Decree, or Technical Guidelines on Compensation and Resettlement in Development Projects, March 2010.

The major deficiencies in social safeguard compliance are:

- Inadequacies in information to and consultation with and participation of APs
- Inadequate planning for livelihoods restoration;
- Inadequate relocation planning in the context host population land and forest use;
- The lack of analysis or measures to meet the impact on the population and services of immigration of Vietnamese workforces in Attapeu and Sekong Provinces;
- Inadequate HIV/AIDS awareness and prevention programmes;
- Inadequate and obscured responses to Lao PDR conditions defined on SEIA certificate of approval for Xekaman 1

Xekaman 1 will cause severe impact to 300 households. They are member of the Talieng, Jeh, Alak and Laolum ethnic groups. Of these, 220 households in five villages, 1,094 people will have their lands and houses submerged in the reservoir areas and will be relocated. About 80 will lose areas of agricultural land, but not houses, requiring compensation and/or the provision of replacement land.1

The dam will (in the words of the Vietnamese consultant’s SIA) have a massive effect on fisheries, immediately affecting 15 downstream villages and an estimated 725 households who derive their main livelihoods by fishing in the Xekaman River, proposed in the draft RAP for Xekaman 1 to be replaced by support for pond aquaculture or reservoir fishing. The RP quotes a 1997 Department of Forestry Report as saying that: “In addition, reductions in fish stocks in the Xekaman may have a significant impact on fisheries in the Xekong and even the Mekong Rivers, as many fish that presumably feed and spawn in the Xekaman River are believed to migrate between the Xekaman and the Xekong and Mekong Rivers.”

10.2 Impact of Vietnamese Work Force in Associated Projects and other Development

The SIA and draft Summary RP for Xekaman 1, and discussions with the Project site manager, have indicated that there are now 700 Vietnamese workers and 100 Lao workers on site there. The latter are entirely engaged in the construction of housing and in restaurant and related services. The predominantly Vietnamese work force will eventually total up to 4,000. Three times that number of people, families and service suppliers, would accompany the work force. Similar in-migration of workers, families and followers will occur for all the associated hydropower projects in Attapeu and Sekong.

10.3 HIV/AIDS Risks of Workforce In-Migration

A particular concern arising from the review of the social impact of Xekaman 1 and other associated projects concerns health care and any HIV/AIDS awareness and prevention programme. Vietnamese workers are screened for HIV infection before being recruited, and are rejected if shown to be HIV positive. They are then tested at site every “six months or one year”, and are dismissed and repatriated to Vietnam if found positive.

- Apart from these measures, which the Project Site Manager said was to ensure that HIV positive people were not employed in the hot and dusty conditions of the site operations, there is no HIV/AIDS prevention programme of which he has been made aware. There is no awareness or preventive educational or other programme, and workers are not restricted from visiting any location in Laos for recreation.

- The Xekaman 1 RP provides for relatively small sums of money to be paid to Attapeu Hospital, $10,000, and Sanxay Hospital, $5,000 - a total of $15,000 - “to assist [them] in curbing the spread of diseases when the many workers are concentrated on the construction site.”

- One finding of the due diligence audit of the associated projects, is that, at the time of the study done into their present planning, no provision is made for employment of local peoples, or of Lao labour or specialists in the national skills resource base and labour market.

- A second major finding is the lack of any adequate provision of measures related to communicable diseases, and especially of any HIV/AIDS awareness and prevention programme. This finding bears also on the institutional structure and resources of health, social and educational services in the two provinces, and the need, pointed out in the draft due diligence audit, for the planning and provision of measures and resources related to the impact of the associated projects and incoming work forces to be done through the Provincial Government and its services and at Province-wide levels.

10.4 Gender Considerations

Negative impacts of subproject activities on female-headed households will be prioritized under the subprojects consistent with the gender action plan prepared for the Project. The resettlement plans will formulate measures to ensure that socio-economic needs and priorities of women are identified and the process of land acquisition and resettlement does not disadvantage them. Gender activities include women’s focus group discussions to be conducted to address specific women’s issues.

Gender aspects of the construction programme include the substantial risk of HIV/AIDS infections arising from the influx of construction workers and associated groups, and of more general influences towards increases in number of women employed in service industries, both incoming and local. These developments are heightened by the roads construction and highways development and increased communication and market development with Vietnam and Cambodia in the project region. Gender related measures will in consequence need to be addressed to the combined impact of communications, market and infrastructure development, rather than separately to the hydropower sector construction programme. For this purpose s number of measures will consequently be included in a gender inclusive approach to the project to mitigate against the likely negative impacts on women and children.

- During Construction

To address these issues during the construction stage, the civil works contractor will be required to engage a suitably experienced government or non-government organization to develop and implement an information, education and communication (IEC) campaign for workers. With advice and assistance from this organization, the contractor will be required to provide its workforce with appropriate means of protection

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against sexually transmitted diseases. The contractor will also be required to extend the IEC program to surrounding communities living in the project area and related road corridors. The supervision consultant will monitor and control the contractor's performance of these activities. To assist this, the consultant team will include an appropriately qualified specialist, who will ensure the activities conducted under the project are coordinated and consistent with the governments' broader strategies for addressing the problem of STDs and HIV/AIDS.

- Post Construction

In addition, the governments involved have agreed to continue a coordinated program of IEC activities after completion of the project at project sites and neighbouring communities and at major highway junctions with access roads to projects. This will be done in coordination with their health ministries, donors such as the UNDP-AIDS and NGOs working on the issue of STD and HIV/AIDS transmission.
11. Assistance to Ethnic Groups

11.1 Information and Consultation

Meetings at each stage of project identification, feasibility study and preparation must include a general meeting of affected ethnic peoples, and individual village meetings (a) with the people in general, and (b) with women. In all these meetings and in consultations at household level the local language must be used. Meetings must be held in all affected areas, both with APs and with others in the local population, to inform them of the proposed construction and its purpose, likely impact, and of measures for compensation and other assistance proposals and entitlements. The record of these meetings and a copy of the information leaflet and poster must be distributed in all affected villages, and displayed at the sub-District HQ and at Village Headmen's houses to the model attached at Annex.

11.2 Specific Needs of Ethnic Groups

The present structure and organisation of these groups, and their agricultural system, are regarded as fragile but capable of maintaining their farming and forest resources if not subjected to undue outside pressures or to the effects of long-term losses of land and forest resources; (NSC/ADB Participative Poverty Assessment, 2006). The Government proposals for the population in impacted areas, aimed at consolidating smaller villages by expanding the larger villages, with increased road access, schools and health clinics, while clearly intended to bring benefits in terms of modern social services, may need to be adjusted if the way of life of the people affected is to be preserved and bettered and the environment protected.

The LARAP must be aimed at assisting this. This would be achieved:

a) through a major allocation of land and forest as a land concession provided as an indigenous peoples conservation area in the adjoining NPA; and

b) in an assistance programme within the project Ethnic Peoples Development Plan and Gender Development Plan which provide certification of inheritable title for settled agricultural lands, agricultural extension, livestock production and marketing, water supply, and electricity connections, health resources, literacy and skills training, micro-credit, assured drugs supply at village dispensaries, traditional midwife training, and mother-child health facilities.

Other assistance which would be offered to all severely affected households and to affected ethnic peoples is proposed (subject to consultations with and the preferences of the affect people) is outlined in Annex 7, and would include inheritable title to permanent arable lands; small scale irrigation for paddy rice and vegetable production, improved variety and production inputs supply, post-harvest systems and marketing; cattle, pig and poultry production; fish ponds; wage employment for clearance of the TL ROW.
12. Assistance to Women

12.1 Gender Development Planning

Assistance specifically for women and women headed households should be provided in a Gender Development Plan, annexed to the LARAP. This includes in the Ban Sok to Pleiku TL LARAP provision of the empowerment of women through mainstreaming of gender factors, and through specific measures of direct concern to women: medical supplies and supplementary staffing for dispensaries; training of traditional midwives; mosquito nets and preventive spraying; mother-child health classes and support for nutritional development and child care; handicrafts production and marketing; literacy/Lao language training; and extension, training and micro-credit for agricultural and small enterprise development. A number of these support activities’ can best provided through an NGO in consultation with Provincial and national bodies.
13. HIV/AIDS Awareness and Prevention

Separate provision must be made for each project as contribution to a Province-wide HIV/AIDS Awareness and Prevention Programme, which will be provided through support to the Provincial CHAS programme of the Provincial Health Department. A study on an appropriate HIV/AIDS Awareness and Prevention Programme has been conducted by the Consultant and the Local Consultant in consultation with the CHAS Office in the Ministry of Health and with NGOs, report on the provision of a HIV/AIDS awareness and prevention programme discussed with the project manager and in subsequent discussion with WREA, is outlined in Annex 8 to the TL LARAP.

Subject to further study, it has been provisionally verbally agreed with the national CHAS office of the Ministry of Health that there should be one programme which the project would support, which would be Province-wide, integrated with other action being taken by CHAS and NGOs, and which would be introduced in all Hydro-power projects. Subject to the agreement of the Central and Provincial Health Authorities, an HIV/AIDS Awareness and Prevention Programme will include all of the elements which are currently promoted in the CHAS programme:

- Peer education groups among high risk groups, including hydropower workers, and service women (the term employed in Lao for women working in restaurants, bars, karaoke and massage parlours) and among ethnic peoples’ men’s and women’s groups;
- 100% condom use in these enterprises and related free or low-cost availability to groups at risk
- Information and publicity programmes in Lao and in local languages through radio, TV and press
- Teaching about HIV/AIDS and STD prevention in MCH groups and handicraft groups
- Voluntary and free counseling and testing.
14. Entitlements

14.1 Entitlement Matrix

The resettlement principles and assistance of the Government of Lao PDR and of ADB have been designed to cover compensation for lost assets and restore or enhance the livelihoods of all categories of affected people. Table 1 (Entitlement Matrix) provides a summary of the application of the principles, definition of entitled persons, entitlements and indicates results of actions.

Affected households will be compensated prior to onset of construction. They will be given 3 months from this time to salvage any trees or crops from the acquired land.

After the expiry of the deadline, PROJECT OWNER/EDL or its contractor can take action to clear the acquired land in preparation for construction. PROJECT OWNER/EDL or its contractor may clear any structures, crops or trees planted on the acquired land after the cutoff date. Any grievances and objections will be referred to the Grievance Redress Committee.

If, following the contractor’s detailed design, categories of loss are identified which are not covered by the Entitlement Matrix, policies and entitlements in this RAP should be updated with reference to the Project Resettlement Framework.

Table 1 Entitlements Matrix

<table>
<thead>
<tr>
<th>TYPE OF LOSS</th>
<th>APPLICATION</th>
<th>DEFINITION OF ENTITLED PERSON</th>
<th>COMPENSATION POLICY</th>
</tr>
</thead>
</table>
| (a) Arable land | a.1 Less than 20% of total landholding to be acquired (marginal impact on household income and living standards). | a) Legal user of affected land with permanent land rights, and AP’s who meet the criteria for permanent land use rights and will therefore be issued with permanent LURC in due time. | - cash compensation for crops and trees at market price, AND  
- cash compensation for acquired land at 100% of replacement cost. |
|              | b) Legal user of affected land with temporary land rights (unlegalizable). | - Cash compensation for crops and trees at market price; AND  
(a) cash compensation for affected land corresponding to 100% of the replacement cost of affected land; OR  
(b) cash assistance for lost income from the affected land for the remaining period of the temporary land use right. |
|              | c) Legal user of affected land with lease land rights (unlegalizable). | - cash compensation for crops and trees at market price; AND  
- cash assistance for loss income for the remaining lease period. |
### Type of Loss: Arable Land (cont'd)

#### a.2 More than 20% of total land holding and remaining land is rendered unviable for continued use.

(Severe impact on household income and living standards.)

<table>
<thead>
<tr>
<th>APPLICATION</th>
<th>DEFINITION OF ENTITLED PERSON</th>
<th>COMPENSATION POLICY</th>
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</thead>
</table>
| a) Legal user of affected land with permanent land rights, and AP's who meet the criteria for permanent land use rights and will therefore be issued with permanent LURC in due time. | - Cash compensation for crops and trees at market price;  
- (a) full title to land of equal productivity at location acceptable to AP's, wherever available; OR  
- (b) cash compensation for lost land at 100% replacement cost at the informed request of AP's;  
- Transport allowance to shift to relocation site;  
- Subsistence allowance for six months;  
- Rehabilitation package (training for one family member in current or new occupation and training allowance / agricultural extension services, and farm inputs to increase productivity on remaining land, or any other type of suitable assistance) |  
| b) Legal user of affected land with temporary land rights (unlegalizable). | • AP's will be entitled to:  
- Cash compensation for crops and trees at market price;  
- cash equivalent to 100% of the replacement cost of the affected land;  
- Transport allowance;  
- Subsistence Allowance for 6 months,  
- a rehabilitation package (training for one family member in current or new occupation and training allowance / agricultural extension services, and farm inputs to increase productivity on the farm land, or any other suitable assistance); OR  
- Cash assistance to provide for lost income from the land for the remaining period of temporary land use right. |  
| c) Legal user of affected land with lease land rights (unlegalizable). |  
| d) Legal user of affected land with rights of rotational | • APs will be entitled to:  
- Cash compensation for loss of crops and trees at market prices;  
- Land for land compensation of equivalent productive capacity at location acceptable to the APs and on a similar lease basis if available; OR Cash equivalent to provide for lost income from affected land for the remaining lease period;  
- Transport allowance; |
<table>
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<tr>
<th>TYPE OF LOSS</th>
<th>APPLICATION</th>
<th>DEFINITION OF ENTITLED PERSON</th>
<th>COMPENSATION POLICY</th>
</tr>
</thead>
</table>
| Temporary loss | Loss of use of the land for a period up to a maximum of 1 year. | a) Legal user of affected agricultural land  
b) Legal user of affected land with rights of rotational use (swidden) | Cash compensation for loss of crops at market prices  
Cash compensation for loss of crops at market prices |
| (b) Residential and/or commercial land (without structures built thereon) | Loss of residential or commercial land due to the project works | Legal land user with permanent rights or temporary rights (but legalizable). | APs will be entitled to cash compensation at 100% of replacement cost of the affected land.  
APs will be entitled to cash assistance equivalent to 30% of replacement cost of the affected land. |
| (c) Residential and/or commercial land (with structures built thereon) | Loss of residential or commercial land. With remaining legal residential and/or commercial land sufficient to reorganize (at least equal to 100 m² in rural area) | a) Legal user of affected land with permanent use rights or temporary use rights that will be legalized in due time. |  
- Cash compensation for land lost at 100% of replacement cost;  
- Subsistence allowance for 3 months;  
- Repair cost to re-build the house front if structures partially affected;  
- APs who are allowed to reorganize will be issued a permanent LURC in case not yet obtained.  
In exceptional cases, permission may be given to APs to reorganize on their remaining legal land in area less than the standard. APs will be entitled to a special allowance equivalent in value to the difference in land area between the standard plot size and the remaining area on which AP is reorganizing, at the rate of replacement. APs are also entitled to repair costs for partially demolished structures. |
| (d) Loss of residential or commercial land (with structure) | APs has remaining permanently legal or legalizable residential and/or commercial land less than 100m² | a) Legal APs of the affected land with permanent use rights. | Group Relocation:  
- Land for land compensation of full title to a standard size plot, on a project sponsored relocation site, (for residential or residential and commercial 100 m²; and for commercial |
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<tr>
<th>TYPE OF LOSS</th>
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<th>DEFINITION OF ENTITLED PERSON</th>
<th>COMPENSATION POLICY</th>
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</thead>
<tbody>
<tr>
<td>Residential or commercial land (continued)</td>
<td>less than 100m² (same as above)</td>
<td>b) Legal APs of the affected land with temporary use rights (but unlegalizable).</td>
<td>- AP’s will be entitled to:</td>
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</table>
|                        |                        |                              |     Group Relocation: same as for entitled persons category a) ; OR  
|                        |                        |                              |     Self Relocation: At the informed request of APs they may make their own arrangements for relocation and will be entitled to:  
|                        |                        |                              |     - Cash equivalent to 100% of the replacement cost of their lost land;  

- Sites will be serviced with electricity, water, drainage, access and internal road, and will provide the same access to services (health, education, market) as at the former location, either on site or in the vicinity; OR

**Self Relocation:** At the informed request of the APs they may make their own arrangements for relocation and will be entitled to:

- Cash in lieu of land at 100% replacement cost;
- Transport allowance;
- Subsistence allowance for a period of 6 months;
- APs who have their business affected will be entitled to a special income rehabilitation allowance (USD 100 per household) to provide for loss of income during the transition period.
- Assistance from local authorities to locate possible plots and to purchase land for resettlement.

**Re-organization:** Only in exceptional cases permission may be given to APs to organize on their remaining legal land in less than standard area. APs will be entitled to a special allowance equivalent in value to the difference in land area between the standard plot size on a RS and the remaining area on which AP is reorganizing, at the rate of RS land. Reorganizing APs will get subsistence allowance for three months.
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<tr>
<th>TYPE OF LOSS</th>
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<th>DEFINITION OF ENTITLED PERSON</th>
<th>COMPENSATION POLICY</th>
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</thead>
</table>
| Residential or commercial land (continued) | less than 100m² (same as above) | c) Illegal APs with no rights to use the affected land and not legalizable. | **APs who have no rights to use the land acquired and no legal or legalizable land remaining will be entitled to one of the following options:**  
**Group relocation:** same as for entitled persons category a); OR  
**Self-Relocation:** At the informed request of APs they may make their own arrangements for relocation and will be entitled to:  
- Cash assistance equivalent to the actual cost of a plot in resettlement site;  
- Cash compensation at replacement cost for their structures;  
- Transport allowance to relocation site;  
- Subsistence allowance;  
- APs who are entitled to relocation and who have business affected will be entitled to a special income rehabilitation allowance of USD100 to provide for loss of income during the transition period;  
- Assistance from local authorities to locate possible plots and to purchase land for resettlement. |
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<tr>
<th>TYPE OF LOSS</th>
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<th>DEFINITION OF ENTITLED PERSON</th>
<th>COMPENSATION POLICY</th>
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</table>
| (e) Structures | Structures affected by the project | a) Legal owner of the affected structure. | - APs with legal right to build the affected structure will be entitled to compensation at 100% of replacement cost of the affected structure, including material, cash or a combination of the two. No deduction will be made for depreciation or for salvageable materials.  
- Partially affected structures will be compensated for the affected part at replacement cost and additional cash assistance (Repair allowance) will be made to cover the cost of repairing the structure. |
| | | b) Tenants of leased affected structure | - Tenants of structures will be entitled to 3 months rent allowance and assistance in finding alternate rental accommodation |
| (f) Independent shop owners | Shops located in the project area (with residences at a different location). | a) Legal owner of the shop with permanent rights to use the affected land. | APs will be entitled to one of the following options:  
**Group Relocation:**  
- Land for land compensation of full title to a plot of land on a group resettlement site of the same area and quality as the area lost (minimum 14 m²) on the site suitable for restoring business or at a market place;  
- Cash compensation for affected structure at replacement cost;  
- Transport allowance;  
- Subsistence allowance for 6 months;  
- Special income rehabilitation allowance of US$ 100 to provide for lost income during the transition period;  
- Suitable rehabilitation assistance;  
**Self relocation:** At the informed request of APs they may make their own arrangements for relocation and will be entitled to:  
- Cash compensation at replacement cost for their land lost;  
- Cash compensation for their structures;  
- Transport allowance;  
- Subsistence allowance;  
- Suitable rehabilitation assistance;  
- Special income rehabilitation allowance of US$ 100 to provide for lost income during the transition period. |
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<tr>
<th>TYPE OF LOSS</th>
<th>APPLICATION</th>
<th>DEFINITION OF ENTITLED PERSON</th>
<th>COMPENSATION POLICY</th>
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</thead>
<tbody>
<tr>
<td>Independent shop owners (continued)</td>
<td>b) Illegal owner of the shop with no land use rights</td>
<td>APs will be entitled to one of the following options:</td>
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<td>Group relocation:</td>
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<td>- Assistance to relocate to suitable site or at market place;</td>
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<td>- Cash compensation for affected structure;</td>
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<td>- Transport assistance;</td>
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<td>- Special income rehabilitation allowance USD 50 to provide for lost income during the transition period;</td>
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<td>- Subsistence allowance;</td>
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<td>- Suitable rehabilitation assistance. OR</td>
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<td>Self relocation: At the informed request of AP’s they may make their own arrangements for relocation and will be entitled to:</td>
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<td></td>
<td></td>
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<td>- Cash assistance at 100% of replacement cost for their structures;</td>
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<td>- Transport allowance;</td>
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<td>- Subsistence allowance;</td>
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<td>- Special income rehabilitation allowance USD 50 to provide for lost income during the transition period;</td>
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<td>- Suitable rehabilitation assistance;</td>
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<td></td>
<td></td>
<td></td>
<td>- Assistance from local authorities in identifying individual resettlement sites.</td>
</tr>
<tr>
<td>Graves</td>
<td>Graves located in the area acquired.</td>
<td>Household who owns the graves</td>
<td>APs are entitled to cash compensation for all costs of excavation, movement and reburial including payment for consecration.</td>
</tr>
<tr>
<td>Private wells</td>
<td>Wells located in area acquired.</td>
<td>Household who owns the well.</td>
<td>Cash compensation at replacement cost or a replacement well if requested by the AP.</td>
</tr>
<tr>
<td>Crops</td>
<td>Affected Crops</td>
<td>Owner of affected crops</td>
<td>Compensation in cash at current market prices (farm gate price of the harvested crops plus cost of production)</td>
</tr>
</tbody>
</table>
15. Calculation of Compensation and Resettlement Budget

The methods used to estimate indicative compensation costs for this project and associated projects were broadly applied in other similar previous power projects and have been satisfactory for both sides (project owner and affected villagers). However, for this project, the methods and rates will need to be refined closer to actual period of compensation and especially when it is clearly understood what type of compensation package, the affected Persons (APs) want and what is actually available.

According to the other similar previous projects, the compensation cost especially for the lost of land including seasonal and irrigated rice paddy field, swidden/cultivation areas and other agricultural land was estimated based on the total of average productive value of land in the past ten years and the actual area of the land. In the present project IOL it was found that land shortage had led to areas close to the village traditionally regarded as swidden of the user household becoming permanent land holdings. In these cases the land will be compensated or temporary loss will be compensated at full market price of the land. Cash compensation will be normally considered when a suitable or equivalent alternative asset is not available.

The formulas below were used for the calculation of Permanent loss and Temporary loss of land in other similar previous EDL power projects. They were specifically used in the compensation of the rice paddy field and other farmland or garden which have been satisfactory for both sides (project owner and affected villagers).

However, the actual methodology for compensation estimate needs to be agreed upon and finalized by PEMC in consultation with the concerned local authorities and villagers as well as PAs and it will be set-up in a final compensation agreement, well before the construction is taking place. The actual final cost for compensation varies from place to place and from district to district.

(i) For Permanent loss of productive land
(ii) For Permanent loss of fallow/non productive/swidden land
(iii) For Temporary loss of land

15.1 Compensation for land losses

It is anticipated that land losses will either be compensated land for land or in cash. In the TL area, cash was the preferred option because there is no open land market in the area. Instead, the residents use a traditional rotational system, so it will be more consistent with traditional systems if residents can identify and procure replacement land rather than having the Provincial Government do so. Agricultural extension and land officers should be assisted to undertake support and monitoring to ensure that viable farming systems are maintained as a result of this measure.

Compensation Cost = \[\frac{1}{3} \times \text{[Average Annual Productive Value of Land per One Hectare (or one sq meter)]} \times \text{[Area of lost Land (ha or m2)]} \times \text{[Actual Price of the Product/KG]} \times [10 years]\]

Compensation Cost = \[\text{[Average Annual Productive Value of Land per One Hectare (or one sq meter)]} \times \text{[Area of lost Land (ha or m2)]} \times \text{[Actual Price of the Product/KG]} \times [10 years]\]

Compensation Unit Cost:
1. Paddy land = 80 kip/m2
2. Garden land = 60 kip/m2
3. Swidden =50 kip/m2
4. Non productive/unused land = 30 kip/m2
   Note: the unit cost above were based on previous similar project in Champasak and Saravan Province projects

15.2 Compensation for structures

In the event that any structures are found to be impacted they will be quantity surveyed to determine the size and quality of materials and the type of housing, and will be photographed during the IOL as a record of impact or loss.

Compensation will be calculated on the basis of house type, size and quality of materials, and on that of the cost of materials and construction as “new build”, without deduction of salvaged materials.

15.3 Temporary Land Occupation

In addition to the income losses from permanent land acquisition, there will be income losses from temporary land occupation or disturbances during project construction. For such losses, compensation of lost crops at replacement value and cost of restoring land into original conditions will be paid by the project owner.

Depending on length of such occupation, most of impacts will be limited to one crop loss, but for some cases, such occupation might take up more than one year with multiple crop losses. The compensation will be based on average yield and market price of lost crops. Efforts will be made by the project owner to minimize the impacts of temporary land occupation by timing the construction after planting season. Under PROJECT OWNER’s construction contract requirement for temporary land occupation such as “access road” is to use existing or developing existing track, rather than construction of a new one.

15.4 Income Restoration

Income restoration is primarily by the provision of cash compensation for temporary or permanent land losses and loss of trees, and for crop losses, permitting the AP to meet the cost of the loss. Compensation at market prices will permit the replacement by purchase of permanent land losses.

Income restoration measures are therefore primarily directed to assistance to vulnerable groups, and mainly to indigenous peoples with incomes below the poverty line and suffering land shortages and food deficiencies, and to women, especially to women heads of household.
16. INSTITUTIONAL FRAMEWORK

16.1 Planning and Implementation

There will be various institutions involved in the process of resettlement planning and implementation. The first organization is the Project Environmental Management Committee (PEMC), which consists of officials from relevant key Departments and relevant sectors of the Vientiane Capital that Chaired by Head of Cabinet of the Ministry of Energy and Mines.

The second is the Environmental Management Office (EMO) of the EDL headquarter which will be responsible for overall planning and implementation of environmental management and resettlement for the project.

The third organization is Environmental Management Unit (EMU) and Project Management Office (PMO) of PROJECT OWNER/EDL offices, which will be responsible for actual project implementation and coordination with local authorities as well as the affected households.

These three organizations will form the institutional network to ensure smooth implementation of resettlement activities in accordance with Decree 192/PM on Compensation and Resettlement of People Affected by Development Projects. Refer to diagram and table below for institutional organizational structure and the roles and responsibilities of each unit.

16.2 Project Environmental Management Committee (PEMC)

The Project Environmental Management Committee (PEMC) is established based on the Degree of each Provincial Governor to decide compensation conditions, and monitoring social and environmental aspects for the project. The PEMC consist of 13 persons who are representatives from the different authorities concerned such as Ministry of Energy and Mines (Cabinet), Provincial Governor’s Office (Vice Cabinet, PWREO, Land office, Industry and Commerce, Forestry, and Security), Dep. General Manager of EDL, EDL Technical Committee (Manager), Vice District Governors and Village head men. The Committee will have subcommittees such as Environmental management Committee, Forest Clearing Committee, Grievance Committee and Compensation Committee. PEMC will not only be responsible for the environmental monitoring but assuming the compensation role, negotiating with APs and local authorities to determining the compensation costs.

16.3 Environmental Management Office (EMO) in EDL Headquarter Office

While the Project Management Office for each project will be responsible for overall project preparation and implementation, Environmental Management Office (EMO) in EDL Headquarter Office will be responsible for environmental and social aspects on the project in coordination with PROJECT OWNER. The EMO will prepare all required documentation concerning the environmental and social aspects following the Lao regulations, to monitor and supervise resettlement implementation by the PEMC in order to ensure that the resettlement is complied with this Resettlement Policy Frameworks and RAP. In addition, the EMO is also responsible for conducting internal resettlement monitoring and preparing resettlement progress report, which will be submitted to DOE and STEA during the project implementation period.

16.4 Environmental Management Unit (EMU)

The actual implementation of the project will be managed by PROJECT OWNER/EDL Office. The EMU which will be established for project monitoring and coordinating purposes. At least one official will be assigned for the EMU. The EMU will be responsible for implementation and monitoring of the Environmental Monitoring
Plan (EMP) and this Resettlement Action Plan (RAP) as well as coordination with local authorities and the affected persons. Act as the first contact on the ground directly for the EMO and indirectly for the PEMC. Receive all complaints and grievances arise in the course of the implementation of the EMP and the RAP.
17. Implementation Process and Schedule

17.1 Process
The following steps will be taken in order to ensure the resettlement policy framework is being complied with.

   a) Detailed Measurement Survey

Although the project will generate only minor impacts according to the result of the IOL, further detailed site survey is required before starting project construction and this will help confirm of the existing data. Contractors for the project under the supervision and guidance of the environmental management committee will conduct detailed site survey to identify objects to be compensated and to collect detailed data concerning the loss of assets and compensation cost, in collaboration with local authorities.

   b) Review of Resettlement Action Plan

Based on the data and information collected during the detailed site survey, this RAP will be reviewed. Following the resettlement policy framework above and consultation between PROJECT OWNER/EDL and PEMC, a data sheet needs to be prepared and updated which include three basic sections (i) the scope of impacts (name and quantities of affected assets) (ii) detailed compensation rates and rehabilitation measures for affected assets, and (iii) total amount to pay to the affected people.

   c) Consultation with Affected People

The prepared data sheets and resettlement plan or compensation policies will be consulted with local governments, affected villages and individuals. The comments and feedback from local governments and affected people will be reviewed by PROJECT OWNER/EDL management and considered in the RAP finalization before implemented of the project.

   d) Signing of Compensation Contract and Payment of Compensation to the Affected People

The final step of resettlement implementation is to sign compensation contract and delivery payment to the affected people, which should be completed prior to project implementation. However, if house relocation and substantial land loss taking place, such payment need to be completed at least few months prior to construction, which will give the affected people reasonable time to complete new houses and move their belongings. During the implementation, PROJECT OWNER/EDL will pay such amount directly to each affected household in the presence of local government representatives.

The project will provide adequate advance notification to the PAFs and will pay all due resettlement benefits, including relocation and income restoration/assistance as appropriate, prior to issuing right of way documents for construction work. All activities related to land acquisition and resettlement will be completed prior to construction commencement.

For land acquisition, the project office will survey the lands to be acquired as per the contractor’s agreed detailed design and in conjunction with the district authorities in the project area, make an initial assessment of the compensation amount and prepare a requisition to be submitted to the PROJECT OWNER/EDL along with a request for land title transfer preparation to Provincial Land Office. EDL will notify the compensation committee of the total amount assessed, who upon reaching agreement and settling any grievances, will request PROJECT OWNER/EDL’s payment of compensation to the entitled Aps/PAFs. The compensation committee will assist PROJECT OWNER/EDL with actions required to facilitate acquiring the identified land/s from the respective landowners and paying the due compensation to the affected landowners and tenants, according to procedures laid down in this RP, and defined in the Entitlement Matrix. Once the land has been
acquired and the compensation paid to the APs/PAFs, APs/PAFs will hand over possession of the acquired lands to EDL for occupation by contractors.

Payment of compensation for other types of losses, for example for documented trees and crops, structures, income loss, income restoration, etc will be paid directly by the PEMC through its District offices. This process will be monitored and verified to PROJECT OWNER/EDL by an External Monitoring Agency in order to obtain PROJECT OWNER’s “No Objection”, which allows EDL to advise contractors to begin the construction works.

e) Arrangements for Valuing and Disbursing Compensation

PROJECT OWNER/EDL with local authorities carries out census and profile of APs based on the final design and quantifies all categories of loss. The local village administrative authority, with assistance from provincial and national authorities, recommends the appropriate market value of affected land for compensation purposes. Each authority will also determine whether land-for-land can be offered in the village. A Compensation Committee is then formed in each area (which may be a group of villages or a single village, depending on concentration of APs) to agree on level of compensation for land, crops and buildings, and to oversee the compensation process. The Compensation Committee will be made up of representatives from PROJECT OWNER and EDL, Ministry of Energy and Mines, Provincial Cabinet, Provincial Water Resources and Environment Agency (WREA) and Vientiane Capital Land Office.

A Grievance Committee will also be formed by each district authority to assist where PROJECT OWNER/EDL and APs cannot reach an agreement on compensation, and to deal with complaints for up to 3 months following completion of construction. The Grievance Committee consists of the same authorities as the Compensation Committee, with the addition of the Village Head and two AP representatives.

PROJECT OWNER/EDL will estimate total compensation funds as agreed with APs, update the RAP budget and submit a final compensation budget proposal to request NER/EDL management for approval. Once approval has been gained, the EDL Finance Section releases funds for compensation payments, and PROJECT OWNER/EDL disburses the funds to APs, and to concerned agencies, obtaining the necessary receipts. Once compensation has been received, APs will hand over/vacate the land within two months. The title of the land is then transferred to PROJECT OWNER/EDL by the Provincial Land Office. PROJECT OWNER/EDL will maintain file copies of all AP contracts, compensation receipts and RoW notices, and furnish the same to AP signatories for their housing relocated.
18. Resettlement Budget and Financing

The cost of potential land acquisition and resettlement will be included in the total project cost for the transmission project. PROJECT OWNER/EDL will ensure that sufficient funding is available to cover all resettlement related cost for the Project, including the cost of surveys for purposes of the preparation of SIA, SDP, LARAP and IDPD and GDP, and for feasibility studies for the design of income restoration programmes and for HIV/AIDS awareness and prevention programmes.

During project implementation, detailed cost estimate of the compensation and resettlement will be developed after detailed survey. A total resettlement budget including all costs of preparation, survey, compensation for land losses, trees, structures and livelihoods, and of land and income restoration, must be prepared for each project and submitted by EMU to be reviewed and approved by PROJECT OWNER/EDL Headquarter. After receiving the letter of approval from PROJECT OWNER/EDL headquarter and the Project Environmental Management Committee (PEMC) will make funds available for implementing land acquisition and resettlement.
19. **Resettlement Monitoring and Evaluation**

19.1 **M&E in the Resettlement Management System**

Monitoring and evaluation (M&E) is a major part of the resettlement management system. The Resettlement Action Plan will be both internally monitored and externally monitored (by an independent agency such as an NGO or research institution engaged for this purpose).

In accordance with the WREA’s guidelines, during the project implementation, both internal and external, resettlement monitoring and evaluation will be carried out in order to ensure that all affected people are compensated adequately, effectively and their income and livelihood are better off and at the minimum restored.

19.2 **Internal Monitoring**

The following periodic environmental monitoring will be carried out by EMU, EMO and PEMC periodically. During the monitoring, progress of resettlement implementation and compensation for affected people will be monitored and evaluated. Monthly monitoring: EDL’s EMO will send their staff to the project site once a month to consult with the EMU and PEMC, participate in field work and conduct interview with the project affected villagers. Three month monitoring: A joint monitoring and evaluation between EDL’s EMO and Social Environmental Unit (SEU) of Department of Electricity (DOE) of Ministry of Energy and Mines (MEM) will be conducted at the project site once in three months. The purpose of the monitoring is to work with the EMU and PEMC to review the progress of EMP work, to adjust the EMP effectiveness and to consult with village representatives and project affected villagers.

Six month monitoring: A joint monitoring and evaluation of Provincial WREA, DOE and EDL will be conducted once in six months. The purpose of the monitoring is to review the entire recommendation made by the monthly and three month monitoring and evaluation reports, to consult with the EMU and PEMC, to consult with the project affected villagers, to evaluate, review and modify if required the EMP and RAP implementation plan.

19.3 **External (Independent) Monitoring and Evaluation**

Base on the STEA’s guidelines for independent review (or 3rd party review), external monitoring and evaluation will be conducted by an independent third party. PROJECT OWNER/EDL will select an independent institution, which consists of social specialists, with approval of the PROJECT OWNER/EDL. The selected institution should have extensive experience in similar activities. The main objective is to provide independent monitoring and evaluation of the resettlement implementation program, to see whether the work carried out by EMU, and PEMC and others concerned reflects the resettlement and the environmental management policy and the conceived plan is achieved.

The scope of monitoring and evaluation includes the implementation progress, resettlement policies, delivery of compensation and replacement land, changes of income and livelihood among affected people, consultation and participation and development of local communities. The method of resettlement monitoring and evaluation will be based on a combination of sample household survey and rapid appraisal in the field.

19.4 **Post Implementation Monitoring and Evaluation**

Six months to one year after the end of resettlement activities, the Independent Monitoring Body shall conduct an evaluation study of severely affected APs and the vulnerable groups among the affected
population to determine whether or not the objectives of the Resettlement Action Plan, in terms of restoration of incomes and living standards have been achieved. The methodology for the evaluation study will be based on the follow up socio-economic survey to determine the impact of the Project on APs income levels and living standards of those severely affected by the Project. Survey data at post evaluation stage will be compared with the baseline survey at the RAP preparation stage. The Post Implementation Evaluation Study may propose additional assistance to severely affected persons if resettlement measures were not adequate and may also provide recommendations for future resettlement planning.
20. Technical Assistance

20.1 Consultancy

For the above purposes ADB Technical Assistance in the form of International and Local Consultants, costs of survey and capacity building will be for a total of 36 consultancy months of international and 108 months of local consultancy, during a three year period, as follows:

International Resettlement Consultant: 36 months
Local Resettlement Consultant: 36 months
Local Socio-Economist: 24 months
Local Cadastral Survey specialist: 24 months
Local Information Specialist: 24 months

20.2 Community Facilitators

In additional funding will be provided for Local Community Facilitators X 10 X 36 months for work of local men and women within affected indigenous communities;

20.3 Capacity Building for Government Agencies and Consultants

24 months of workshop training will be provided for social survey and social safeguard managers and staff of WREA, EDL and NGO and Vietnamese technical agencies working in Lao PDR.
Annex 4 List of Participants at Village Meetings
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Annex 5 Consultation Information Brochure
CONSULTANCY SERVICES FOR PREPARING THE BAN-SOK PLEIKU POWER TRANSMISSION PROJECT 500 kV OHL_TA 6481-REG

BAN-SOK – PLEIKU DRAFT FINAL REPORT_ARAP LAO PDR SIDE- annex 5 ver 1.0

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Annex 6 Summary Report on Due Diligence Audit of Associated Projects
Ban Sok – Pleiku Transmission Line Project – ADB REG-6481

Land Acquisition and Resettlement Action Plan

Annex 6

Summary Report of Due Diligence Audit of Social and Resettlement Aspects of Associated Projects

Prepared by: John Pilgrim, Resettlement Consultant

August 2011.
Report on a Due Diligence Audit of Social and Resettlement Aspects of Associated Projects

Executive Summary

The consultant has conducted a Due Diligence Audit of the documentary consultancy reports and plans for four associated hydro-power projects for which feasibility studies have been provided:

- Xekaman 1, Sekong 3 Upper and Sekong 3 Lower, for which Social Impact Assessment and a draft Resettlement Plan were available.
- Xekaman 4, for which an IEE only was available.

This audit is based on the ground studies at Xekaman 1, which permitted study and discussions at the planned relocation site with the developer, and at Sekong 3 Upper, and detailed study of the following available documents:

- SIA and RAP for Xekaman 1;
- Schedule 2 of Concession Agreements, Integrated Environmental and Social Obligations of the Company, for Xekaman 1;
- SIA and RAP for Sekong 3 Upper and Lower;
- pre-feasibility IEE for Xekaman 4, which includes an outline Social Development Plan

There appear to have been no studies done for IEE, ESIA or LARAP for any transmission lines of associated projects.

The approach adopted and the planning undertaken by the Vietnamese consultants responsible for these projects are non-compliant with ADB and the Lao Government guidelines and with Lao legislation for SIA and Involuntary Resettlement, notably in respect of consultation with, information to and participation of affected populations, in any adequate provision for the need of indigenous peoples, and in feasibility of livelihood restoration, in the absence of measures for the mitigating and absorbing the massive impact of incoming work forces, and in the lack of any comprehensive planning for HIV/AIDS awareness and prevention programs.

A substantial factor is a lack of communication between the Vietnamese consultants and developers, WREA and EDL. This appears to be so particularly in respect of the Lao Governments 2002, and subsequently, the 2010 Decree, and the Government’s Regulations and Guidelines on Compensation in public sector Development Projects, and of EDL's practical experience of the management of consultancy for ESIA and RAP preparation. The consultants are similarly unfamiliar with the ADB Guidelines on Involuntary Resettlement and with ADB Guidelines on Planning for Indigenous Peoples, on Poverty Reduction and on Gender.

The level of disparity between the resettlement and social impact documentation prepared for the four associated projects studies for which documents are available, and the Lao Government’s and ADB Guidelines suggests that meeting the deficit would require sustained technical assistance both for capacity development and for the specific planning, implementation and monitoring of implementation of all associated projects.

This can be done in the context of the Resettlement Policy Framework being prepared by the EDF/EDL consultants under the Ban Sok-Pleiku TL social impact assessment, resettlement and social development planning. Technical Assistance should be sustained over the whole period of development of hydro-power and transmission line development associated with the Hatxan to Pleiku Transmission Line construction.

These proposals should be examined at the forthcoming Coordination Meeting at Vientiane.
The consultant proposes that ADB support the conduct of a Technical Workshop with the participation of WREA and EDL to familiarise the Vietnamese consultants and developers with Lao Government and ADB Guidelines on Involuntary Resettlement and with Lao legislation on SIA and resettlement planning.

1. Planning and conduct of the Due Diligence Audit

The consultant has conducted a Due Diligence Audit of the documentary consultancy reports and plans for four associated hydro-power projects for which feasibility studies have been provided:

- Xekaman 1, Sekong 3 Upper and Sekong 3 Lower, for which Social Impact Assessment and a draft Resettlement Plan were available.
- Xekaman 4, for which an IEE only was available.

He has visited the Xekaman 1 site twice with the local consultant and EDL specialists: First to hydropower headquarters and camp site and held discussions, jointly with the Environmental Specialist and MEM representative, with the Vietnamese site manager; secondly to the hydropower dam site and to the planned relocation site, with the site senior engineer and three engineers with who have been nominated as members of a resettlement management unit.

He has visited Sekong 3 Upper site, with the local consultant and EDL specialists, and met affected households. Weather and road conditions prevented access to Sekong 3 Lower and Xekaman 4 sites, the other projects for which feasibility study documentation was made available.

This audit is mainly based on the ground studies at Xekaman 1, which permitted study and discussions at the planned relocation site with the developer, and at Sekong 3 Upper, and detailed study of the following available documents:

- SIA and RAP for Xekaman 1;
- Schedule 2 of Concession Agreements, Integrated Environmental and Social Obligations of the Company, for Xekaman 1;
- SIA and RAP for Sekong 3 Upper and Lower;
- pre-feasibility IEE for Xekaman 4, which includes an outline Social Development Plan

There appear to have been no studies done for IEE, ESIA or LARAP for any transmission lines of associated projects.

2. Terms of Reference and Scope

The Terms of Reference called for the Social and Resettlement Consultant to conduct a due diligence audit of the social impact assessment and resettlement planning of hydropower projects and transmission lines associated with the Ban-Sok-Pleiku Sub-station and Transmission Line, in the following terms:

1. Conduct due diligence on the social impact assessment and resettlement and ethnic minority plan for the associated facilities, as well as their implementation; identify inconsistencies with national and ADB social safeguard requirements; recommend solutions or action plans to address these irregularities; and summarize the results in the social impact assessment report.

2. Conduct due diligence on hydropower projects on the related generation and upstream transmission facilities.
3. **Constraints on the Conduct of the Due Diligence Audit**

No documentation was available, and no consultation with the concerned consultants proved possible for four associated projects or TLs for which due diligence audit was required in the consultant’s Terms of Reference:

- the Xekaman 1 TL to Ban Sok Substation;
- Dakemeul and its TL to Ban Sok Substation;
- Xanxay and its TL to Ban Sok Substation
- Xekaman 4 TL to Ban Sok Substation

At a meeting held by the consultant in Hanoi with the consultant for social impact and resettlement studies for Xekaman 1, the Institute of Materials of the Vietnam Academy of Science and Technology, the consultant representatives indicated that no separate studies had been done of the impact of Xanxay, since it was regarded as a component of Xekaman 1.

The SIA and RAP for Xekaman 1 provide no specific data on any impact studies, resettlement planning or consultation for Xanxay.

The due diligence audit conducted by the Consultant has been limited therefore by six main factors:

1. ESIA and the preparation of a Resettlement Action Plan have been completed, and these documents made available to the Consultant, only for Xekaman 1 Hydropower Station for Sekong 3 Upper and Lower and Hydropower Stations; no documentation has been made available for Dak Emule or Xanxay;

2. The SIA and RAPs for Sekong 3 Upper and for Sekong 3 Lower are virtually identical and provide no information on specific information or consultation with, or participation of, affected peoples; as with other documentation provided by consultants for the associated projects, as discussed further below in section 5, the scope, methodology and underlying principles of these documents fundamentally differs from Lao Government or ADB requirements and practice;

3. An IEE only has been provided to the Consultant for Xekaman 4 (providing details of relocation and resettlement, which are not compliant with Lao Government Decree, Regulations and Guidelines or with ADB Guidelines);

4. Site visits to associated project have been possible only for Xekaman 1 and Sekong 3 Upper;

5. Meetings with affected people has been possible only to a limited extent for Sekong 3 Upper; access to the affected villages in the Xekaman 1 project area was denied by the project site management on the grounds that a visit would require two days journey.

6. Repeated efforts have been made to get meetings with the consultants; none has been available for discussion in Vientiane; a meeting in Hanoi has been possible only with the consultant for Xekaman 1.

The audit had to take into account a radical difference of methodology and procedure, between those adopted for the associated projects and Lao and ADB Guidelines and Lao Decrees and Regulations, notably in the conduct of information, consultation and information disclosure for purposes of AP participation, in the approach to and scope and planning of resettlement and in the failure to provide specific planning for participative support to the various indigenous minority groups which will be severely impacted.

All the SIA and RAP prepared by the Vietnamese consultants are radically determined by unfamiliarity with and a failure to refer to Lao Government Decrees and Regulations and Guidelines and ADB Guidelines, and more widely to be aware of and adhere to principles and procedures followed in involuntary resettlement by in internationally accepted good practice, summarised in the 1998 ADB Handbook and closely followed in the Lao Government legislation and Guidelines.

5. Differences of Principle and Approach to Resettlement

Resettlement is equated in all these Vietnamese consultancy reports with, and largely confined to, relocation, housing, and the provision of services and infrastructure in consolidated villages. These are said in the Xekaman 1 RAP to be “in accordance with national policy of the Lao Government”, but there is no record of discussions or agreements with WREA or other authorities to substantiate this assertion. It is specifically non-compliant with the requirement for participative indigenous peoples development planning based on consultation with assemblies and village groups at all stages of project planning and development, and runs counter to the Lao Ministry of Rural Development/ADB Participative Poverty Assessment (2008), which identifies relocation and the consolidation of villages, not only as destructive to the social and livelihoods of indigenous minorities, but also as the current major cause of impoverishment in the rural Laos population.

The approach reflects a public sector planning philosophy which sees resettlement as demanding the integration of affected minorities into mainstream social and economic development.¹ The policies and substantive steps towards this modernisation process are largely assumed as known and manageable by project managers. Restoration of incomes, livelihoods, production systems and cultural assets and systems is little subject to consultation or to detailed planning, and are mainly that of financial compensation to affected people, the construction of housing and infrastructure and utilities, provision of services and contributions to local authority projects.

The approach is also one which permits SIA and resettlement planning in the two Provinces to take place in effect as second phase adaptations to the massive investment programme taking place between Vietnam and Laos in these two provinces, in mining, hydropower and industrial crop plantations, determined in Concession Agreements, which are not public documents, and which will be executed largely through private or public-private commercial and industrial investment.

There is in consequence, in parallel development to that of hydropower, an undocumented impact on indigenous peoples living in the areas affected by hydropower development, who will find work not in the hydropower sector but rather as labour on the adjacent rubber plantations recently developed under a Concession Agreement with a Vietnamese corporation. The sitting of the relocation site for the resettlement of affected communities from the reservoir of Xekaman 1 on the boundary of the rubber plantation established during 2009 and 2010 in the area of Hatxan appears coincidental but guarantees that the active population of the relocated and consolidated villages

¹ This is in sharp contradiction with the Lao Government’s Participative Poverty Assessment (2008) which supports retention of existing village structures and choices of location, and points to relocation and consolidation of villages as the major cause of impoverishment and marginalisation of indigenous peoples, and thus generally of rural poverty in Laos.
will work as labour on the plantation. The housing of the relocation site is coextensive with housing provided by the rubber company for its employees\(^2\).

The RAPs for Sekong 3 Upper and Lower and the IEE for Xekaman 4 contain proposals for AP village relocation under sections titled resettlement, but lack any details of any aspect of resettlement other than financial provisions and infrastructure for relocation settlements, or of any information or consultation conducted or proposed to be conducted with APs. Consultation in this and all other associated projects appears to be primarily with District Government authorities, and subsequently with affected communities, but be based on relocation planning conducted by staff of the developer in cooperation with the consultant, with no other choice offered – for example, in Xekaman 1, of relocation close to existing village locations within traditionally managed forests.

One net effect of this approach to resettlement is that, on the one hand, household income of affected communities is relatively assured from potential employment, probably of all young members of affected households, in agricultural wage labour. The evidence from the experience of Brau involuntarily relocated from the rubber plantation in former Hatxan village land is that this will be as virtually indentured labour with implications for residence and land rights. The social structure which, in the affected Mon Khmer communities, links social and cultural practices and beliefs with agricultural, hunting and NFTP in a traditionally owned and controlled forest habitat can be expected to disappear other than as a residual element in their situation and status as a landless people with livelihoods mainly derived from agricultural wage labour.

6. Detailed analysis of due diligence aspects of Xekaman 1 SIA and RAP

Appendix 1 of this report provides a point by point audit of compliance with ADB Guidelines of Xekaman 1, for which full SIA and RAP have been conducted and approved with a number of conditions by the Lao authorities.

Xekaman 1 presents a different case and different audit criteria from the other associated projects, first in being in its third year of construction, and secondly in providing documentation which in itself broadly follows Lao and ADB Guidelines in respect of procedures.

However, it takes a radically different approach to information to, consultation with and participation of indigenous affected peoples and is defective in not providing any documented feasibility for the livelihoods restoration measures proposed for directly affected peoples. The RAP needs to be considered in the light of the certification provided by WREA for a resubmission, and of the conditions which were required for implementation of the project and of the RAP itself and related measures.

In substance, the audit shows that, despite the conditional WREA certification, the SIA and RAP prepared for the project are in important respects, not compliant with either ADB or Laotian Guidelines, including in specific aspects of the February 2010 GOL Decree (Appendix 2) but also in respect of previous GOL Decrees, Guidelines and Regulations.

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\(^2\) Consultant site visits and discussion with Hatxan village head and villagers, September 2010. Some 30 households of Hatxan village itself with houses on the eastern side of the village have had their houses demolished during 2009, at the order of the District Government, which acted as the Government executing agency in the rubber plantation Concession Agreement. A line of order of the District Governor ended the land tenure of the Brau people in the dry dipterocarpus forest which, with the NPA, has traditionally been their hunting and swidden agricultural area, to create a 9,000 ha. Plantation forcibly demolishing their houses. They were informally given access to prebuilt housing opposite to the then proposed Hatxan sub-station, in a resettlement site, understood to be part of the Concession Agreement. Neither the village headman nor the affected people were consulted or informed prior to this forced resettlement, which was conducted using Army bulldozers. A notice board at roadside declares this to the the Hatxan resettlement project, a designation disputed by the village headman, who asks how can it be so, when he has not been informed or consulted on any resettlement or on the loss of the village land.
A principle reason for this is that the procedure adopted for consultation with and participation of APs and especially of the information provided to them is inadequate by both Lao and ADB criteria. It is that of a two-step process: an initial preliminary consultation and outline survey and planning stage and a fuller process of information and consultation and detailed resettlement planning in a second stage, during project implementation. The draft RP is based on the stage 1 outline studies and preliminary consultation, in which it was regarded as “risky” to provide as yet undetermined project design and social impacts or resettlement proposals to the population, since they would have limited understanding of the issues involved and would suffer “consultancy fatigue” – in practice limiting the options available to the community to acceptance of the planned consolidation of villages and the relocation site selected by the consultant.

The consultation and information procedures appear almost certainly not to have made it possible for the affected villagers to be aware of the livelihood and habitat implications of relocation, for example, in respect of distance from accessible hunting grounds and swidden agriculture, distance from previous spirit forests, changes in traditional house construction, and adjacency to a major rubber plantation and to public roads.

Specific aspects of the Xekaman 1 SIA and RAP which are non-compliant are:

- Lack of disclosure, consultation and participatory planning of resettlement options, resulting in:
  - Inadequate proposals for relocation: the relocation of impacted indigenous villages, and proposals for their consolidation in larger villages “in accordance with national policy”, in pre-built housing, and locations close to commercial industrial land use, which will radically change their social structures and livelihoods;
  - Inadequate participative studies or documentation on the feasibility of proposed livelihood restoration methods;
  - the assumption in Xekaman 1 RAP that the relocation site, which is on the RH river bank, would permit access to the forest of the NPA on the far bank of the river for hunting and swidden agriculture: this has not been studied in respect of the use of the forest for these purposes and the presence ther of spirit forests of existing village groups, which need to treated as host communities;
  - Inadequate consultation on the social and economic aspects of radical change in labour allocations and related social control.

Though accepted by WREA for purpose of the issue of a January 2009 conditional certificate, the SIA and RAP do not, therefore, meet ADB or GOL Guidelines, notably in respect of consultation with and disclosure to APs, the level of detailed and time-bound resettlement planning and livelihoods restoration.

An aspect of the deficit in consultation, is that a failure to consult with the concerned national and provincial authorities has led to their being no planning for any adequate HIV/AIDS awareness and prevention programme, for which Lao National CHAS strategies and programmes require integration with provincial CHAS programmes and national coordination.

The project poses a particular and massive impact in respect of the incoming work force, not only in respect of HIV/AIDS and STI, but more widely in respect of social impact at two levels: that directly on the host population; and that on local government services. There is virtually no planning or provision of resources to the Provincial Government or people to offset the impact of the planned Vietnamese work force, accompanying families and service provider workers and traders, acknowledged by the consultant to be massive – of the order of 3,000 workers and up to four times that number of accompanying people.
7. WREA Conditions for Resettlement Planning and Implementation

The Schedule 02 of Concession Agreements “Integrated Environmental and Social Obligations of the Company” in respect of Xekaman 1 Hydropower Project, addressed to the Viet – Lao Power Joint Stock Company, spells out the elements in the Vietnamese consultant’s ESIA, EMP and RAP which are certified to be obligatory and conditional in the approval of project implementation.

They do not, as the certification now stands, in any of the non-compliant elements of these studies and plans identified in this due diligence audit, demand or sufficiently identify changes or amendments to meet WREA regulations and guidelines for social and resettlement aspects of hydropower projects. There is, in other words, a need for the strengthening of active WREA regulation of factors which are non-compliant with its Decrees and Regulations and detailed Guidelines, for which are present there appear to be no terms of reference or resource provision within WREA or in the concerned departments of MIME and EDL.

It should be noted that the construction of the hydropower plant is in its third year and well advanced, including the identification and planning of a relocation site for 5 villages inundated by the Xekaman 1 reservoir and of 7 other villages whose agricultural land is inundated. The developer has established a Resettlement Management Unit, and intends to conduct resettlement, compensation and relocation, including the construction of housing and utilities under this management in liaison with a Provincial and District Resettlement Committees, not yet appointed. Representatives of the affected households and villages have been shown and are reported by the developer to have approved the site. There is no documented WREA approval of this management by the developer, which needs to be properly linked to and supervised by the concerned national and provincial agencies.

A more detailed point by point breakdown of compliance in respect of specific elements of the Xekaman 1 RAP are given in the analysis set out below in Appendix 1.

8. Health Planning and HIV/AIDS Awareness and Prevention

The draft Xekaman 1 RP provides for a Project Personnel Health Programme (ESIA Report, Vol. 2, EMP, Mitigation and Environmental Protection Measure (MEPM) 27 – not reported in the RP) of $1,550,000 for disease control among the work force, locational planning, flies and mosquito control, mosquito nets and control of malaria and hemorrhagic fever, health station and first aid kits, which would also provide an emergency service to the surrounding population.

The RP provides for a total of $15,000 for support to Xanxai and Attapeu Hospitals, as a lump sum, for programmes aimed at the prevention of communicable diseases among the affected population. This amount, and the approach to HIV/AIDS and other communicable disease prevention, is grossly inadequate, and appears to be based on no analysis of the need for the prevention of HIV/AIDS and other communicable diseases, including STD in the affected population. There has been no consultation with the Provincial Department of Health on health care or on HIV/AIDS awareness and prevention, according to the Provincial Director of DoH.

The CHAS Director, Dr Peth Lathda, and Director DoH at Attapeu concur with the view of the national CHAS Office, that the risk of HIV/AIDS requires a single, planned and Province-wide HIV/AIDS Awareness and Prevention Programme, which would need to embrace existing associated project operations together with provision for these and future hydropower, stations and TLs. A separate report on existing national HIV/AIDS awareness and prevention systems and on proposed measures for support under the Ban Sok-Pleiku TL LARAP and a resettlement policy framework is being provided by the consultant.
9. Due Diligence Audit of Sekong 3 Upper and Lower and Xekaman

Provisional assessment of the impact and planned provisions for resettlement and impact mitigation of the respective consultants of Sekong 3 Upper and Lower HP stations and their TLs planned for Attapeu Province is based on the limited documentation and site visits which have been possible. The assessment confirms that they are not compliant with either Laos Government or ADB Guidelines, notably in respect of:

- a basic failure to follow Lao or ADB guidelines for the preparation of SIA and RAP;
- consultation with, disclosure to, and project information provided to the affected populations;
- the lack of any adequate socio-economic survey;
- the lack of any time-based planning of resettlement;
- inadequate studies or planning for the provision of changed livelihoods and income restoration;
- the absence of any indigenous minority development plan or gender development plans;
- the absence of any HIV/AIDS awareness and prevention programme; and
- the lack of any proportion of the labour force for these constructions from the Lao population, required in Lao Labour Law.

A major factor, which needs to be addressed on a province-wide and multi-project basis, is the impact of the presence of a work force intended to be brought from Vietnam. This includes an estimated 3 to 4,000 male workers in each project, and accompanying families, service providers and traders, for the construction of Xekong 1 Upper and Lower, making an estimated total of 16 to 18,000 people arriving within a three to four year period in Xekong Province and perhaps twice that number in Attapeu Province.

In aggregate these incoming work forces and others will have an overwhelming impact on the provincial population of 112,000 of Attapeu and some 85,000 people of Sekong Provinces. In both Provinces the majority population is made up of predominantly ethnic peoples living in separate language and physical groups which are as yet marginally involved in the market economy, and drawing their livelihoods from swidden agriculture, fishing, hunting and forest products.

These immigrations will be up to 25% of the present total population of Attapeu and Sekong Province within the next five years, and could within a decade be 50% of their populations. Aside from the cultural impact which this will have, the impact on the health and wellbeing of the project area population and the stress on the government’s provision of social services will be severe, even with the comprehensive and planned measures which need to be taken on a province-wide basis.

The financing and planning of measures to provide health services and to counter the spread of communicable disease, with no specific planning for HIV/AIDS awareness or prevention, in the RAP is derisory in relation to the need.

Lao Government officials are uniformly of the view that the present population of these Provinces will not participate in or benefit by any formal work opportunities offered by dam construction. This is a view borne out by the evidence of the existing work force at the Xekaman 1 dam site: the Vietnamese management have organized the recruitment of the work force from Hanoi or other urban centres in Vietnam, and do not anticipate any local recruitment, except for housing construction and service trades; those Lao who are working in the ancillary facilities at the dam site are recruited from provinces and urban centres in Central Laos, rather than from local peoples.
10. Summary conclusions of the Due Diligence Audit

The hydropower projects planned for Attapeu and Xekong Provinces to supply power to the Ban Sok (Hatxan) Sub-station, are non-compliant with Lao PDR Guidelines and law, and with ADB Guidelines. If conducted in accordance with the existing plans and documentation, they will have a severe and lasting impact on the populations, social systems and livelihoods of affected groups, which are almost entirely made up of indigenous peoples.

The habitats, economies and livelihoods of the minority groups affected by inundation of villages and of agricultural lands, will be totally removed, to be partially replaced in planned relocation sites but with tenuous links to traditional land and forest rights and resources which make up their traditional livelihood sources and life styles.

The impact on downstream riparian communities affected by changed water regimes and loss of fisheries (regarded as “massive” by the Xekaman 1 Vietnamese resettlement consultant in the RAP), will suffer severe losses of livelihoods, and are likely to move in search of fisheries rather than change their sources of livelihoods, e.g. to pond aquaculture and irrigated gardens, proposed in outline by the consultant.

In both contexts, the evidence of feasibility studies leading to the proposed measures for the replacement of production and livelihoods systems is not addressed in SIA or provided in RAPs.

Major factors which appear to be inadequately provided for in SIAs and RAPs, and which are non-compliant with Lao Government and ADB Guidelines on Involuntary Resettlement in the present consultant documents\(^3\) include therefore the following factors:

- the consultants fail to follow Lao Government and ADB procedures and principles or specific provisions in Lao Government legislation in the conduct of SIA and the preparation of RAP and related resettlement planning;
- the level and character of consultations, participation and disclosure of RAPs and information about projects and their impact afforded to the affected populations, as at present conducted or proposed, is inadequate for any effective role on their part in decision making or management of resettlement or livelihoods restoration;
- there no specific development plans provided for indigenous minorities or gender development plans;
- the relocation of impacted indigenous villages, and proposals for their consolidation in larger villages, and related provisions of pre-built housing, cultural halls and arena and limited access to forests will radically impact on their social structures, livelihoods and way of life;
- there is inadequate assessment of and provision for the large number of the planned Vietnamese workforce and an accompanying incoming population of between 3 and 4,000 workers in each hydropower project plus families and associated traders etc, so an conjectured 40,000 to 50,000 in each Province (Attapeu population: 112,000, Sekong population: 85,000) within the currently planned hydropower development programme;
- there has been no assessment of the social and cultural impact of this in-migration, which, the present evidence suggests, will be significant in the short term, posing a potentially severe risk to health and to social stability of the indigenous populations, and leading in the long-term to a total social transformation and most probably to the disappearance of the diverse ethnic groups and languages which make up the traditional patch-work of Mon Khmer societies in these two southernmost provinces.\(^3\)

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\(^3\) and in the conditions currently required by the Lao authorities in the case of Xekaman 1, the only project for which a completed SIA and RAP are available.
• there is inadequate provision for the short-term and irreversible long-term effect which this in-migration will have on the social services, including health, education, security and water and sanitation services, of the two provinces;

• the proposed restoration of livelihoods by specific measures, for example, by irrigated rice production and provision of 2 ha. forest “plots” within which to gather non-timber forest products, for villages relocated from the reservoir, and pumped irrigated gardens and pond aquaculture, for downstream villages facing loss of river flow and fisheries are either patently impracticable or are untested and should, until adequate studies are done, be regarded as technically non-feasible;

• there is negligible participation of Lao professional or construction workers in any of the audited projects, contrary to the Lao Labour Law, and

• there is a total absence of any specific or adequate HIV/AIDS awareness and prevention program.

11. Retrofit and Related Measures for the Xekaman 1 and Other Associated Project RAP

The mission has needed to address four main issues:

• the need for, and scope and timing of, retrofit RP preparation for Xekaman 1 which would provide detailed planning in areas such as relocation, ethnic peoples development, gender development, restoration of livelihoods, health care and HIV/AIDS awareness and prevention;

• the need for a planned programme of information towards and consultation with affected communities and stakeholder agencies, both on the expected impact on land, structures and livelihoods and on proposed compensation and resettlement;

• the need, expressed particularly by Provincial officials, for resettlement planning for Xekaman 1 and the other associated hydropower projects and TLs, including the Ban Sok-Pleiku TL, to be undertaken as parts of a coherent and Province-wide programme to address the need for mitigation and compensation for the social impact of hydropower development in the Province, and to integrate such a programme into longer term social, economic and environmental development planning, ensuring its benefits to the population of the Province;

• the need for monitoring of resettlement planning and implementation, including consultation and information, to be conducted on a planned basis by WREA, EDL or other appointed Lao agency, and by an independent external monitor, and for detailed terms of reference to be provided for that purpose.


The project offers an opportunity for careful and planned safeguard programme of benefit to APs and to the economy. The consultant has examined, and recommends, the formulation of a Framework Resettlement Policy based on the TL, which would provide guidelines and TOR for

4 the nature of this impact may be judged by the fact that the Brau people living in the path of the TL between Hatxan village and the juncture with old National Road 188 have, since the first ADB mission of February 2009, been displaced by a Concession Agreement for a rubber plantation on 9,000 ha. of their former forest and swidden agricultural areas, and relocated in plantation housing; the mission was informed by the head of one of the displaced people that they had been offered permanent rights to live there on condition that they worked continuously for five years for the rubber plantation.
retrofit resettlement planning for associated projects on an iterative basis. A framework approach would address both the problem of non-compliance of associated projects and the need for integrated province-wide planning of measures to mitigate impact and to restore or improve the wellbeing and livelihoods of APs as planned development.

A framework approach to resettlement planning and policy, following Lao and ADB Guidelines, would embrace related measures for social aspects of the hydro-power sector, and of the associated work force immigration and presence, initially in Attapeu Province in cooperation with the Provincial Government, but potentially in a wider sector programme. This would immediately be needed also in Sekong Province.

The consultant has examined four elements of such an approach which are proposed to be examined and developed further in stage 2 of this consultancy:

- outline planning for the Ban Sok-Vn Border TL to be conducted as a core, Full RP in the context of a Framework RP for the sector at provincial level;
- terms of reference for retrofit RP preparation initially as summary or short RPs for associated projects, to be developed as full RPs as data for these projects become available;
- the provision of Indigenous Peoples and Gender Development Plans which would embrace principles of restoration and maintenance of existing social, cultural and economic systems with provision of additional sustainable livelihoods provided by the project;
- the preparation by the concerned Provincial Government agencies, agreed during the mission, of proposals for province-wide HIV/AIDS awareness and prevention, health care, MCH and literacy/numeracy and vocational training programmes.

The latter would be initially assisted under the TL RP financing and, with agricultural and other livelihoods development, would be further resourced as provincial development operations to meet the social impact requirements of other hydropower and TL projects within a framework programme as they come on stream.
Appendix 1 Excerpt from the EDF/ESL Interim Report

**Social Aspects of Due Diligence**

**Compliance with ADB and GOL social Safeguards**

In general, the social management and resettlement plans associated with hydropower projects planned for Attapeu and Xekong Provinces, if conducted in accordance with the existing plans and documentation, are not compliant with ADB, or with Government of Lao’s social safeguards guidelines. The hydropower projects and the related presence of the Vietnamese workforce and accompanying population will have a significant impact on the populations and services of these two Provinces.

There is, however, a significant difference in the approach and documentation of Xekhaman 1, which broadly follows GOL and ADB guidelines but is non-compliant in specific detail (refer to the section below), and all other hydropower projects for which documentation has been provided. These projects do not *ab initio* attempt to follow GOL or ADB procedures and guidelines, notably in respect of consultation, social impact assessment and resettlement.

There are five major factors which appear to be inadequately provided for in all SIAs and RAPs of the associated projects, and which are non-compliant with Lao Government and ADB Guidelines on Involuntary Resettlement in the present consultant documents$^5$:

- Consideration of workforce in-migration – the impact of the in-migration of the planned Vietnamese workforce and an accompanying incoming population (estimated to be at least 20,000 to 40,000 in each Province) will be massive, both on the populations of these Provinces and on their administrative, health and educational services. This poses a potentially significant risk to health and social stability, and is likely to have an irreversible effect on the situation and status of the indigenous population;

- In a related aspect, the total exclusion of the Laos labour force from employment on these hydropower projects (which is not consistent with the Lao Labour Code – which states that 90% of the unskilled workforce and 80% of the skilled work force should be Lao) precludes major benefits to the local and national economy and human resource development;

- Consideration of impact on indigenous people (ethnic minority groups) and gender – the relocation of impacted indigenous (ethnic minority) villages, and proposals for their consolidation into larger villages (comprised of different ethnic minority groups), as planned will radically impact on their social structures and livelihoods. Gender issues are also not considered;

- Feasible livelihood restoration plans – the proposed restoration of livelihoods by specific measures, for example, by irrigated rice production and provision of forest “plots” within which to gather non-timber forest products, for villages relocated from the reservoir, and pumped irrigated gardens and pond aquaculture, for downstream villages facing loss of river flow and fisheries are untested (i.e. have not been demonstrated to be feasible) and may be impracticable;

- Public involvement and consultation – the level and character of consultations, participation and information afforded to the affected populations, as at present conducted or proposed, does not follow ADB or Lao Government Guidelines, and is inadequate for any effective role

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$^5$ And in the Environmental Compliance Certificate conditions currently required by the Lao authorities in the case of Xekhaman 1, the only project for which a completed SIA and RAP are available.
on their part in decision making or management of resettlement, relocation or livelihoods
restoration; and

- Consideration of HIV / AIDS and other health risks (e.g. water-borne and vector-borne
disease) – the absence of any specific or adequate HIV/AIDS awareness and prevention
programme poses a significant risk to the local and the incoming population alike.

Further, there is no resettlement planning for any of the four associated projects\(^6\) in the sense in
which ADB and the Lao Government Regulations require it (i.e. a time-bound planning
system in which all aspects of the impact of the project are recorded, information provided to
and consultation conducted with the affected population, planning undertaken in the light of a
census of all the affected people and a socio-economic survey conducted of the wider impacted
population, compensation rates and other entitlements stated an income restoration programme
identified, and a grievance mechanism established).

This is a systemic difference between the approach adopted and the planning undertaken by the
Vietnamese consultants and that of the ADB and the Lao Government.\(^7\)

**Xekhaman 1**

It is important to note that (as indicated in section 4.1.1) construction of the Xekhaman 1 Hydro-
power Station is well advanced. In terms of social management, this includes the provision of a
relocation site (one single site for all five (5) villages). Further, no due diligence review was
undertaken of the transmission line connecting Xekhaman 1 to Ban Sok substation, as no
documentation was available for review.

The Social and Resettlement Specialists (international and national) visited the planned relocation
site downstream of the dam, on the bank of the Xekhaman. This land was provided by the Xanxai
District Council. The site and the planned land appear adequate, but there are a number of aspects
which should be the subject of more detailed and prolonged study and planning, notably:

- Agreement on the site location and planning was the subject of consultation involving a visit
of representatives of each family together with village and District officials. It appears that
the process did not include the possibility of permitting independent and separate
identification of relocation sites by the five inundated village communities;

- The location of all five communities in a single large village area (though separate by some
hundreds of meters from one another) is likely to be socially disruptive to existing local
relationships and structures. It appears that the preferences and opinions of the residents
of the five (5) villages have not been collected and taken into consideration during the
relocation planning process;

- It is currently planned that each household will be provided with 2 ha of forest per
household. Given the traditional practices of the people to be relocated, which is
essentially based on shared access to surrounding forest, limited only by feasible distance
and respect for neighboring community access, this is thought to be grossly inadequate and
conceptually mistaken;

- In a related issue, the expectation that they will practice swidden agriculture and hunt in the
Protective Forest in areas immediately adjacent on the far side of the river, has not been the
subject of any consultation with other groups using the forest for this purpose;

\(^6\) At least – there is no planning for which documents have been made available to consultant.

\(^7\) Vietnamese consultants indicated that they were not aware of the Lao PDR Government Regulations (EIA 2002 or 2010 and
Decree on Compensation and Resettlement 2005 and Technical Guidelines 2005 or 2010) and did not have a copy of these
regulations.
• The site is adjacent to a 9,000 ha rubber plantation, which has been planted during the past eighteen months, leading almost certainly to the employment of members of these households as labor on the plantation;

• No provision has been made for an adequate HIV/AIDS awareness programme among the Vietnamese work force at the HP site or among the surrounding population.

The audit has shown that the SIA and RP preparations for the project are, in important respects, non-compliant with both ADB and Laotian Guidelines, including in specific aspects of the February 2010 GOL Decree (Appendix 2) but also in respect of previous GOL Decrees, Guidelines and Regulations.

The draft RP is based on the stage 1 outline studies and preliminary consultation, in which it was regarded as risky to provide as yet undetermined project design and social impacts or resettlement proposals to the population, since they would have limited understanding of the issues involved and would suffer “consultancy fatigue” (i.e. detailed consultation on the draft RP and participatory planning of resettlement activities has yet to take place for this Project).

Though accepted by WREA for purpose of the issue of a January 2009 conditional certificate, the SIA and RAP do not meet ADB or GOL Guidelines, notably in respect of consultation with and disclosure to APs, the level of detailed and time-bound resettlement planning and livelihoods restoration, and the absence of any adequate HIV/AIDS awareness and prevention programme.

The Schedule 02 of Concession Agreement for the Xekhaman 1 Hydropower Project “Integrated Environmental and Social Obligations of the Company” spells out the elements in the Vietnamese consultant’s ESIA, EMP and RAP which are certified to be obligatory and conditional in the approval of project implementation. Conditions of the WREA certificate include carrying out the measures outlined in the draft RAP, including the proposed three-stage consultation and information process, however, do not include changes to meet the non-compliances identified above.

A more detailed point by point breakdown of compliance in respect of specific elements of the RAP will be provided in the draft Due Diligence Audit Report for Xekhaman 1.

A review of activities on site indicated further non-compliances with ADB and Lao PDR legislation, including requirements of the Schedule 02 of the Concession Agreement:

• Very few local people have been engaged by the construction contractor as part of the existing work force at the Xekhaman 1 dam site. Other than housing and camp site construction labour: The Vietnamese management has organized the recruitment of the work force from urban centers in Vietnam, and do not anticipate any local recruitment, except possibly for housing construction and service trades. The Lao who are working in the ancillary facilities at the dam site tend to be recruited from provinces and urban centres in Central Lao, rather than from local people.

• There is no external (WREA, EDL, MEM or any other) monitoring of construction activities at the Xekhaman 1 site, and as indicated above, the required monthly reports are not being provided to WREA.

The work to bring the LARAP and SIA into compliance with ADB standards will be 4 international man-months and, 7 national man-months with results integrated into the documentation.

**Xanxay**

As described previously, the Xanxay Project was considered as part of the Xekhaman 1 Project, and no separate documentation was available on this project. The Xekhaman 1 safeguard documents do not include any information on social impact, resettlement and compensation required by the Xanxay Project.
The work required to bring the LARAP and SIA into compliance with ADB standards, will be 2 international man-months and, 4 national man-months with results integrated into the documentation.

**Xekhman 4**

The IEE for Xekhman 4, which provides substantial documentation on the proposed resettlement and relocation proposals, including the budget, does not follow or comply with either the Lao WREA 2010 Decree or the WREA Regulations and Guidelines.

The issues with this documentation are consistent with the issues outlined above and for the Xekhman 1 Project.

The work required to bring the LARAP and SIA into compliance with ADB standards, will be 3 international man-months and, 5 national man-months with results integrated into the documentation.

**Sekong 3A and 3 B**

Sekong A and Sekong B documents concerning social impact and resettlement are identical in wording and format (including sections describing the social and cultural characteristics of the impacted population). Neither the procedures and format nor the provisions made for impact mitigation and resettlement follow the Lao WREA 2010 Decree and previous WREA, Regulations and Guidelines or the ADB Guidelines.

The documents state that there will be 4,000 workers brought from Vietnam, and that the total number of the incoming population of families and support workers is likely to be several times that number, however, no further assessment of the impact of this incoming population or development of mitigation measures is provided.

Other issues with Sekong 3A and 3B documentation are consistent with the issues outlined above and for the Xekhman 1 Project.

The work required to bring the LARAP and SIA into compliance with ADB standards, will be 4 international man-months and, 7 national man-months for Sekong 3A, and 4 international man-months and, 7 national man-months for Sekong 3B, with results integrated into the documentation.

**Bringing Associated Projects into Compliance with ADB and GOL Social Safeguards**

A framework approach and technical assistance program at the provincial and / or district level are recommended to address the non-compliance of all associated projects (including those where documentation is not currently available), as well as the need for integrated province-wide planning of mitigation measures. The TA should provide sufficient international and domestic consultancy and the costs of WREA, EDL and MEM participation, including the costs of inventories of losses and socio-economic survey, for social impact, social development resettlement and indigenous peoples and gender development planning and monitoring. The TA should be provided over a period long enough to provide support during the design and implementation of all the associated hydropower projects and TLs.

In addition to the justification for this approach on social management / mitigation grounds, the reasons for this approach are also management-driven. There appears to be no other feasible way in which adequate planning and provision of resettlement and livelihoods restoration can be provided in the absence of common principles and practice between the Project consultants / developers and the GOL and ADB safeguard policies.

Further, some of the measures needed, for example for in-migration (the consideration of the significant workforce moving to the area) and health (specifically HIV/AIDS awareness and
prevention programmes) can only be feasibly implemented at the provincial level through existing and strengthened Provincial Government structures.

A major factor in this necessity is the almost total lack of knowledge of GOL and ADB policy and practice on the part of the Vietnamese developers and consultants. Early action, such as an ADB supported workshop, is therefore recommended to address this gap and to agree on planned action to address it.

A framework approach to resettlement planning and policy, following Lao and ADB Guidelines, would embrace related measures for social aspects of the hydro-power sector, and of the associated work force in-migration. The strategy would immediately be needed also in Sekong Province. The LARAP prepared for the TL will include a Resettlement Policy Framework designed to achieve these purposes.

Four elements of such an approach, which are proposed to be examined and developed further in stage 2 of this consultancy, include:

- Full LARAP for the Hatxan-Vn Border TL based on IOL and socio-economic survey to be conducted in the context of a Framework LARAP for the sector at provincial level;
- Terms of reference (TOR) for retrofit LARAP preparation for all associated projects, to permit them to be prepared initially as summary or short LARAPs, which would be carried out under the proposed TA, to be developed as full LARAPs as data for these projects become available; The TA should be sufficiently funded and its duration sufficient, and planned on an iterative basis, for the completion of the full LARAPs for all associated projects supplying the Hatxan substation, including TLs.
- The provision of Indigenous Peoples and Gender Development Plans for the TL, which would embrace principles of restoration and maintenance of existing social, cultural and economic systems with provision of additional sustainable livelihoods. These plans will provide a framework for associated projects.
- The preparation (in consultation with the concerned Provincial Government agencies) of province-wide HIV/AIDS awareness and prevention, health care, MCH and literacy/numeracy and vocational training programmes to cover all associated projects and TLs in Attapeu and Sekong Provinces.

It is suggested that the terms of reference/approach and policy guidance initially be prepared under the Ban Sok-Pleiku TL LARAP financing.
Report on a Due Diligence Audit of Social and Resettlement Aspects of Associated Projects

Appendix 2  Detailed Due Diligence Audit of Xekaman 1 HP Station

<table>
<thead>
<tr>
<th>Resettlement Proposals in the RP</th>
<th>Compliant with ADB guidelines?</th>
<th>Comments and Suggested Retrofit Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participation</td>
<td>No</td>
<td>The RP indicates that information to and consultation with the affected population has consisted of a limited number of focus group discussions and verbal information to community leaders and the District Government. Representatives of households have been taken to the planned relocation site, which borders the newly developed rubber plantation. This situation and access to forest are not adequately shown in the RAP or explained to APs. ADB Guidelines call, specifically in respect of indigenous or ethnic minority groups that at the stage of project preparation there should be at least one meeting of the whole affected people, and a series of community meetings with each affected group. This would need be undertaken at the start of a retrofit RP preparation. The approach to participation, consultation and information is that of a staged approach, which would (see below) avoid detailed information and consultation until after an RP had been prepared, in order not to confuse APs, said not to be able to understand the impact of the project. In practice the project construction and impact are far advanced, with the construction of access road, site office and workers accommodation largely completed. WREA’s provision of a conditional certificate basically approves this staged approach to participation and consultation.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Retrofit action would follow ADB Guidelines in strengthening participation during the decision making and planning stage. Procedures adopted for Nam Theun 2 are regarded by EDL as a model and would be followed. It is suggested that a workshop be conducted involving EDL, Provincial and District and AP community leaders to lay the foundation for a fuller information and consultation process.</td>
</tr>
</tbody>
</table>

Participatory implementation and monitoring implies that the affected communities themselves will have a central role in organizing and carrying out mitigation measures, including relocation and rehabilitation of livelihood systems. This is primarily stage 3 of the process. For the writing of this RAP/SIA, small meetings and local discussion groups have held. This is to avoid creating unrealistic expectations ablat the Project. It has agreed with GOL authorities that it is wise only to carry out
## Resettlement Proposals in the RP

| Large-scale consultations using PRA methods only after the Project has considered technically and economically feasible. | The effect of this approach is to avoid both any specific information to the affected population and any negative responses which they may have.  
We understand that focus groups were conducted alongside a sample socio-economic survey, and covered villages being inundated but not necessarily those impacted by agricultural land loss or downstream villages suffering loss of fishing. A full consultation programme involving formally organised meetings would be accompanied by a census based IOL and SES of all households. | Yes | Land use planning as described in the RP involves a transformation of APs farming systems and of their present spatially separated villages, each with their own mainly swidden production areas and forest areas. The retrofit would examine the need for more detailed research and consultation on land use with APs.  
We suggest that it should also include the possibility of separate village sites with some common resources. |

## The Aims of resettlement implementation

For the resettlement plan of the XKM1 Project, the main aims will be as following:
- Offering fair and prompt compensation to all 1094 persons and 220 HHs of 5 Villages affected by the Project
- Making in-kind compensation (land for land, house for house), and only exceptionally replace this by a cash compensation
- To at least restore their economic condition to pre-resettlement level or, whenever possible, to improve it; this can also include the development of alternative livelihood strategies for selected villages or HHs, as long as they are ready to accept such a development
- Maintaining the social structure and networks of the affected communities

### Land use planning for Hauoy Doum resettlement site

In order to set land-use plan for the new site, we have to predict how much population will increase in specific time. Predicted population for Hauoy Doum was calculating with yearly birth rate at 2.1%. Number of HHs was calculating with size HH of the 4.97 persons/HH. Results are show in Table 4.1.

To implement the policy of GoL that the small villages will be combined into a larger village. That is, in order, to have good conditions for establishing
<table>
<thead>
<tr>
<th>Resettlement Proposals in the RP</th>
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<tbody>
<tr>
<td>infrastructures improving quality of fresh water, medical and education service, and to meet the requirement of 220 HHs, who have to remove the houses, and the resettlement site of the 5 villages will be combined into a large village located at Hauoy Doum, on the left side of Xekaman River. The main principle of resettlement process is not disturbing coming villages. That mean, the HHs of former village will locate together at private area at new village with own school, cemetery, common house (Figure 4.1). Each house lot has size of 20 m x 40 m = 800 m².</td>
<td>Assessment, and in this instance should in a retrofit RP be reexamined in the context of AP preferences.</td>
<td>Previous resettlement projects in Laos and current studies of the Ban Sok-Pleiku TL have indicated that separate very small schools and health units are not viable, especially in being unable to recruit teachers and health workers. It is suggested that the feasibility of having common facilities within walking reach of all villages should be studied in a retrofit RP.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Disturbance and Moving Allowance</th>
<th>Yes</th>
<th>A retrofit RP would include cash compensation for lost plant materials and production potential of economic trees.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Each HH in the affected villages will receive a lump-sum payment to assist with miscellaneous costs associated with moving and to mitigate for general disturbance. The basic for determining the amount of this payment will agree and all HHs notified of their entitlements. These payments will made at the time that residence is take up in the new village. In addition to compensation for lost HH structures and assistance with reconstruction at the new villages, the Project will also provide transport to move personal effects to the new locations.</td>
<td>Yes</td>
<td>A retrofit RP would include cash compensation for lost plant materials and production potential of economic trees.</td>
</tr>
<tr>
<td>Crops and Trees</td>
<td>Yes</td>
<td>A retrofit RP would include cash compensation for lost plant materials and production potential of economic trees.</td>
</tr>
<tr>
<td>Fruit trees and bushes will have to plant at the new sites for compensating losses. Vegetable seed will provide available at each HH for establishing a home garden. This assistance will be in additional to compensation for lost agricultural assets. Assistance during Relocation and Transition Period</td>
<td>Yes</td>
<td>A retrofit RP would include cash compensation for lost plant materials and production potential of economic trees.</td>
</tr>
</tbody>
</table>
### Resettlement Proposals in the RP

<table>
<thead>
<tr>
<th>The Project will comply with the Decree on Resettlement and Compensation, 2005, which states: Project Affected Persons displaced and severely affected due to the loss of incomes and means of livelihood shall provided with</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Food allowance, in cash or in kind, during the transition period</td>
</tr>
<tr>
<td>- Suitable development assistance after displacement during the transition period until they are able to restore their incomes or livelihood standards, or reach the targeted level of HH incomes on a sustainable basis</td>
</tr>
<tr>
<td>- Transport allowance or other appropriate assistance in kind to transfer to the resettlement site or their choice of relocation, as the case may be</td>
</tr>
<tr>
<td>Yes</td>
</tr>
</tbody>
</table>

### Medicare support

Provision of medical services at an affordable cost may be a request raised by the communities. These are several options that the Project could investigate to provide support of medicate in the local communities. Communities with health clinics could assist through equipment improvements or through the provision of medicines to sell on at coast. Budgets and an action plan for implementation could be prepared for implementation prior to the physical relocation.

| No |
| The provision of health care services appears in the RP to be derived primarily from health care provision for the workforce at the hydropower site and related compensatory measures lacking any detailed planning. Allocations to Xanxay and Attapeu hospitals are substantially inadequate. A retrofit RP would include separate detailed planning and financing for health care of relocated households, and crucially for communicable disease prevention, which would be planned on a province-wide basis for all hydropower developments. |

### Livelihood and income Restoration Plan (LAIR)

The Project will provide funding towards implementation of various economic development programs for the relocated villagers. The exact nature of these programs will depend upon the possibilities given in the areas, but also on input, suggestions and requests for the villagers themselves as it is recognized that such projects need to develop out of the communities’ own initiatives in order to be successful and sustaining.

The LAIR Plan will have three main phases of work:
- Investigations, surveys and community consultation to establish baseline information

<p>| No |
| Sufficient detail of planned and time-bound investments in livelihood restoration would be provided in a retrofit RP. |</p>
<table>
<thead>
<tr>
<th>Resettlement Proposals in the RP</th>
<th>Compliant with ADB guidelines?</th>
<th>Comments and Suggested Retrofit Actions</th>
</tr>
</thead>
</table>
| - Construction of agro-economic and alternate economic models that will form the basis for development programs and other assistance aimed at restoring livelihoods  
- Implement of the livelihood restoration actions and monitoring. Monitoring will tied into the overall monitoring program for the resettlement itself. | | |

**Support of Economic Activities**

One of the more productive activities in the communities in terms in income generation is silk processing; Mostly women produce silk medium quantities. However, with more focused organization higher quantities could produce, processed, and then marketed to generate ore income for the women. Women could also weave during their spare time, as they construct the weaving looms they use themselves. Of importance is to find a buyer in one of the big towns, who could order in bulk form the women on specified dates. The buyer would be responsible for collection the silk form the women.

A retrofit RP would need to examine a range of women’s off-farm economic activities, including silk and other handicrafts production and marketing.

**Agricultural support**

Agricultural support will provided to assist with the establishment of new woodlots to replace those lost in the relocation. Seeds or seedlings will supply for three species and vegetables. Tools will provided and a local consulting firm dealing with agriculture and rural development will use regarding the provision of support and training in agricultural production. There will also be the establishment of new paddies to replace those lost. There could also be a community development plan for the region and RO could examine a regional program to extend agricultural courses out to the farmers of the region. Such a regional program could also be adapted to benefit farmers in the affected villages. Such as by conducting classes or training sessions in the villages or by selecting effected villagers to set up demonstration farms. Budgets and an action plan for implementation of the agricultural support program will be prepared as part of the LAIR Plan.

Yes

The proposal for a “regional” agricultural development programme is in line with a framework strategy for all hydropower project resettlement discussed with the Provincial Government and with the Provincial Department of Agriculture and EDL in the context of this due diligence audit.

**Women’s Micro – Credit and Training**

Most women in the Project area have limited opportunity to earn income,

However, we note that the NCS/ADB PPA cautions against the
<table>
<thead>
<tr>
<th>Resettlement Proposals in the RP</th>
<th>Compliant with ADB guidelines?</th>
<th>Comments and Suggested Retrofit Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>generally involved only in weaving, embroidery and sewing. A micro-credit loan scheme will</td>
<td>Yes</td>
<td>widespread introduction of credit schemes, which it indicates are distrusted by women of poor and isolated indigenous groups in a context of uncertain production and marketing systems.</td>
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<tr>
<td>established to allow women to expand their income generation capacity. Five groups of women,</td>
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<tr>
<td>with ten women per group, will initially target although the program may expanded with time.</td>
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<tr>
<td>Women will train in simple bookkeeping and financial management as well as other skills. A</td>
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<tr>
<td>local NGO/consulting firm will consult to oversee the program and provide the training.</td>
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<tr>
<td>Budgets and an action plan for implementation will be prepared as part of the LAIR Plan.</td>
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<tr>
<td>Literacy and Skills Development</td>
<td>Yes</td>
<td>This is also supported in a proposed province-wide educational programme discussed with the Provincial Government for all hydropower project resettlement.</td>
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<tr>
<td>Literacy levels are low in the affected villages as whole. Under the resettlement scheme,</td>
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<tr>
<td>adult literacy classes will established at a school. Other educational support will include</td>
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<tr>
<td>provision of learning materials, teaching materials, etc. Budgets and an action plan for</td>
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<tr>
<td>implementation will be prepared as part of the LAIR Plan.</td>
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<tr>
<td>Compensation for Cultural Values</td>
<td>?</td>
<td>While not contrary to ADB Guidelines, compensation is not thought to be an appropriate response to potential cultural disruption; a retrofit RP would need to examine protective or funding measures worked out in consultation with and requested by AP communities.</td>
</tr>
<tr>
<td>Most ceremonies require rituals and offerings of some sort. The cost of a bull or any other</td>
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<tr>
<td>livestock used in the ceremonies has suggested as a compensation amount sufficient for this.</td>
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<tr>
<td>However, during the next phase, together with the village headmen and elders, an indicator of</td>
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<tr>
<td>actual cost for customary rituals and ceremonies will be included, also taking into account</td>
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<tr>
<td>other items.</td>
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<tr>
<td>Compensation Agreements</td>
<td>Yes</td>
<td>Any regulation of land or other fixed asset inheritance should be based on customary practice in affected communities, rather than on national contract based law, and should be accompanied by measures to prevent land loss to speculative purchase by outsiders.</td>
</tr>
<tr>
<td>Every PAPs receiving compensation of any kind will have to sign an agreement acknowledging</td>
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<tr>
<td>that compensation has received. Such as agreement will specify what has received as</td>
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<tr>
<td>compensation and three parties should witness this:</td>
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<tr>
<td>- A government representative at village level,</td>
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<tr>
<td>- The implementer’s representative, and</td>
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<tr>
<td>- Legal counsel,</td>
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<tr>
<td>All PAPs acquiring new houses and land will also require registration certificates to ensure</td>
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<tr>
<td>that they own the house on that piece of</td>
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<tr>
<td>Resettlement Proposals in the RP</td>
<td>Compliant with ADB guidelines?</td>
<td>Comments and Suggested Retrofit Actions</td>
</tr>
<tr>
<td>------------------------------------------------------------------------------------------------</td>
<td>-------------------------------</td>
<td>--------------------------------------------------------------------------------</td>
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<tr>
<td>new land and have that right to own, possess, use and right to transfer, as stipulated in the</td>
<td>?</td>
<td>These appear to be measure primarily aimed at welfare support for Vietnamese</td>
</tr>
<tr>
<td>Constitution Article 15. The registration certificate will also indicate that in the case of</td>
<td></td>
<td>people engaged in the work force or previously in warfare in the project area,</td>
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<tr>
<td>couples both the husband and wife own the property. This makes it easy for property to</td>
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<td>and should be addressed in separate provision by the Vietnamese authorities or</td>
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<tr>
<td>inherited, which is also in accordance with the law. Both a compensation Agreement and Land</td>
<td></td>
<td>the project developer in liaison with GoL.</td>
</tr>
<tr>
<td>Registration Form will draft in the next phase.</td>
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<tr>
<td>Support to Labor, invalids and social affairs</td>
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<tr>
<td>It was able to trained short-term occupations for young people in Kom Tum</td>
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<tr>
<td>province with 47 people. Check and manage regularly foreign laborers.</td>
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<tr>
<td>Currently, the Vietnamese laborers who registered are 1,651 people.</td>
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<tr>
<td>Coordinated with the relevant organizations to implement the policy, social insurance for</td>
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<tr>
<td>state cadres, army, polices and wounded cadres as well as the policy for the people who</td>
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<td>deserved well of the fatherland as follows:</td>
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<tr>
<td>- Implement the policy according to the Decree 194/CP for 80 people, total is 323,851 million</td>
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<td>kip.</td>
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<tr>
<td>- Implement the policy according to the Decree 71/CP for 8 people.</td>
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<tr>
<td>- Implement the policy of retired cadres before 1975 for 33 people with the total amount of</td>
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<tr>
<td>87,683 million kip.</td>
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<tr>
<td>- Implement the policy with army heroes, voluntary youths for 5 people with the amount of</td>
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<tr>
<td>30 million kip.</td>
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<tr>
<td>- Arrangement for the retired elderly cadres to go on holiday is 21 people, help to reduce</td>
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<tr>
<td>poverty for the people meeting with natural calamity with 2,644 tons of rice, help 165</td>
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<tr>
<td>damaged families.</td>
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<tr>
<td>- Cooperate with the committee to search for the revolutionary martyr tombs of Vietnam and</td>
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<tr>
<td>searched 465 tombs.</td>
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<tr>
<td>- Be surveyed and collected bombs and bullets from the production area of the ethnic groups</td>
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<tr>
<td>in 5 districts with 22,067 bombs on an area of 2,176.78 ha.</td>
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<tr>
<td>Resettlement Schedule</td>
<td></td>
<td></td>
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</tbody>
</table>
| Because of no cut-off date set by the Project developer, schedule presented                   |                               | However, the assumption that “detailed planning needs to start
### Resettlement Proposals in the RP

<table>
<thead>
<tr>
<th>Time Plan</th>
<th>Compliant with ADB guidelines?</th>
<th>Comments and Suggested Retrofit Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Here is principle guidelines only.</td>
<td>Yes</td>
<td>immediate” presupposes a staged development planning process which is not compliant with ADB or WREA Guidelines, except where this is part of a progressive and iterative process for which there is sufficient outline planning in the RP, and for which a framework exists in agreement between GoL and ADB. This would be achieved by a Framework RP based on a full RP for the Ban Sok-Pleiku TL and early completion of detailed resettlement planning for Xekaman 1, Xekaman 1 TL, and other associated projects. It is proposed that retrofit RP planning should be on this basis.</td>
</tr>
</tbody>
</table>

**Time Plan**

All the necessary arrangement in respect of facilities and compensation for displacement and relocation must be adequately taken care of before the actual construction of the dam can be implemented.

The resettlement schedule is determined mainly by the construction schedule for the dam and power plant and by the necessity, that relocation and all types of in-kind compensation (mainly replacement of land lost due to submersion) must accomplished before the reservoir is filled. Present plans anticipate a construction period (from the start of first preparatory works on the ground to commissioning of the power plant) of 5 years (2007-2011). Land preparation, construction of new house and facilities, and actual relocation (including all related activities) must accomplished by the time the reservoir is starting to fill.

- Construction activities: shown only the main activities, without going into any details. The important points in time for the resettlement are the start of the works and the filling of the reservoirs.
- Detailed planning needs to start immediately. Given the overall schedule, there is enough time for doing it properly, provided no time is lost in the initial stages. The main part of the planning need to done before actual implementation can start, but it will go on until almost to the end of implementation (indicated by the lighter shade).
- The participatory process has started, but needs to intensify in the next phase. While the pre-implementation phase is the most important for this process, it nevertheless needs to go on throughout the whole time span of the resettlement.
- Land preparation, construction of new house and related activities:
- Since the resettlement presumably involves, at least in some cars, a major shift in livelihood patterns (from slash and burn to terraced stabilized agriculture and to industrial tree crops),
Resettlement Proposals in the RP | Compliant with ADB guidelines? | Comments and Suggested Retrofit Actions
--- | --- | ---

extension and training are very important. It is likely that this process will have to go beyond the time horizon shown in the schedule.

- Monitoring will start as soon as work on the ground starts. This process as well needs to go beyond the time horizon shown above; until all stakeholders are satisfied that the aims set have achieved. It understood that corrective measures would have to take if indicated by monitoring.

Overall, it can say that the construction schedule for the power plant provides sufficient time for the resettlement program to carry out under the best of terms. However, it is important that no time is lost in the beginning; even though the available time span might still seems very long by then.

Consultation and Participation as a structured process
In order to ensure the participation of stakeholders at all levels, there are three important stages in XKM1’s public participation process:

- Initial Participation: during baseline surveys with some focus group discussion with village leadership at the villages, group of villages and district level.

- Participation during Detail Planning: discussions, meetings, and participatory rural appraisals (PRA) with all stakeholders before the commencement of construction in order to incorporate concerns into project design and to initiate a feedback process that will continue during implementation

- Participation during implementation and monitoring: participatory implementation arrangements

The public participation process should involve all group, gender and language issues and it is, therefore, necessary to introduce additional measures to ensure that women and some ethnic minority groups participate in project planning and implementation.

Public Participation Methodologies

| No | ADB Guidelines do not permit the selective process which has been followed during the consultant’s baseline surveys, unless this was conducted as an Initial SIA during pre-feasibility study. A retrofit RP will need to follow the schedule set out by the consultant, but as part of a framework approach based on a core RP and iterative resettlement planning for Xe kaman 1 and other associated projects. Participation and consultation will need to adhere specifically to procedures required by ADB for resettlement of ethnic minorities and indigenous groups, including whole-community meetings and separate village meetings.

| No |
Resettlement Proposals in the RP  |  Compliant with ADB guidelines?  |  Comments and Suggested Retrofit Actions
---|---|---
Methodologies will require adjustment, modification and refinement as the Project moves forward. The following methods could be applied for the Project.
- RRA and PRA methods: information dissemination, meeting, discussions with groups, leaders and individuals – establish a feedback loop, site visits, poster, etc.
- Meetings at district, provincial level: National, international workshops for all stakeholders
- Establish information centers for dissemination of project documents
- Establish website for electronic document distribution and access

Local community Participation
Local community participation in planning, implementation and monitoring is a key element in hydropower projects. Involvement of stakeholders on the local level aims to ensure that benefits reach these populations and that construction and operation of the Project progress smoothly without delays or resettlement from the affected communities. For local participation to work, a “feedback loop” must be established to show that the opinions, concerns and expectations of people have been seriously considered and when feasible incorporated into the design of the Project. The most important steps are as follows:
- Information dissemination to affected communities – this has commenced in stage 1 and will continue as more details and propose mitigation measures are developing in stage 2
- Interactive planning is when draft mitigation measures, proposed site selection, and livelihood restoration have been developed based on data collection, technical specification and initial feedback from discussions at the village and regional levels. This is primarily stage 2 of the consultation process that will continue throughout implementation.

Complaints and Grievance Procedure
Resettlement Proposals in the RP | Compliant with ADB guidelines? | Comments and Suggested Retrofit Actions
---|---|---
There will be three instances for sorting out complaints and grievances. Every affected person has the right to lodge a complaint when dissatisfied with compensation or resettlement process.
- First instance: The first instance will be at the village level. With the VRC listening to complaints from the PAPs and trying to resolve these. Should the first instance fail then the second instance, situated at the District level will be the next adjudicator. The District Resettlement Committee (DRC) and the RMU/GoL and RMO/GoL will listen to the complaints. Should the plaintiff still wish to lodge a grievance, having failed to be satisfied at the second instance, the Legal court at the provincial level will be the last and final instance. The PAP lodging the complaint should not make to pay for the case. The outcome ruling on the complaint will respected.

In most cases of disputes, it expected that the plaintiff would not reach the second instance, which in this case would be the RMU/GoL with an NGO or Consultant observes/witness to ensure that the PAP justly heard and the right decision given. Normally disputes solved at the villages level, with moderators ensuring that disputes stay within the village.

In such compensation and resettlement operations, many grievances take root in misunderstandings, or result from conflicts between neighbors, which usually can solved through adequate mediation using customary rules. Most (90%) of grievances can be extinguished with additional explanation efforts and limited mediation. A first instance mechanism aimed at the amicable settlement of disputes.

When an aggrieved person presents a grievance or dispute to the Legal Counsel, the legal advisor will seek settlement using first the customary mechanisms available in the community. These mechanisms use customary rules well known to all and considered binding by all. Community leaders typically and rightfully play an important role in the achieving settlements acceptable to all parties. Normally disputes solved at the village level. With moderators ensuring that, disputes stay within the village.
- Second instance: When a settlement cannot reach at the First
Instance level, the second instance mechanism triggered amicable settlement under the auspices of the Legal Counsel/Witness NGO and RMU. It will consist of the following members: Witness NGO/Consultant (chairperson); The RMU; Aggrieved PAPs and/or their representatives or counsels; and independent Legal Counsel. Mediation meetings organized with the interested parties. Minutes of meetings recorded.

- Third instance: According to the Lao Constitution, every individual has the right to access a court of law to lodge complaints, and petitions as expressed in Article 28:
  
  “Lao citizens have the right to lodge complaints and petitions and to propose ideas to relevant state organizations in connections with issues pertaining to the rights and interests of collectives or of their individuals; Complaints, petitions and ideals of citizens must consider for solutions as prescribed by law”.

Appeal to the Court will therefore be though the normal jurisdiction. Given the mechanisms described above, it not expected that many disputes would reach this level.

- Participatory implementation and monitoring implies that the affected communities themselves will have a central role in organizing and carrying out mitigation measures, including relocation and rehabilitation of livelihood systems. This is primarily stage 3 of the process.

This approach aims to avoid the problem of “consultation fatigue” that can be a problem for large infrastructure projects that take considerable time in the planning stage. For the writing of this RAP/SIA, small meetings and focal discussion groups have held. This is to avoid creating unrealistic expectations ablahut the Project. It has agreed with GOL authorities that it is wise only to carry out large-scale consultations using PRA methods only after the Project has considered technically and economically feasible. Consultations should be “informed” discussions when the facts and technical limitations are known, especially regarding resettlement, which

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### Resettlement Proposals in the RP

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<tr>
<td>involves a complex process of relocation and restoration and improvement of livelihood systems. It is very important to be consistent in presenting such impacts to affected communities since incorrect information will cause considerable confusion and worry.</td>
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**Principle of Disclosure**

In accordance with Lao government EIA regulations and WB safeguard policies, disclosure of information to project stakeholders and the public is necessary. This implies that reliable and up-to-date information on the Project as it develops should be available through various media. The main aspects include:

- Use of Lao TV and Radio to reach the general public – updates about progress on the Project and public meeting announcements
- Information bulletins to national and international newspapers and information to visiting journalists or international NGOs
- Summaries and explanations of the Project in all affected communities
- Information centre where reports are available
- National workshops open to all interested parties and the general public

**Livelihood Restoration**

**Support to Develop Forestry:** As part of land use planning, each HH will allocate 2.0 ha of forestland for the purpose of forestry protection, and use of forest products. Unit price for forestation and protection of 15 US$/ha

- **Support to develop**

  Since all relocated HHs lost their grassland, each house will provided 2.0 ha grass land and two heads of livestock (700 US$ per two livestock’s).

- **Support to stabilize Economic Production and Living**

  Each settle will be provided financial support equal to 30 kg rice/month over 2 years after resettlement. The rate price to assist for one as follow: 30 kg/person x 24 months x 0.4 US$/kg = 288 US$/person.

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<tr>
<th>Support to Develop Forestry: As part of land use planning, each HH will allocate 2.0 ha of forestland for the purpose of forestry protection, and use of forest products. Unit price for forestation and protection of 15 US$/ha</th>
<th>No</th>
<th>The retrofit RP would need to take into account access to and customary practice, ownership and spirit presence in forest resource use, which would not be achieved by any allocation of forest plots; this is essentially a common resource and fundamental to livelihood systems of APs.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Support to develop</strong> Since all relocated HHs lost their grassland, each house will provided 2.0 ha grass land and two heads of livestock (700 US$ per two livestock’s).</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td><strong>Support to stabilize Economic Production and Living</strong> Each settle will be provided financial support equal to 30 kg rice/month over 2 years after resettlement. The rate price to assist for one as follow: 30 kg/person x 24 months x 0.4 US$/kg = 288 US$/person.</td>
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</table>
### Resettlement Proposals in the RP

| Employment Support: To provide support for individuals adjusting to new employment conditions, each HH will be give a one off lump-sum of US$1,500. | Yes |
| Support for HHs with Invalid or Disabled Family Members  
HHs with disabled or invalid family members will receive an extra lump sum of US$100 to assist in the relocation process. It is estimated that 5% of total HH are in this situation = 11 HHs. | Yes |
| Support for the People, Who are Incapable to help themselves  
According to the results of survey on migration – resettlement carried out in November 2006 for 5 villages to be resettled (See Appendix 1), in the villages to be resettled there are 4 lonely people who cannot take care of themselves as follows:  
- In the Village Souksavang have three people, who birth in the year 1944, 1936 and 1945  
- In the Village Hindam have one people who birth in the year 1951  
The Project is expected to support these people as follows:  
- In the three initial years: $30kg \text{ rice/month} \times 36 \text{ months} \times 0.4 \text{ US$} / \text{kg} \times 4 \text{ persons} = \text{US$1,728}$  
- In the 10 subsequent years: $20kg \text{ rice/month} \times 12 \text{ months} \times 0.4 \text{ US$} / \text{kg} \times 4 \text{ persons} \times 10 \text{ years} = \text{US$3,840}$  
- Total funding support for the people, who are incapable to help themselves: \text{US$5,560} | |
| Support for maintain some notable national character in the RA:  
Some notable customs should help to maintain including:  
- Burial ceremony  
- Wedding ceremony  
- New harvest festival  
After the villages have been moved to the new locations, the Project will provide the following assistance budget for maintaining these customs: 3 | No | It is suggested that support for customary and religious practices should be protective rather than compensatory. |
## Resettlement Proposals in the RP

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<th>Comments and Suggested Retrofit Actions</th>
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<tbody>
<tr>
<td>years x (5 village x 1,500US$/1 village) = US$22,500.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Resettlement Incentives</strong></td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>To provide incentive for villagers to conform to the resettlement timeline, a one off lump sum of 200 US$ will allocate to those HHs is which relocate within the correct timeframe. Assuming 100% of all HH’s will relocate within the allocated time.</td>
<td>No</td>
<td>These are components which need to be planned and time-bound activities and investments.</td>
</tr>
<tr>
<td><strong>Other settlement support</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other settlement support including medical services, pest control, school stationary supplies etc. Proposed figure for each HH is 200 US$</td>
<td></td>
<td></td>
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<tr>
<td>Total budget supporting for development RA showed on the Table 5.13.</td>
<td></td>
<td></td>
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</table>

## Support Program for People in the Project Area

The assistant program for people in project are including:

- Villages rounding XKM1 reservoir
- Two Phiengxe and Fudeng villages left XKM1 reservoir in 1998
- The affected villages located in the downstream along Xekaman River.
- Departments of Xanxay district
- Hostels of Attapeu province and Xanxay district
- Estimated budget for assistant above objects as follow:

**Support to population rounding XKM1 reservoir**

There are 14 villages comprising 471 HHs that belong to this category. The proposed support fund for each HH will be US$1,500. Thus, the total cost is 471HH x 1,500 US$/HH = US$706,500.

**Support to affected people in the downstream area**

In the downstream area, there are 15 villages, those being Mai (Xanxay district), Xaixi, Hammakong, Phangdeng, Phoxai, Xay, Udomxai, Touay, Keng-Nhay, Vat-Nua, Vatthat, Vatlouang, Somkhot (Xaisettha district), Hauoy Keo and Xamakhi (Xamakhixay district) with 2,579 HHs. The Project developer will support to establish a system of fresh water provision and to

As above, notably in respect of measures to replace or improve fisheries.
Resettlement Proposals in the RP | Compliant with ADB guidelines? | Comments and Suggested Retrofit Actions
--- | --- | ---
Assist in economic development from fisheries to other occupations. Out of 2,579 HHs living by the Xakaman River, only 693 HHs uses the River for commercial fishing. The Project developer will support budget to change fishery into other occupation (depending on every fisher’s actual situation to choose spare occupation) of US$1,226. Total costs for this work is 693 HHs x 1,226 US$/HH = US$849,618. | | |

- **Support to establish system providing fresh water**
  In the area, HH’s are accessing fresh water from wells and from the Xekaman River. At present there are 95 wells providing fresh water to 950 HHs (roughly 10 HHs/well). The Project developer will drill for new wells. We calculated the number of additional wells to be (2579 HHs – 950 HHs)/10 HHs = 163 wells. | Yes | |

- **Support for Xanxay district**
  Since XKM1 HPP is located on the Xanxay territory, Xanxay District’s people committee requires the Project developer to provide the items listed on the table 5.15. | Yes | However these supports are essentially for a “host community” and should be planned and agreed with EDL.

**Table 5.15: Budget to Support for Xanxay District**

<table>
<thead>
<tr>
<th>Support items</th>
<th>Cost (US$)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>POP</td>
<td>OP</td>
</tr>
<tr>
<td>Building schools for 2 Villages Hindam and Vangsa</td>
<td>0</td>
<td>60,000</td>
</tr>
<tr>
<td>Building the self-run system to providing water for District’s Office</td>
<td>0</td>
<td>150,000</td>
</tr>
<tr>
<td>Providing fund to reduce poverty for Dakhiet village</td>
<td>0</td>
<td>25,000</td>
</tr>
<tr>
<td>Building the memory house of Mr. K. Phomvihan at District’s town</td>
<td>0</td>
<td>80,000</td>
</tr>
<tr>
<td>Capacity building to manage technical</td>
<td>0</td>
<td>35,000</td>
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Resettlement Proposals in the RP

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<tr>
<th>Aspects of the electrical power supply</th>
<th>Compliant with ADB guidelines?</th>
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<tr>
<td>Xanxay district</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Training Vietnamese language (3 persons/year x 5 years)</td>
<td>36,000</td>
<td>0</td>
</tr>
<tr>
<td>Building forestry, agriculture, fishery promotion station</td>
<td>19,800</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>55,800</strong></td>
<td><strong>350,000</strong></td>
</tr>
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</table>

The time schedule of the support to Xanxay district is as follows:
- Building two schools for villages Hindam and Vangai: 2 years after the XKM1 HPP has put into operation, prepare in year 2013;
- Providing fund to reduce poverty for Dakhet village: 2 years after XKM1 HPP has been put into operation, prepare in year 2013;

- Assistance of hospitals of Attapeu province and Xanxay district

The VLPC will extract US$15,000 from the Reserve Fund for the implementation of ESMP to assist the hospital of Xanxay district 5,000 US$ and the hospital of Attapeu province 10,000 US$ in the curbing the spread of diseases when the many workers are concentrated on the construction site.

Monitoring Requirements and Indicators

**Monitoring Requirements**

The planning and implementation activities for resettlement will monitor to ensure that the process carried out fairly and in accordance with the provisions of the plan.

Two separate kinds of monitoring are as follows:
- Monitoring of physical progress including reaching key benchmarks (acquisition of land, payment of compensation, construction, preparation of land at new site); and
- Monitoring of non-physical performance-goal/outcome attainment on incomes, health, education, social issues and capacity building

Yes

However, external monitoring will in a retrofit RP need to include monitoring of all resettlement activities, including information and consultation programmes, and the structure and budget, including contracting with an independent monitoring agency, determined and included ab initio.
Resettlement Proposals in the RP | Compliant with ADB guidelines? | Comments and Suggested Retrofit Actions
--- | --- | ---
Monitoring of physical progress will carried out by the Project’s staff under the direction of the Community Development Facilitator, as well as by the VRC. Regular feedback on the resettlement process and progress will provided to the affected residents through formal or informal meeting and discussions. The reporting schedule will be monthly; however, more or less frequent progress updates may warranted depending on the level of activity and as the relocation, date nears.

An independent third party of consultants, to appoint by the Project, will monitor non-physical performance. The consultants will perform periodic reviews of the socio-economic status of the affected HHs, and will solicit feedback and comments from these HHs regarding the resettlement process. A matrix of socio-economic indicators, mainly based on village wide statistics, will collected as part of the monitoring; however, monitoring of individual HHs and comparison of their conditions to pre-relocation status will also carried out. The consultants will provide a report to the Project management presenting their findings including any identified problems, community views and any recommended measures or improvement that could made.

The monitoring schedule will initially be set twice a year and will continue for a minimum three years following physical relocation to the new villages. The monitoring period will extend if necessary until equivalency to pre-relocation conditions can demonstrated. Specific measurement tools for determining equivalency will be set as part of the monitoring indicators. The methodology used to evaluate equivalency must incorporate a degree of flexibility or be able to adapt to unforeseen or unanticipated events, which are beyond the control of the Developer and which have negative impacts on the populations affected by resettlement. Such averts could include drought, floods (or other acts of nature), or sickness. The monitoring agency must be able to recognize such circumstances, evaluate their effect on resettlement recovery process and develop alternative indicators for determining equivalency if necessary. Indicators based on the plot sizes, production levels, Gross Domestic Product, HH and the monitoring consultants should consider personal incomes, purchasing
### Resettlement Proposals in the RP

**Monitoring Indicators**

In preparation of this report, the Consultant has set up a database of all interviewed PAPs covered by the socio-economic survey. The database will expanded once the detailed socio-economic survey carried out at the next stage. The sample survey addressed aspects of living standards of the PAPs through questions monetary incomes. This makes up a set of indicators that should defined in agricultural and non-agricultural sources. Additionally, question on HH assets e.g. radio, tractors and other equipment, plus food security and HH expenditures covered during the survey. The quantitative indicators emanating from questions on monetary incomes and welfare indicators should allow for crosschecking of data about living standards.

It is envisaged that a monitoring unit be set up, which will have a panel of experts, consisting of the NGO representative/Consultant (and possibly international external consultants). Monitoring of LAIR will carried out twice a year by an external consultant if necessary; and the second crucial monitoring will be on whether RAP is achieving its objectives and going the right way. This will carry out and evaluated by (international, if required) external consultants. On completion of implementation, monitoring and evaluation will go on for a period of at least three (3) years or until such a time that all stakeholders will satisfied the resettlement goals have been achieved.

Monitoring will be the responsibility of experts with consultations or other stakeholders to solicit information on the Project’s progress and impact. Consultation will sought from technical staff, NGO representative/Consultant, local administration and legal counsel. The monitoring of LAIR will be regular, done by the technical staff that will also produce quarterly reports. Adjustments will make to ensure that LAIR objectives achieved. Within the first year of relocation, an external consultant will engaged if necessary to follow-up on socio-economic data access project impacts o affected population. The Village Resettlement Committee will also continuously monitor to update the affected persons on the progress of the Project.

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## Resettlement Proposals in the RP

| Monitoring by the internal monitoring structure (i.e. by RO itself and by the witness NOG/Consultant) will be a continuing process. Quarterly reports may be coincidental with visitations from external support agencies that are free to make short visits, verify quarterly reports and jointly decide on engaging appropriate consultants capable of dealing with specific project sectors where serious deviations detected. The first evaluation through the Panel of Experts will be at the start of the actual implementation process, and thereafter in a 6-month interval for a period of at least two years after completion of implementation, or until the panel will be satisfied that resettlement has implemented properly. |

| Institutional Structure & Organisation |

### The Resettlement Advisory Group (RAG)

The RAG sits at the national level, and is also the Steering Committee and should make up of various government ministries and donor representatives involved in the resettlement activities. A representative of the Prime Minister should chair the RAG. Relevant government ministries include the MEM, WREA, Ministry of Communication, Transport, Post and Construction, and Ministry of Agriculture and Forestry.

The roles of the RAG include Review of strategies and results, advice and inform movement of possible regulatory or legal.

The RAG will convene at regular intervals, at least once a month during the design and implementation phases of the RAP to ensure the regular exchange of information among of parties and the coordination of all resettlement activities. It is mandatory that the government or ministry representatives be of high authority so that timely implementation of activities is inbuilt in the Project, where grievances can settle quickly when they occur.

### The Resettlement Committee

The Resettlement Committee (RC) will base at the provincial level, in this case, is in Attapeu Provinces. The Government normally appoints this committee which then reports back to the government and coordinates with the Resettlement Management Unit (RMU), Resettlement Offices of

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<tr>
<td>GoL (RMO/GoL) and the District Resettlement Committees (DSC's). The RC will also liaise with the Government at all levels, central, provincial and district and with external organizations on issues relating to resettlement. The RC should have representatives from both affected provinces. Its role is to ensure that RAG is implementing according to the proposed budget and compensation kept within the stipulated budget and activities carried out so far. It will also review the work plan and budget for the next following six months. The RC will also facilitate in the transparency and accountability of the RMU and the activities carried out under its supervision. <strong>The Resettlement Management Unit under GoL (RMU/GoL)</strong> RMU established by GoL will first have the responsibility to implement fully the resettlement policy of the Lao Government. RMU/GoL will also have to responsibility to assist the Xanxay district and villages that must be relocated to realize the resettlement action plan (RAP) set forth by the XKM1 PC. RMU will be placed directly under the management of the Resettlement Committee (RC) of GoL and will be closely related with the leaders of Attapeu province. The staff of RMU/GoL will be selected from agencies of Xanxay district and Attapeu province. RMU/GoL will have the responsibility to work out resettlement plans, participate in and, more importantly, implement of the social development plans (SDP). Under the leadership of RMU/GoL, the Xanxay district’s resettlement working group (XRWG), village resettlement working groups (VRWG) will collect the requirements for relocation and resettlement of the district and villages. <strong>The Resettlement Office under XKM1 PC (RO/XKM1 PC)</strong> XKM1 PC will be responsible for establishing a Project Resettlement Office (RO) that will be responsible for implementation and/or monitoring of all social impact and resettlement MEPMs directly under the control of XKM1 PC and its gents. The RO/XKM1 PC will work with the RMU and other GoL agencies as appropriate for all resettlement activities of the Project.</td>
<td>Yes</td>
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### Resettlement Proposals in the RP

Resettlement officers should cover both of the social and environmental aspects as the analysis, environmental officers, agriculture (Forester, fishery officer, health, education, water, and sanitation).

The officers will be dividing into units dealing with:

- Monitoring
- Livelihood Augmentation and Income Regeneration
- Finance and Administration
- Consulting and Communications
- Compensation and Legal Counsel

The RO/XKM1 will have units based on technical expertise. The RO/XKM1 is to provide expertise to the supervision of contractors or other actors who would be providing services in, for example, agricultural extension, social infrastructure (water and sanitation, health, education) and civil works to affected villages.

The RO/XKM1 will have a Manager who will be conversant with environmental and social aspects, and have strong project management skills and ability to liaise with NGOs, consultants and local/traditional authorities. The Manager will be a Lao either national or experienced person within the region.

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### District Resettlement Council

A District Resettlement Council (DRC) will be former made up of at least one member from each of the affected villages within the district. The size of the council will therefore be small but three positions must be preserved for women with at least 2 of those being senior posts. The Village Resettlement Communities (VRCs – discussed below) will be represented in the Resettlement Council. This body will deal with issues common to all affected villages, will see to it that a consistent standard is being applied and followed throughout, and will form the communication link between the individual villages and RMU.

### Village Resettlement Communities

The affected villages themselves from the Village Resettlement
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<tr>
<td>Communities (VRC) and they will be the link between the DRC and the village. The VRC should have representatives from all levels of the village with a third of the seats reserved for women, who can also represent women’s and the interests of vulnerable groups. It is crucial that the villagers elect the VRC members, and that VRC member serve for a...</td>
<td>Yes</td>
<td></td>
</tr>
</tbody>
</table>

Yes