

Resettlement Planning Document

Resettlement Plan
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Viet Nam: Central Region Small and Medium Towns Development - Wastewater and Drainage Systems in Gia Nghia Town, Dak Nong Province

Prepared by Provincial Project Management Unit, Dak Nong Provincial People's Committee

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DAK NONG PROVINCIAL PEOPLE'S COMMITTEE

PROVINCIAL PROJECT MANAGEMENT UNIT

Central Region Small and Medium Towns Development Project

ADB Loan No: VIE - 2272 (SF)

RESETTLEMENT PLAN
FOR
WASTEWATER AND DRAINAGE SYSTEMS

CONTRACT NO.: DN3A/B/10/ICB

LOCATION: GIA NGHIA TOWN

Updated in April, 2011

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ABBREVIATIONS

ADB	Asian Development Bank
AH	Affected household
AP	Affected Person
CPC	Commune People's Committee
CRC	City Resettlement Committee
CWU	Commune Women Union
DMS	Detailed Measurement Survey
DOC	Department of Construction
DOF	Department of Finance
DOLISA	Department of Labor, Invalids and Social Assistance
DONRE	Department of Natural Resources and Environment
DPC	District People's Committee
DRC	District Resettlement Committee
DWM	Drainage and Wastewater Management
EMP	Environmental Management Plan
GOV	Government of Vietnam
HH	Household
IMO	Independent Monitoring Organization
IOL	Inventory of Losses
LAR	Land Acquisition and Resettlement
LURC	Land Use Rights Certificate
MABUTIP	Management Board for Urban Technical Infrastructure Development Project
MOC	Ministry of Construction
MOF	Ministry of Finance
MOLISA	Ministry of Labor, Invalids and Social Assistance
MoNRE	Ministry of Natural Resources and Environment
NGO	Non-Governmental Organization
PPC	Provincial People's Committee
PPMU	Provincial Project Management Unit
PRA	Participatory Rural Appraisal
PRC	Provincial Resettlement Committee
RP	Resettlement Plan
TOR	Terms of Reference
USD	US Dollar
VHLSS	Vietnam Household Living Standard Survey
VND	Vietnam Dong
WSP	Water Supply Plan

DEFINITION OF TECHNICAL TERMS

Affected person (AP): means any person or persons, household, firm, private or public institution that, on account of changes resulting from the Project, will have its (i) standard of living adversely affected; (ii) right, title or interest in any house, land (including residential, commercial, agricultural, forest, salt mining and/or grazing land), water resources or any other moveable or fixed assets acquired, possessed, restricted or otherwise adversely affected, in full or in part, permanently or temporarily; and/or (iii) business, occupation, place of work or residence or habitat adversely affected, with or without displacement. In the case of a household, the term AP includes all members residing under one roof and operating as a single economic unit, who are adversely affected by a subproject or any of its components.

Affected community: village impacted by (a) land acquisition due to any project activity, whether anyone will be relocated or not; (b) receiving relocated households or (c) in the vicinity and likely to be socially or culturally impacted by the project in a negative manner.

Cut-off date: means the date of completion of the Detailed Measurement Survey (DMS) for each subcomponent, and establishes the eligibility of APs to entitlements for the compensation, resettlement, and rehabilitation measures in the resettlement plan. Affected people and local communities will be informed of the cut-off date for the component. People moving into the area impacted upon by the subcomponent after the cut-off date will not be entitled to compensation and assistance under the Project. *In this subproject, the cut-off date is September 30, 2010, the date when the DMS was completed.* This cut-off date was widely announced for affected households and the communities.

Detailed measurement survey: validation of the inventory of losses, severity of impacts, and list of project affected households following the detailed design. The final cost of compensation, assistance and resettlement is determined following completion of the DMS.

Entitlement: resettlement entitlements include compensation and assistance.

Compensation payment: compensation in kind, in cash or both, at full replacement value, for lost assets.

Assistance and rehabilitation: support provided to project affected households losing assets, employment or livelihood sources, in addition to compensation payment for acquired assets provided, in order to restore livelihoods.

Host community: community already in residence at a proposed resettlement site.

Inventory of loss: process of identification, location, measurement and valuation of replacement cost of all fixed assets that will be recovered or adversely affected following the preliminary design. It also includes the assessment of the severity of the impact on land and property and on livelihoods.

Land recovery: process by which land and property are compulsorily acquired by the State.

Livelihood: capabilities, assets and activities required to maintain living standards and quality of life, including cash incomes and self-consumption.

Safeguard policy statement: policies of the Asian Development Bank of social and environmental safeguard.

Plan: set of principles, objectives, procedures and budget defined in advance to ensure sound and smooth operation of the project. Quantitative targets (land, persons) in the plan are foreseen targets. They will be adjusted and updated as needed during the subproject implementation.

Relocation: physical resettlement of a project affected household from its pre-project place of residence and/or business.

Replacement cost study: study based on surveys and other data sources to determine the replacement cost of land, houses and other affected assets.

Replacement value: amount calculated before displacement which is needed to replace affected lands, crops, trees, houses and other assets and plus any transaction costs such as administrative charges, taxes, registration and titling costs.

Resettlement: loss of fixed assets (house, land, other productive assets) with or without relocation. This also includes all measures taken to mitigate any and all adverse impacts of a project on households' properties and/or livelihoods, including compensation, relocation (where relevant), and rehabilitation as needed.

Resettlement site: location with planned investments into houses, infrastructure, agricultural land and irrigation for relocated households.

Severely affected household: project affected household that will, due to the project, (a) lose 10% or more of its productive land or assets or both, and/or (b) have to relocate.

Vulnerable groups: distinct groups of people who might suffer disproportionately or face the risk of being further marginalized by the effects of land and property recovery or other project impact. RP defines as vulnerable households (1) female headed households with dependents, (2) illiterate individuals, (3) households with disabled household heads, (4) households falling under the current Ministry of Labor, Invalids and Social Affairs (MOLISA) benchmark poverty line, (5) children and elderly households who are landless and with no other means of support, (6) landless households other than households with stable non-farm incomes.

Exchange Rate:

1 USD = 20,600 VND (February 2011)

EXECUTIVE SUMMARY

Project Summary and RP Objective

The Central Region Small and Medium Towns Development (SAMT) Project, Loan No. VIE - 2272 (SF), aims to improve the urban environment and enhance poverty reduction activities in five provinces of the Central Region of Viet Nam. The Dak Nong subproject in Dak Nong province will involve improvements to water supply systems and the development of a center comprehensive network for Gia Nghia and small scale drainage improvements along major roads in Gia Nghia. Gia Nghia will also benefit from a new land fill site and associated improvements to the solid waste management system. The construction of Dak Nong subproject will be carried out in 02 ICB contracts and 01 NCB contract for civil works, including the DN3A/B/10/ICB package with Civil Works for Wastewater and Drainage Systems in Gia Nghia Town.

This Resettlement Plan (RP) is prepared for the civil works package of DN3A/B/10/ICB to address the unavoidable adverse impact arising from land and property acquisition as a result of the construction of Wastewater and Drainage Systems in Gia Nghia Town. The overall objective of the RP is to ensure that all affected persons (APs) will be compensated at replacement cost at current market value for their losses, and provided with rehabilitation measures, including subsistent allowance, vocational allowance so they are at least as well off as they would have been in the absence of the Project.

Impacts by Wastewater treatment Plant and drainage system subcomponent

Despite various measures applied to avoid as much as practical involuntary resettlement, the land acquisition for the Wastewater treatment Plant and drainage system subcomponent will have some unavoidable social impacts. About 3.6 hectares of agricultural land will be acquired for construction of this system in Gia Nghia town. All the land is located in Nghia Tan ward of Gia Nghia town. The acquisition of this land impacts on 06 HHs but none of AHs are adversely impacted, i.e. losing more than 10% of total agricultural landholding or relocation.

Characteristics of Affected Persons

Population and Households

The average size of AHs in the DN3A/B/10/ICB package is 3.7 persons. Of the 06 households surveyed, none are from ethnic minorities. The overall sex ratio of the total population surveyed is 46 percent male and 54 percent female. The population is nevertheless concentrated in the main working age groups with two-thirds aged between 16 and 55 years.

Title to landholdings

All households have been residents in the area at least for over 10 years and all have permanent resident status in the area.

Occupation and Income

All AHs are farming households and that most also undertake off-farm work in nearby Gia Nghia throughout the year. The median monthly income of AH heads is around VND 1.42 million while the median per capita income is VND 706,000 per month. Using the general MOLISA poverty line, no AH would be classified as poor.

Mitigation of Adverse Impacts

National Legal Framework and ADB Safeguard Policies

Resettlement arrangements in the subproject are based on the laws of the Government of Vietnam and the ADB Policy on Involuntary Resettlement (Safeguard Policy Statement 2009). The policy of Government of Vietnam on compensation, assistance and relocation has improved significantly in recent years and is today very close to the requirements of the ADB policy on involuntary resettlement. There are however still gaps between these policies. The Vietnamese legal system of land tenure and right to compensation fully applies in the RP. There is an institutional structure through which people are informed and can appeal.

In application of the resettlement policy frameworks, project affected households have not only been informed but feedback has also been sought from those directly affected. All eligible affected households are entitled to compensation for their losses at replacement costs. Significantly affected households will receive additional assistance (the percentage of affected assets defining significant impact varies between the policy frameworks; it is set at 10 percent for the RP). Users without official documentation and non-legal users, micro-enterprises not holding a business certificate and employees without a contract are eligible provided if they have been in the project area prior to the cut-off date. The deductions from assets compensation provided by the land law and its implementation decrees are not applicable. Houses and structures are compensated to rebuild the new ones with similar technical conditions. Vulnerable households are entitled to additional support in the restoration of their livelihoods.

Principles and Entitlement Policy

Resettlement is implemented in the Wastewater treatment plant and drainage system subcomponent on the basis of four overall principles: (i) every effort has been made to minimize land acquisition impact and other adverse social impact; (ii) if resettlement, with or without relocation, is unavoidable, affected people will receive compensation so that their living standards and income-earning capacity will be at least as high as they would have been in the absence of the project; compensation is provided before land or other assets are acquired from APs; (iii) the project provides an opportunity for the local population to derive benefits from it; and (iv) the local population participates in planning and implementation.

September 30, 2010 is defined as the cut-off date. This date is when the detailed measurement survey census is completed. It determines eligibility to the status of APs.

The entitlement policy is fully defined by the resettlement policy, includes some specific principles as: (i) Compensation for assets other than land is provided at full replacement cost, without deduction for depreciation or salvage materials for houses and other structures; (ii) Compensation for agricultural land is provided through land of equal productive capacity acceptable to the displaced person, or in cash at replacement cost in accordance with AHs preference. Replacement of residential/premise land is made through land of equal size and productive capacity acceptable to the relocation AHs, or in cash at replacement cost, in accordance with the AHs' preference; (iii) Replacement residential and agricultural land is as close as possible to the land that was lost, and is acceptable to the AHs; (iv) The previous level of public infrastructure, community services and resources is maintained or improved; and (v) Plans for acquisition of land and other assets and provision of rehabilitation measures are carried out in consultation with the AHs.

In addition to compensation for the acquisition of land and assets, the following allowances will be provided to enable AHs to maintain and/or improve their living standards and earning capacity: (a) a one-time allowance to affected businesses based on annual income, (b) a one-time allowance for transportation for those who have to relocate outside the project area, within or outside the province, (c) a monthly cash subsistent allowance based on rice equivalent during a transition period of from 6 to 36 months, (d) a one-time relocation for those who select the option to relocate by themselves within or outside the project area to improve infrastructure of the new house, and (i) an additional allowance for vulnerable persons.

Resettlement Implementation Arrangements

The Dak Nong PPC is the Executing Agency (EA) for the subproject and is responsible for providing overall policy direction and approvals for all aspects of the subproject including approval of the RP and all resettlement related issues.

A Provincial Project Management Unit (PPMU) was established to manage and monitor all day to day project implementation activities. In term of resettlement related aspects, the PPMU's functions include: supervising and monitoring project-related resettlement and environmental activities; and preparing periodic project progress and annual reports (including internal monitoring report on resettlement) and submit to PPC and then PCU for aggregation in project progress reports to GOV and ADB.

Central Level

The PCU has specific responsibility for the following resettlement activities: (i) Consolidate project progress reports (including financial accounts) on land acquisition and resettlement for relevant ministries and ADB; and (ii) Recruit and supervise the external independent organization (or consultants) for external resettlement monitoring.

Provincial Level

The Provincial Peoples' Committee (PPC) will be responsible for issuing all decisions and approvals relating to the implementation of the RPs in Dak Nong subproject including those relating to its formal adoption, unit compensation costs, notices and approvals for information disclosure, land acquisition and compensation payments, allocations of replacement land (if applicable) and grievance redress. The PPC will also be responsible for establishing the institutional arrangements including the Provincial Resettlement Committee (PRC) (and appointment of its head), the Land Valuation Council and allocation of responsibilities to town and district based organizations.

District/Town and Commune Levels

The Peoples' Committee of Gia Nghia town established the Town Resettlement Committee (CRC) to implement the RP. CRC in combination with PPMU and project CPCs carry out resettlement activities of the project.

Complaints and Grievances

Complaints and grievances related to any aspect of RP will be in the first instance be handled through negotiation aimed at achieving consensus. The internal monitoring system of RP will monitor complaints in order to improve quality of the resettlement process. Complaints in relation to dissatisfaction about matters such as process (time taken, complexity, lack of information, services provided, fees charged; demands for informal payments; damage to property) and quality will be reported by the affected household/organization in written or oral form through mechanism of grievant redress established in the RP.

Costs

The estimated total cost of resettlement in Wastewater treatment plant and drainage system subcomponent will be around VND 2.70billion (US\$ 131,514). This cost is for the direct costs associated with the Wastewater treatment plant and drainage system subcomponent, i.e. for structures, basic infrastructure, land, crops, allowances, management cost and the contingency for any missing assets to be affected as well as cost contingency for the price updated in 2011.

Monitoring and Evaluation

Monitoring and evaluation will be undertaken in an integrated manner for all aspects of RP. The RP indicator framework also defines indicators in relation to inputs (financial and human resources made available to the plan), outputs (resettlement activities, livelihood improvement activities, specific ethnic minority measures), and outcome of each component. The detailed indicators of actual delivery of RP entitlements which are listed in the resettlement planning framework will also be monitored.

Internal monitoring

The PPMU is responsible for the internal monitoring of RP implementation. They will prepare and submit monitoring reports to PCU. The monitoring reports will summarize land acquisition and resettlement progress against monitoring indicators; and, where necessary, recommend changes to ensure that the implementation of the RP conforms to the objectives and procedures in the RP. These reports will be submitted to PCU for review and approval and also to be submitted to ADB.

External monitoring

External monitoring of the RP implementation will be carried out by an independent social monitoring team/organization. External monitoring will commence as soon as the updated RP has been approved, and will carry out twice a year or per requested by the PCU during the RP implementation. A Post-Resettlement Evaluation will be carried out 6 months after completion of all resettlement activities, using the same survey questionnaire and sample as used during monitoring activities.

ĐAK NONG



I. INTRODUCTION

A. The Project

1. The Central Region Small and Medium Town Development Project (SAMT), ADB Loan 2272-VIE (SF), aims to improve the urban environment and enhance poverty reduction activities in 5 provinces of the Central Region of Viet Nam, namely, Dak Nong, Binh Thuan, Ninh Thuan, Phu Yen and Khanh Hoa. The provinces of Phu Yen, Khanh Hoa, Ninh Thuan and Binh Thuan are located in the low lying South Central Coast Region while Dak Nong is located on the Dak Lak Plateau in the Central Highlands. The 5 Project provinces have a combined population of about 4.2 million (2004) of which 1.4 million live in urban areas; the urban population is growing at an average annual rate of 2.3 percent. The average level of urbanization for the five provinces is about 33 percent, ranging from 13 percent in Dak Nong to 45 percent in Binh Thuan.

2. The Project will consist of improvements to water supply, drainage, wastewater management and solid waste management systems in up to 8 towns where inadequate urban infrastructure poses serious environmental and health risks, and inhibits social and economic development. The Project will also strengthen local management capacities and the institutional framework for urban environmental services in the towns, and improve community health through a targeted program of community environmental sanitation and awareness.

3. The Ministry of Construction is the Executing Agency for the Project with responsibility delegated to the Management Board for Urban Technical Infrastructure Development Projects (MABUTIP).

B. The Dak Nong Subproject

4. Dak Nong Province is located in the Central Highlands of Viet Nam. Previously part of Dak Lak province, Dak Nong is currently experiencing rapid rural in-migration based around the development of agricultural cash crops including pepper, coffee and fruits. The total population of the province in 2009 was around 489,442. The Dak Nong Subproject will involve physical infrastructure in Gia Nghia town (2010 population, 57,944). Gia Nghia is designated as the new provincial center. Projected 2015 populations of Gia Nghia are 84,000.

5. The Dak Nong subproject will involve improvements to water supply systems and the development of a center comprehensive network for Gia Nghia and small scale drainage improvements along major roads in Gia Nghia. Gia Nghia will also benefit from a new land fill site and associated improvements to the solid waste management system. The construction of Dak Nong subproject is divided into 2 civil works packages for ICB bidding, including DN3A/B/10/ICB package with Civil Works for Wastewater and Drainage Systems in Gia Nghia Town and DN3B/A/10/ICB package with Civil Works for the Water Treatment Plant for Water Supply in Gia Nghia Town. **Table SA5-1** gives a summary of the civil works packages.

Table SA5- 1. Civil works packages of the Dak Nong Subproject

Town	Packages	Scheme Elements	Comments
Gia Nghia	DN3A/B/10/ICB	Wastewater and Drainage Systems in Gia Nghia Town	Mainly constructed on existing road axis
	DN3B/A/10/ICB	Water treatment plant for Water Supply in Gia Nghia Town	Mainly constructed on existing road axis.
	DN4/C/10/NCB	Landfill site	Expanded existing landfill area.

Source: PPMU 2010

C. Resettlement Plan

6. A key component of ADB's resettlement policy is to avoid wherever possible the need for involuntary resettlement. During the PPTA, discussions among the engineering team and between local officials and the resettlement experts have resulted in a number of changes that have reduced the potential resettlement impacts of the Dak Nong subproject. These include alerting APs to the likelihood of some of their land being required, thereby avoiding the construction of houses/structures which would be required for the development of the wastewater treatment plant and drainage system Gia Nghia town.

7. Despite the above measures, land acquisitions for the Dak Nong subproject will have some unavoidable adverse social impacts. This Resettlement Plan (RP) is prepared for the civil works package of DN3A/B/10/ICB to address the unavoidable adverse impact arising from land and property acquisition as a result of the construction of Wastewater and Drainage Systems in Gia Nghia Town. The overall objective of the RP is to ensure that all affected persons (APs) will be compensated at replacement cost at current market value for their losses, and provided with rehabilitation measures, including subsistent allowance, vocational allowance so they are at least as well off as they would have been in the absence of the Project.

8. This RP is based on is prepared to address the unavoidable adverse impacts arising from land and property acquisition as a result of the construction of the Wastewater treatment plant and drainage system subcomponent in Gia Nghia town. The overall objective of the RP is to ensure that all APs will be compensated at replacement cost at current market value for their losses, and provided with rehabilitation measures, including transition allowance, so they are at least as well off as they would have been in the absence of the Project. This RP is based on (i) engineering investigations and designs carried out for 2010 updated Feasibility Studies for this Project, (ii) results of the detailed measurement survey (DMS) conducted in September 2010, (iii) on a socioeconomic survey of the APs conducted in September 2010, and (iv) discussions with local officials and consultation with APs.

9. The policies and principles adopted for the Project have been established based on the abovementioned surveys, on Vietnamese legislation, and the Asian Development Bank's (ADB) Safeguard Policy Statement *on Involuntary Resettlement*. Wherever a gap exists between ADB's Safeguard Policy Statement *on Involuntary Resettlement* and Vietnamese law, the ADB policy supersedes the provisions of relevant Vietnamese decrees (**see Chapter IV**). The provisions and policies of this RP will form the legal basis for the implementation of resettlement activities for the Wastewater treatment plan and drainage system in Package DN3A/B/10/ICB.

10. This RP includes a revision of the compensation rates based on the most recent rates published by Dak Nong PPC and a survey of current market values of key items, e.g. land, house rebuilding and crop prices at the time of September 2010.

11. The Resettlement Plan begins with **Chapter II - Project Impacts** describes the land acquisition and resettlement impacts that will ensue from the subproject's implementation while **Chapter III – Socioeconomic Survey** presents a socioeconomic profile of affected persons and households. **Chapter IV - Legal Framework** reviews the legal background to resettlement and land acquisition in Viet Nam and the relationship between this and ADB policy and describes the overall resettlement policy to be adopted for the Wastewater treatment plan and drainage system subcomponent in Dak Nong subproject and presents the detailed eligibility criteria and entitlements that will be applied. **Chapter V – Resettlement Policy** presents rehabilitation programs for APs. **Chapter VI – Public Participation and Consultation** describes the consultation and public participation procedures adopted in the preparation of this RP and the implementation period and the grievance redress procedures to settle complaints of APs. **Chapter VII- Organizational Framework and Schedule of Resettlement Implementation** describes the institutional arrangements for RP implementation including an indicative implementation schedule. **Chapter VIII** proposes arrangements for monitoring and evaluation. The compensation standards and estimated budget are presented in **Chapter IX – Compensation Standards and Budget**. **Annexes 1 to 5** respectively contain the draft Public Information Booklet, the consultation and disclosure plan, an inventory of APs likely to be impacted by the main elements of the scheme and TOR for resettlement consultants, and the TOR for Resettlement Planning, Implementation and Capacity Building Consultants.

II. PROJECT IMPACTS

A. Methodology

12. The detailed measurement survey (DMS) of the land acquisition impacts of the Package DN3A/B/10/ICB was undertaken by Gia Nghia Town Resettlement Committee (TRC) in combination with PPMU. The DMS data was collected by:

- i. examination of engineering drawings;
- ii. cadastral information obtained from Land Administration departments;
- iii. discussions and consultations with local government officials and APs, and;
- iv. field surveys of the locations of proposed subcomponents.

This data gathering was undertaken September 2010.

B. Resettlement Impacts of the Impacts of DN3A/B/10/ICB Package

2.1. General

13. **Table SA5-2** presents a summary of the main features of the Wastewater Treatment Plant and Drainage System Subcomponent in Package DN3A/B/10/ICB as they relate to land and property acquisition.

14. The resettlement impacts of the Package DN3A/B/10/ICB, and complete figures of land acquisition, houses, structures, and other affected assets, was identified by the TRC based on the detailed technical designs. The socioeconomic information and resettlement data collected in socioeconomic survey and DMS provide the legal basis for the compensation and rehabilitation of affected persons.

15. Any resettlement and acquisition for components not fully evaluated or which result from design changes will however follow the policies, entitlements and compensation standards contained in this RP.

2.2 Minimization of Resettlement

16. A key component of ADB's resettlement policy is to avoid wherever possible the need for involuntary resettlement. During the project implementation, discussions among the engineering team and between local officials and the resettlement experts have resulted in the selection of publicly owned land which has no significant cultivation as site for the Wastewater treatment Plant and drainage systems.

17. Both the engineering design teams and the local authorities are well aware of the need to minimize LAR. It is, therefore, anticipated that as detailed designs are prepared, they will be done so in a way reduces as much as possible the potential impact on current occupiers. This is particularly the case with the Package DN3A/B/10/ICB where the acquisition of agricultural land is unavoidable.

18. The new drains will most often be located along roads which are constructed, or reconstructed, as part of the implementation of approved Master Plan of the Tow. Acquisition for the road therefore occurred independently of this Project. For the most part, the pipelines, drains and water pipes will be covered. Their resettlement impact will thus, for the most part, be temporary and will not prevent the construction or reinstatement of minor structures such as driveways, awnings and fences.

2.3 Resettlement impacts

19. The development of the Wastewater treatment plant and drainage system will require the acquisition of 35,731 m² of land which includes land for the construction of the wastewater treatment plants and drains of 25,003m² and the land that are requested by AHs to the project to acquire as of 10,728m² more. It is explained that with the project intervention, it's difficult to access to or to cultivate on these land because part of the land is located on the eastern part of the project on slope >40°. This was surveyed and jointly agreed by the PPMU and the Project Consultant that it would be acquired and compensated as part of the project. All the land is located in Nghia Tan ward of Gia Nghia town. The acquisition of this land will have a light resettlement impact (see **Table SA5-2**) on 06 HHs or a total of 22 APs but none of them are severely affected because of losing more than 10% of total agricultural landholding or relocation. Among 6 AHs, 2 ones have to dismantle their houses using for controlling crops with a total of 240m², which built on affected agricultural land. They have main houses in Nghia Tan ward. **Table SA5-2 Land acquisition impacts** also contains a quantitative assessment of those elements.

Table SA5- 2. Summary of project impacts on households and properties

Package title	Number of affected households (AHs)						
	Severely Affected				Marginally Affected	Total number of AHs and APs	
	Total	Number of AHs losing houses	Number of AHs losing shops	Number of AHs losing more than 10% of agri. land	Number of AHs losing less than 10% of agri. land	AHs	APs
DN3A/B/10 /ICB	0	0	0	0	6	6	22
Acquired land area							
DN3A/B/10/I CB	Residential land (m ²)	Agricultural land (m ²)	Forest land (m ²)	Pond & lake land (m ²)	Other kinds of land (m ²)	Total (m ²)	
	0	35,731	0	0	0	35,731	
Other affected assets							
DN3A/B/10/I CB	House (m ²)	Shop area (m ²)	Crops area (m ²)	Number of trees (trees)	Number of graves (unit)	Other* assets	
	240	0		6.356	2	595	

Source: Data of PMU and TRC, 2010

*Other assets: simple construction items such as yards, fence, buried plastic pipes, etc.

20. The entitlements resulting from these losses, based on the entitlement matrix presented in **Table SA5-10** are included in **Chapter IX** which gives the detailed resettlement budget. **Chapter III** describes the socioeconomic characteristics of the APs and their attitudes towards potential compensation packages.

III. SOCIOECONOMIC SURVEY

A. General

21. This Chapter describes the socioeconomic situation of APs. The information provided will assist project proponents and resettlement workers in the difficult task of determining appropriate entitlements and assistance to APs. During the DMS implementation, a socioeconomic survey of AHs in the area of Wastewater treatment Plant and drainage Subcomponent was also carried out to identify their salient socioeconomic characteristics. This serves as a basis for identification of appropriate measures that could assist AHs to at least recover their living standards and restore their sources and levels of incomes or productive capacities. Given the low number of AHs, all APs were interviewed. The names of the household heads affected are contained in **Annex 3** and will serve as an initial benchmark for measuring the success or failure of mitigation measures provided to APs following completion of resettlement; the proposed monitoring and evaluation system, which will be an integral part of the resettlement process, is described in **Chapter VIII**.

B. Town Socioeconomic Characteristics

22. **Table SA5-3** summarizes key socioeconomic characteristics of the Dak Nong town. The main common characteristics of the towns are: high proportions of agricultural employment, high poverty and malnutrition rates (apart from Gia Nghia), high school enrollment levels, lack of piped water and rudimentary sanitary conditions. The overall picture is one of substantially inferior socioeconomic conditions than in most other Vietnamese towns where the poverty rate averages around 11 percent.

Table SA5- 3. Socioeconomic Characteristics of Gia Nghia in Dak Nong Town

Indicator	Gia Nghia
Total Population	57,944
<i>Urban Total</i>	<i>40,560</i>
<i>Sub-urban</i>	<i>17,384</i>
<i>% Urban</i>	<i>70%</i>
% Ethnic minorities	35%
% Labor force in agriculture	62%
Poverty rate (% of pop.)	17%
School enrolment (% of children 5-15 yrs)	96%
Malnutrition (% under 5s)	5% *
Domestic Water Supply - wells	100%
Sanitation - latrines***	50%

** In urban area *** Most other households have no sanitary facilities
Source: Updated Social Assessment, 2010

C. Characteristics of Affected Persons

3.1 Population and households

23. Of all 06 households surveyed, none (100%) are from ethnic minorities. Furthermore only 2 AHs are female-headed but they all have at least 01 male in working age in house. The average size of AHs in the package DN3A/B/10/ICB is 3.7 persons with and none of them have more than 05 persons.

Table SA5- 4. Household Size

Household Size	No.	%
1 or 2 persons	1	16.7%
3 or 4 persons	4	66.6%
5 or 6 persons	1	16.7%
6+ persons	0	00.0%
Total	6	100%
Average size	3.7 persons/HH	

Source: Field Surveys, September 2010.

24. The overall sex ratio of the total population surveyed is 46 percent male and 54 percent female. Over a quarter of the population is aged under 16 years while only 4 percent are aged over 60 years. The population is therefore predominantly concentrated in the working age groups.

25. All households have been residents in the area for over 10 years and have permanent resident status in the area.

26. **Table SA5-5** gives the educational attainment of household heads and members. The average educational attainment of household heads is 6.2 and members' is 5.7. Such low education attainment will cause difficulties in training vocation for these APs.

Table SA5- 5. Educational Attainment

Highest level of education	Degree
Household heads	6.2
Household members	5.7
Average	6.0

Source: Field Surveys, September 2010.

3.2. Occupation and Income

27. Given the rural or semi-rural location of the subcomponents, it is no surprise that all the AHs are agricultural-based households although several undertake off-farm work during the off-season. The most prevalent crops are coffee, pepper, cashew and cassava; there is little rice cultivation. Around a quarter of households live on or adjacent to their farming land while the others live away from their plots.

28. The income distribution of AHs is presented in **Table SA5-6**. The average income of AH heads is around VND 1.4 million per month; the average per capita income is approximately VND 706,000. Using the general MOLISA poverty line, no AH would be classified as poor. There is no correlation between incomes and the titular head of household.

Table SA5- 6. Per Capita Household Income

Household per capita income (VND per month)	No. of APs	Average income/month
Household heads	6	1,417,000
Household members	16	439,000
per capita	22	706,000

Source: Socioeconomic Survey, September 2010.

3.3. Land, Housing and Other Assets

29. Current agricultural land holdings of AHs average 4,900 m² although the range is large – from around 1000 m² to over 1 hectare. All AHs own their houses and have use rights to the land that they cultivate.

Table SA5- 7. Land Holdings

Household Land Holdings		
Area (m2)	# HHs	percent
>1000	0	0%
1001-2000	0	0%
2001-3000	0	0%
3001-4000	1	20%
4001-5000	1	20%
>5001	4	60%
Total	06	100%

Source: Socioeconomic Survey, September 2010.

30. The AHs live in semi-permanent, wood frame houses – the most prevalent form of construction in this area. None have piped water and all rely on wells for their domestic water supply; pit latrines are used for sanitation. All have access to electricity.

31. All AHs own bicycles, electric fans and TVs; most of them use wood for cooking, only half of AHs use electric cookers. 66.7 percent of AHs own motor cycles. Ownership of other durables is low (Table SA5-8).

Table SA5- 8. Ownership of Assets

Item	Households owning	
	No.	%
Car	0	0%
Motor Cycle	4	66.7%
Bicycle	8	133.3%
Washing Machine	0	0%
Refrigerator	1	16.7%
Television	6	100%
Telephone	3	50%
Video	1	16.7%
Electric Fan	6	100%
Gas Cooker	0	0%
Electricity Cooker	3	50%
Bath Tube	0	0%

Source: Socioeconomic Survey, September 2010.

3.4 AP Perceptions

32. During the socioeconomic survey, AHs were asked whether they would prefer compensation in the form of cash or replacement land/property. The unanimous response was for cash compensation. This response can be explained by two facts: Firstly, land in this province is not in such short supply as in coastal and urban areas of the country. Secondly, and more importantly, no AHs need relocate from their current plots and all will have enough remaining land to be able to carry on cultivating.

33. Despite the early stage of project formulation, most AHs were aware of the proposed works. During the SES interviews with AHs in the Wastewater treatment plant and drainage system, APs were asked whether they preferred to receive cash compensation or replacement land as compensation for that the land that they were going to lose. Without exception, all indicated their preference to receive cash compensation for affected land and other assets. There are three main reasons for this: (i) all AHs will be able to continue living and/or cultivating on their existing plots, (ii) land in the Central Highlands, despite continued immigration remains relatively plentiful and can be accessed by individuals without undue difficulty, and (iii) receiving cash provides APs more control over their future than if they receive replacement land from the authorities, the location of which would, to a large extent, be outside their control. For instance they may decide to allocate some of this cash to other household priorities, e.g. education, home improvements.

IV. LEGAL BACKGROUND

34. The legal and policy framework for compensation and resettlement under the Project is defined by the relevant laws of the Government of Viet Nam (GOV) and the ADB's *Policy on Involuntary Resettlement (Safeguard policy statement 2009)*.

A. The Vietnamese Legal Background

1.1 Applicable Laws and Circulars

35. In addition to the Constitution of the Socialist Republic of Viet Nam (April 1992), the GOV has enacted a number of laws, decrees and regulations that constitute the legal framework for land acquisition, compensation and resettlement.

The principal documents include:

- i. Land law passed by the National Assembly on 26 November 2003.
- ii. Decree 181, dated 29 November 2004, on executing Land law.
- iii. Decree 197, dated 03 December 2004, on compensation, assistance and resettlement when the State acquires the land. This is arguably the key piece of legislation which replaces Decree 22/CP of 24 April 1998 which previously provided the primary basis for compensation and resettlement activities.
- iv. Circular 116, dated 07 December 2004, of the Ministry of Finance providing guidelines on executing Decree 197 of the GOV.
- v. Decree 198 on charging fees on land use.
- vi. Decree 188, dated 16 November 2004, on methods to identify tariffs and the tariff frames for different types of land.
- vii. Decree 17/2001/ND-CP, dated 04 May 2001, relating to regulations on management and utilization of overseas development assistance.
- viii. Decree 17/2006/ND-CP, amending Decree No. 181/2004/ND-CP, Decree No. 197/2004/ND-CP, and other decrees.
- ix. Decree 84/2007/NĐ-CP dated 25 May 2007 on the supplement of the issuance of Land use certificate, land acquisition and compensation, support and resettlement procedures when the State acquires land.
- x. Decree 69/2009/ND-CP, dated 13 August 2009, supplementing land use planning, land price, land acquisition, compensation and resettlement.
- xi. Circular 14/2009/TT-BTNMT, dated 1 October 2009, of the Ministry of Natural Resource and Environment providing guidelines to executing Decree 69.
- xii. Decree No. 79/2003/ND-CP, promulgating the regulation on the exercise of democracy in communes, including requirements for consultation with and participation of people in communes.

36. In general, the above laws and decrees provide the enabling legislation that will be implemented at the provincial and local level through decrees and regulations, particularly with respect to the benchmark prices and compensation standards that are used to calculate the amount of compensation and other assistance to be provided to persons affected by land acquisition and resettlement. These include:

- i. Decision 05/2010/QĐ-UBND dated 23 February 2010 of Dak Nong PPC on regulations of compensation, assistance and resettlement when the State acquires land in the provinces.
- ii. Decision 29/2009/QĐ-UBND dated 29 December 2009 of the PPCs on land prices in the province.
- iii. Decision 18/2010/QĐ-UBND dated 14 July 2010 of the PPC on price for construction, construction works on land sites; the ratio of the main structure to the total value of the house and the works to serve as basis for estimating compensation and assistance.

- iv. Decision 19/2007/QĐ-UBND dated 24 October 2007 of the PPC on the issuance of prices of plants, cash crops and cattle on the land to serve as basis for estimating compensation and assistance.

These Decisions have been incorporated into the resettlement plan.

1.2 The 2003 Land Law

37. The 2003 Land Law that became effective on 1 July 2004 supersedes the earlier 1987 and 1993 versions, and provides Viet Nam with a comprehensive land administration law. Under the law, the State reserves the right to allocate land and determine its usage. Individuals, households and organizations can obtain use rights to land, which they can sell, transfer, rent, bequeath or use as collateral.

38. With respect to land acquisition, resettlement and compensation, the provisions of the Law include:

- i. The State reserves the right to expropriate or “recover” for the purposes of national defense or security, or national and public interest (Article 38).
- ii. Individuals, households and organizations that have or are eligible to obtain recognized land use rights for recovered land will receive compensation for the loss of these assets (Article 42(1)).
- iii. Before land is expropriated, the user must be informed of the reasons for expropriation, schedule and plans for resettlement, if necessary, and options for compensation (Article 39).
- iv. Compensation for agricultural land will be in the form of new land or, if no new land is available, cash equivalent to the land use right value of the recovered land (Article 42(2)). In the latter case, the land use right value is established as the value of similar land under normal market conditions, as determined on an annual basis by PPCs; these prices are to be publicly announced on the first of January each year (Article 56).
- v. Recovery of land from people directly involved in agricultural production but having no land available for continued production will receive cash compensation and, in addition, support from the State to stabilize their lives (Article 42(4)).
- vi. The loss of rural residential land will be compensated with alternate residential land. In urban areas where there are no established resettlement zones, people will receive cash for recovered residential land and priority to purchase or lease state-owned dwellings. Where the use right value of recovered residential land is greater than the land given in compensation, the difference will be paid in cash (Article 42(3)).
- vii. Structures and other fixed assets on recovered land will not be compensated in cases where they have been constructed without permission; in contravention of permitted uses in land use plans; or, when structures are located on illegally encroached land (Article 43(2)).
- viii. In the event of temporary recovery of land, for example during construction, upon the expiry of temporary land acquisition, the State will return the land and pay compensation for any damages (Article 45).
- ix. In the case that international treaties, which the Socialist Republic of Viet Nam has signed or acceded to, contain provisions different from the provisions of this Law, the provisions of such international treaties shall be applied (Article 3 (2)).

1.3 Decree 197/2004/ND-CP

39. Following the adoption of the new Land Law, the GOV issued Decree 197/2004/ND-CP to regulate the implementation of the new Land Law. This decree supersedes Decree 22/1998/ND-CP which previously provided the detailed regulations governing compensation and entitlements arising from land acquisition and resettlement. Guidelines (Circular 116/2004/TT-BTC) have been issued for the implementation of this Decree. The principal new features of Decree 197/2004/ND-CP are:

- i. To encourage private project developers/investors to negotiate directly with affected people on compensation and resettlement. Previously there was no scope for direct negotiations between private investors and occupiers of the land in question.
- ii. To assign PPCs to prepare and implement resettlement projects to compensate relocating people with housing or residential land prior to the acquisition of their land.
- iii. Mandates that compensation be based on the land prices announced by the local PPCs on the first day of the year, as governed by the Land Law 2003. The land price should reflect the market price of land use rights transfer in normal market conditions.
- iv. Persons losing land will be compensated with new land of the same land use type. In case there is no land available for “land for land” compensation, he/she will be compensated at the price reflecting the land use value at the time the Decision on land acquisition is issued.
- v. Compensation for residential land is based on the actual land use.
- vi. Persons losing agricultural, nursery or aquaculture ponds in urban residential areas will be given assistance equivalent to between 20 percent to 50 percent of the residential value of this land in addition to the compensation based on its current agricultural/nursery/aquaculture use.
- vii. Affected houses and structures attached to the acquired land are compensated at replacement cost without depreciation and deduction of salvage materials.
- viii. Affected crops and trees are compensated at market and replacement cost, respectively.
- ix. Involuntary relocated persons can choose one of the three relocation options: (a) compensated with housing; (b) compensated with assignment of a new residential plot; and (c) compensated in cash for self relocation.
- x. The designated PPC resettlement implementation unit has to inform affected persons on proposed relocation options and publicly announce these options at their office and to the affected commune/ward Peoples’ Committee at least 20 days before the competent authority approve the resettlement option.
- xi. Rehabilitation assistance measures should be provided to the severely affected persons, including those having income generating capacity affected.
- xii. Strengthens the rights and obligation of affected persons for compensation and resettlement.
- xiii. Enforce implementation of the Decision on land acquisition to the case of violation.

1.4 Decree 17/2006/ND-CP

40. The main provisions of this decree are summarized below.

Pertaining to Decree 181/2004/ND-CP

- i. Decree 17 includes a standard for calculating the maximum amounts of land that can amount of land that can be used for different types of project. Prior to project disclosure and approval, DONREs are charged with preparing maps showing key details of every plot to be acquired. Following project approval, the Land Development Organizations or local PCs (at provincial, district or town level) are responsible for preparing and submitting the compensation acquisition plans for approval by the PPCs within 15 days. PPCs are also responsible for establishing a grievance redress procedure. Complainants not satisfied with the PPC’s decision on their complaint can appeal to the People’s Courts or PPCs within 45 days. Decisions must comply with the Law on Grievance Redress Resolution and be announced publicly.

Pertaining to Decree 197/2004/ND-CP

- i. Provisions in Decree 17/2006/ND-CP also relate directly to land compensation. The most important of these is that where published PPC land prices are much lower than the actual market price, a Land Valuation Council must be set up to ensure the principle of compensation based on market prices.

- ii. Households losing more than 30 percent of their land and those requiring resettlement will be provided with employment support through the allocation of land (agricultural or non-agricultural). If no land is available, they will be provided with employment support, e.g. training in vocational centers.
 - iii. Poor households or individuals (according to the MOLISA poverty line) losing land or property must be supported by the PPCs for between 3 and 10 years after completion of land acquisition.
41. Provisions in Decree 69/2009/ND-CP relate directly to land compensation and allowance. The most important of these are supports for relocation and vocational training:
- (i) Relocated household who receive or not receive a plot or an apartment in resettlement site but total compensation amount for them is lower than value of compensated plot or apartment will be supported for the difference. If relocated household who self-relocate without receiving above support will be provided an allowance for infrastructural preparation of the new resident site equal to an investment unit for infrastructure of a standard plot in resettlement site.
 - (ii) Affected household who directly cultivate on acquired land will be entitled to support for life stabilization as below:
 - for 6 months if losing from 30% to 70% of total agricultural land holding and not relocated; for 12 months if relocated and 24 months if relocated in severe living condition area;
 - for 12 months if losing more than 70% of total agricultural land holding and not relocated; for 24 months if relocated and 36 months if relocated in severe living condition area;
 - (iii) Affected household who directly cultivate on acquired land will be entitled to support for vocational training equal to 1.5 to 5 times of the land compensation price but not exceed the quota of agricultural land in locality.

B. Gaps between National Laws and ADB Policy

2.1 ADB Policy on Involuntary Resettlement

42. The aim of the ADB's Safeguard Policy Statement *on Involuntary Resettlement* (2009) is to avoid or minimize the impacts on people, households, businesses and others affected by the land acquisition required by the Project. The overall goal of the ADB policy is to compensate and assist affected people *to restore their living standards to levels equal to, if not better than, that which they had before the Project.*

The main objectives and principles of the policy are as follows:

- (i) Screen the project early to identify past, present, and future involuntary resettlement impacts and risks. Determine the scope of resettlement planning through a survey and/or census of displaced persons, including a gender analysis, specifically related to resettlement impacts and risks.
- (ii) Carry out meaningful consultations with affected persons, host communities, and concerned nongovernment organizations. Inform all displaced persons of their entitlements and resettlement options. Ensure their participation in planning, implementation, and monitoring and evaluation of resettlement programs. Pay particular attention to the needs of vulnerable groups, especially those below the poverty line, the landless, the elderly, women and children, and Indigenous Peoples, and those without legal title to land, and ensure their participation in consultations. Establish a grievance redress mechanism to receive and facilitate resolution of the affected persons' concerns. Support the social and cultural institutions of displaced persons and their host population. Where involuntary resettlement impacts and risks are highly complex and sensitive, compensation and resettlement decisions should be preceded by a social preparation phase.

- (iii) Improve, or at least restore, the livelihoods of all displaced persons through (i) land-based resettlement strategies when affected livelihoods are land based where possible or cash compensation at replacement value for land when the loss of land does not undermine livelihoods, (ii) prompt replacement of assets with access to assets of equal or higher value, (iii) prompt compensation at full replacement cost for assets that cannot be restored, and (iv) additional revenues and services through benefit sharing schemes where possible.
- (iv) Provide physically and economically displaced persons with needed assistance, including the following: (i) if there is relocation, secured tenure to relocation land, better housing at resettlement sites with comparable access to employment and production opportunities, integration of resettled persons economically and socially into their host communities, and extension of project benefits to host communities; (ii) transitional support and development assistance, such as land development, credit facilities, training, or employment opportunities; and civic infrastructure and community services, as required.
- (v) Improve the standards of living of the displaced poor and other vulnerable groups, including women, to at least national minimum standards. In rural areas provide them with legal and affordable access to land and resources, and in urban areas provide them with appropriate income sources and legal and affordable access to adequate housing.
- (vi) Develop procedures in a transparent, consistent, and equitable manner if land acquisition is through negotiated settlement to ensure that those people who enter into negotiated settlements will maintain the same or better income and livelihood status.
- (vii) Ensure that displaced persons without titles to land or any recognizable legal rights to land are eligible for resettlement assistance and compensation for loss of non-land assets.
- (viii) Prepare a resettlement plan elaborating on displaced persons' entitlements, the income and livelihood restoration strategy, institutional arrangements, monitoring and reporting framework, budget, and time-bound implementation schedule.
- (ix) Disclose a draft resettlement plan, including documentation of the consultation process in a timely manner, before project appraisal, in an accessible place and a form and language(s) understandable to affected persons and other stakeholders. Disclose the final resettlement plan and its updates to affected persons and other stakeholders.
- (x) Conceive and execute involuntary resettlement as part of a development project or program. Include the full costs of resettlement in the presentation of project's costs and benefits. For a project with significant involuntary resettlement impacts, consider implementing the involuntary resettlement component of the project as a stand-alone operation.
- (xi) Pay compensation and provide other resettlement entitlements before physical or economic displacement. Implement the resettlement plan under close supervision throughout project implementation.
- (xii) Monitor and assess resettlement outcomes, their impacts on the standards of living of displaced persons, and whether the objectives of the resettlement plan have been achieved by taking into account the baseline conditions and the results of resettlement monitoring. Disclose monitoring reports.

2.2 Gaps between National Laws and ADB Policy

43. The 2003 Land Law and Decree 197/2004/ND-CP considerably reduced differences that had existed between GOV and ADB policies relating to involuntary resettlement prior to the enactment of this legislation. Remaining gaps have just been further reduced by Decree 17/2006, Decree 84/2007 and Decree 69/2009.

44. **Table SA5-9** highlights the key differences between Vietnam's policy on resettlement and the ADB's policy on involuntary resettlement. Measures to bridge the remaining differences in order to make local practices consonant with Bank policies and procedures are also provided.

Table SA5- 9. Differences between Vietnam's policy and ADB's Policy on Involuntary Resettlement

Decree 197/17/84/69	ADB Policy	Project Policy
<i>Article 6:</i> If persons who have land recovered by the State meet all conditions prescribed in Article 8 of the Decree 197/2004/ND-CP, they shall receive compensation; if they fail to meet all conditions for compensation, the Peoples' Committees of the provinces or centrally-run cities shall consider to provide support.	APs who are not entitled to compensation under domestic law will be assisted to restore their pre-project living standards.	No compensation for illegible land but assistance will be provided to restore the living of APs to pre-project level. All affected people by the Project, irrespective of tenure status, social or economic standing, will be equally entitled for compensation of their lost assets, incomes and businesses at full replacement cost, and provided with rehabilitation measures sufficient to assist them to improve or at least restore their pre-project living standards, income levels and productive capacity.
<i>Article 9:</i> The compensation rates for land shall be determined by the PPC in accordance with the Government regulations for the type of land which has been used for at the time of land acquisition. Decree 17/2006 provides for compensation to be based on market prices. Where there is a difference between current use and market values, a Land Valuation Council has to be set up to establish current market values.	Land compensation should be based on replacement at current market values.	Project staff and independent consultants will work with the Land Valuation Councils to carry out replacement cost surveys to ensure that project rates for all categories of loss will be equivalent to replacement cost at current market value. These compensation units will be updated at the time of compensation.
<i>Article 18, 19, 20 Decree 197:</i> <ul style="list-style-type: none"> Houses and structures on non-eligible-for-compensation land, which have not violated announced land use plans or the right of way, will be assisted at 80 percent of replacement cost. Houses and structures on non-eligible-for-compensation land, which have violated announced land use plans or the right of way, will not be assisted. In special cases, the PPC will consider to assist on the case by-case basis. 	All affected houses and structures, irrespective of land tenure status, should be compensated at the full replacement cost.	Full compensation at replacement cost will be paid for all affected structures based on current fair market price of new building materials and labor without any deductions for salvageable materials and labor or depreciation.
<i>Articles 26, 28, Decree 197:</i> Only registered businesses are eligible for assistance.	All affected businesses are eligible for assistance.	All affected businesses are eligible for assistance.
<i>Article 28, 29, Decrees 197 and 69:</i> APs losing more than 30 percent of productive land will be entitled to living stabilization and training/job creation assistance. Decree 17/2006 strengthens this provision and provides for the long term assistance to poor households.	Severely affected AP, including AP losing more than 10 percent or more of productive income generating assets including productive land, will be entitled to rehabilitation assistance.	APs losing more than 10 percent of productive land will be entitled to rehabilitation assistance. Assistance will be available to vulnerable households.
No provision for external monitoring.	External monitoring of the resettlement process by an independent and qualified institution is required.	Provision will be made for the independent external monitoring of the resettlement and income restoration process.

V. THE RESETTLEMENT POLICY

A. Objective

45. The Vietnamese legislation governing resettlement, compensation and rehabilitation of affected people and the ADB's Safeguard Policy Statement *on Involuntary Resettlement* have been adopted for the preparation of the Viet Nam Central Region Small and Medium Towns Development Project. The policies adopted for the Project take precedence over the provisions of relevant laws and decrees currently in force in Viet Nam wherever a gap exists between the ADB's *Policy on Involuntary Resettlement* and Vietnamese law.

46. The overall objective of the compensation and entitlement policy for the Project is to ensure that all people affected by the Project and its subprojects are able to maintain and, preferably, improve their pre-project living standards and income-earning capacity through compensation for the loss of physical and non-physical assets and, as required, other assistance and rehabilitation measures.

B. The Need for the RP

47. Consonant with ADB's policy that APs should not be worse off as a consequence of Projects it supports, the RP provides the framework within which involuntary resettlement in the Central Region Small and Medium Towns Development Project would be addressed. Specifically, the RP will:

- i. Provide an assessment of the impacts of the Wastewater Treatment Pumping station and Drainage system in the DN3A/B/10/ICB package would have on the local population;
- ii. Quantify in monetary terms the private and public assets to be acquired for or impacted by the subproject;
- iii. Present a strategy that would ensure the timely acquisition of assets, payment of compensation and delivery of other benefits to APs;
- iv. Provide a plan on how the APs would be involved in the various stages of the Project, including the implementation of the RP; and
- v. Give an overall estimate of the required resources needed to implement the RP.

C. Key Principles of the Resettlement Policy

48. The following principles have been adopted for the Project to guide the compensation and entitlement policy:

- i. The acquisition of land and other assets and the relocation of affected people will be avoided or minimized as much as possible by exploring all viable options.
- ii. All APs are entitled to compensation at replacement cost for their lost assets, incomes and businesses, including temporary losses or impacts.
- iii. Rehabilitation assistance will be provided to severely affected people and other vulnerable groups to assist them to improve or at least restore their pre-project living standards, incomes and productive capacity.
- iv. Particular attention must be paid to the needs of the poorest people and vulnerable groups that may be at high risk of impoverishment. This may include those without legal title to land or other assets, landless households, households headed by females, the elderly or disabled and other vulnerable groups, particularly ethnic minorities. Appropriate assistance must be provided to help them improve their socioeconomic status.
- v. Affected people that lose only part of their physical assets will not be left with a portion that will be inadequate to sustain their current standard of living. The minimum size of remaining land and structures will be agreed during the resettlement planning process.

- vi. Lack of legal title to affected assets will not bar APs from entitlement to compensation and assistance to achieve the stated objectives of this Resettlement Plan.
- vii. As a priority, loss of agricultural land will be compensated with alternative land of equal size and productive capacity. If suitable replacement land is not available and/or at the “informed request” of APs, compensation will be paid in cash at replacement cost base on current market prices for agricultural land of the same category (or productive capacity) as the affected land.
- viii. Replacement land for agriculture, residential purposes and businesses will be provided with secure tenure status; all fees, sales taxes or other surcharges associated with transfer of land title will be waived.
- ix. Compensation for houses and other structures will be determined according to replacement cost for materials and labor to rebuild similar structures, at current market prices in the locality. In determining replacement costs, depreciation of assets and salvage value of materials will not be taken into account.
- x. In the case of the relocation of APs, replacement houses and/or agricultural land will be located as close as possible to the assets that were lost, and at locations acceptable to APs. Relocated APs will receive relocation and transition subsistence allowances.
- xi. Efforts shall be made to maintain, to the extent possible, the existing social and cultural institutions of the resettled people and host communities.
- xii. APs will be fully consulted and will participate in the preparation and implementation of RPs for each subproject. The comments and suggestions of affected people and communities will be taken into account during the design and implementation phases of resettlement activities.
- xiii. Adequate resources will be identified and committed during resettlement planning for each subcomponent and the overall Project. This includes adequate budgetary support fully committed for each subproject and made available to cover the costs of land acquisition, compensation, resettlement and rehabilitation within the agreed implementation period for the subproject; and, adequate human resources for supervision, liaison and monitoring of land acquisition, resettlement and rehabilitation activities.
- xiv. Appropriate reporting, monitoring and evaluation mechanisms will be identified and set in place as part of the resettlement management system. Monitoring and evaluation of the land acquisition, resettlement and rehabilitation processes and the final outcomes will be conducted by an independent monitoring agency.
- xv. The RP will be translated into Vietnamese or, where necessary, the local language and placed in the commune offices for the reference of APs as well as other interested groups.
- xvi. ADB shall not approve any civil works contract for any subproject to be financed from the loan proceeds unless the Government has satisfactorily completed payment of compensation for affected assets and any relocation to new sites, in accordance with the approved RP for the subproject. Rehabilitation measures must also be in place but not necessarily completed, as these may be ongoing activities.

D. Entitlements

49. **Table SA5-10** provides the detailed entitlement matrix for the Wastewater Treatment Pumping station and Drainage system in the DN3A/B/10/ICB package. It contains the following:

- i. The sub-groups of Affected Persons entitled to different categories of compensation and assistance.
- ii. The categories of loss and/or disturbance eligible for compensation and assistance.
- iii. The type of compensation and assistance to be provided and the basis for their calculation.

E. Eligibility

50. For the Project, the cut-off-date for eligibility to the entitlements is defined as the completion of the Detailed Measurement Survey (DMS), which is September 30, 2010. People who move into the project affected area after the cut-off date are not entitled to compensation or any other form of resettlement assistance except where they have legally acquired the land from the previous owner (who will not then be entitled to any compensation except where they are still resident on the plot and then only for the portion of land they retain). Likewise, occupiers who engage in new construction will receive no compensation for these if they are built after the cut-off date except where they involve routine maintenance and repairs. They will be given sufficient advance notice, and requested to vacate premises and dismantle affected structures prior to Project implementation. However, their dismantled structures will not be confiscated and they will not have to pay any fine or sanction. Forced eviction will only be considered after all other efforts are exhausted.

F. Severely Affected and Vulnerable Households

51. The Project compensation and entitlement policy matrix, presented in **Table SA5-10** is designed to cover compensation for lost assets and assistance to restore or enhance livelihoods of all APs. An important feature of this policy is that various rehabilitation measures will also be available to severely affected, poor and otherwise vulnerable APs. This section describes the features of this additional assistance.

6.1 Assistance to Severely Affected Households

52. The Project's definition of a severely affected person (SAP) is one who experiences either a loss of 10 percent or more of their productive assets (most often land) or property demolition and relocation.

53. Given the objective of this RP which is to restore, or preferably improve, pre-project living standards and productive incomes of APs, additional assistance will be made available to these SAPs. This package includes a transition subsistence allowance equivalent to 30 kg of rice per month for each household member, for six to thirty six months (depending on whether relocation is required. See the Entitlement Matrix) as well as in kind assistance including some or all of the following:

- i. agricultural extension to strengthen existing cultivation practices with sustainable production techniques to be provided through government programs and by increased visits from commune and district agricultural extension officers;
- ii. improved access to agricultural credit;
- iii. through the National Fund for Employment Support of MOLISA, the Agricultural and Rural Development Bank, Bank for the Poor and local and national nongovernment organizations promoting micro-credit facilities.
- iv. priority for employment on the road improvement project construction (see below).

54. The in-kind assistance will be particularly important for SAPs whose land holding becomes unviable and who therefore either have to look for land elsewhere or search for urban-based employment. Note that SAPs are only eligible for one economic rehabilitation package per household even if they lose both their property and over 10 percent of their land holding.

Notes: paras 54 and 55 are not applicable because there is no severely affected person by this subcomponent.

55. The RP policy includes the requirement to provide additional assistance to vulnerable households. These are defined as those that are poor (with per capita incomes below VND200,000 in rural and VND 260,000 in urban area), that are from ethnic minorities, that are female headed and who are classified as vulnerable using the MOLISA definition, e.g. elderly living on their own, or disabled. AHs falling into the above categories are eligible for additional assistance as follows:

- i. Poor households: support for 3 years .
- ii. Other vulnerable households: VND1 million per household (as per Dak Nong PPC Decision).

56. Vulnerable households are not eligible for the above assistance if they already qualify for assistance as SAPs.

6.2 Priority Employment for SAPs on Subcomponent Construction Work

57. Civil works for construction of subcomponents in Dak Nong will require local laborers for land clearance, earthworks and other activities. The bidding documents and contract conditions for civil works will stipulate that the civil works contractors and any labor contractors they use to hire the local workforce will:

- i. give priority to qualified APs and especially SAPs;
- ii. pay legal wages to workers; and,
- iii. ensure that there is no use of child labor.

58. In addition, as per the national 1996 Labor Code (as amended in 2002), all employment for the subproject will respect GOV commitments to gender equity. Specifically, contract conditions for civil works will stipulate that civil works contractors and any labor contractors they use to hire the local workforce will comply with gender equity requirements, including:

- i. employment targets for women and, as relevant, ethnic minorities;
- ii. no discrimination against the employment of qualified women; and,
- iii. no differential wages paid to men and women for work of equal value.

59. Moreover, a specific clause will be included in bidding documents and contract conditions that compliance will be strictly monitored during implementation of the subproject.

Table SA5- 10. Entitlement Matrix

Entitled Persons	Type & Level Of Impact	Compensation Policy	Implementation Issues
A. AGRICULTURAL LAND			
<i>A.1: Temporarily Affected Agricultural Land</i>			
User with permanent rights (legal and legalizable) AND Eligible organizations	Loss of use of the land for a period less than 1 year	No compensation for land if returned to original user; however, the Project will: - Pay cash compensation for loss of crops and trees at market prices (see D, below); AND, - Pay compensation for loss of net income from subsequent crops that cannot be planted for the duration of the lease; AND, - Restore of land to its previous or better quality.	Provide measures to improve land quality in cases of land being adversely affected or acidified.
	Loss of use of land exceeds 1 year.	a) AP to continue temporary use arrangements; OR b) AP to sell landholding to Project at replacement value based on current market prices.	
User with lease or temporary right	Loss of use of the land for a period less than 1 year	No compensation for land if returned to original user; however, the Project will: - Pay cash compensation for loss of crops and trees at market prices (see D, below); AND, - Pay compensation for loss of net income from subsequent crops that cannot be planted for the duration of the lease; AND, - Restore of land to its previous or better quality.	Provide measures to improve land quality in cases of land being adversely affected or acidified.
	Loss of use of land exceeds 1 year.	a) AP to continue temporary use arrangements; OR b) AP to sell landholding to Project at 30 percent of replacement value based on current market prices.	
Non-titled user		No compensation for land; however, the Project will pay cash compensation for loss of standing crops and trees at market prices (see D, below)	Compensation will be at least equivalent to income lost as a result of the temporary acquisition of the land.
<i>A.2 Permanently affected agricultural land</i>			
User with permanent right (legal and legalizable)	More than 10 percent of total productive landholding affected	a) As a priority, allocation of replacement land a) equal in area to affected land up to a maximum of land quota in province of subproject; b) of same category (or productive capacity), c) at a location satisfactory to AP, d) with full title in the names of both the household head and his/her spouse and e) without charge for taxes, registration and land transfer charges; AND - Economic rehabilitation package (see G, below); OR, - if AP opts, b) Cash compensation at replacement value at current market prices; AND, if loss exceeds 10 percent of land area; and - Economic rehabilitation package (see G, below).	If remaining land holding is not economically viable i.e. is too small to be economically cultivated, the Project will acquire the entire land holding and not just the affected portion. The size of the entire holding will be the basis for providing replacement land and cash compensation.
	Affected landholding exceeds area of land quota	- Cash compensation for the entire land holding at replacement value; OR replacement land equal to the land quota AND cash compensation for the area of affected land that exceeds the land quota.	
			Preceding note on viability of remaining (unaffected) portion of the plot also applies

Entitled Persons	Type & Level Of Impact	Compensation Policy	Implementation Issues
	Less than 10 percent of total productive landholding affected; OR No suitable replacement land available	a) Cash compensation at replacement value at current market prices for affected portion, if remaining holding is viable; OR b) Cash compensation at replacement value at current market prices for entire landholding, if remaining holding is not viable.	
	Affected landholding located in urban, peri-urban or rural residential area, as per approved land use plan	- Additional cash compensation equal to 60 percent of the agricultural land value.	
	Affected land co-owned by two or more households	- Compensation shared by all co-owners in the absence of legal documents certifying the share of co-owners and identifying APs affected by land acquisition.	
	Affected landholding is under dispute.	- Compensation held in escrow account until land dispute is resolved.	
User with lease or temporary rights		-a) Cash compensation equivalent to 30 percent of replacement value for affected land; OR, b) Cash compensation for loss of net income for the remaining leased or assigned period, whichever is higher.	Preceding note on viability of remaining (unaffected) portion of the plot also applies.
Non-titled user		- No compensation for affected land, but - Economic rehabilitation package in lieu of compensation (see G, below). - For non-titled APs with no other productive landholdings, local authorities will allocate replacement land with temporary or lease land rights.	Landless APs will not be displaced until commune allocates alternate land.
Eligible organizations		- Compensation for land if the land use fee paid by the organization's budget and no compensation if the land use fee paid by government budget. - Cash compensation at current market prices for all assets on the affected land, and allowance for transfer assets, if any.	
B. RESIDENTIAL AND/OR NON-AGRICULTURAL LAND (e.g., commercial)			
<i>B.1. Temporarily Affected Residential and/or Non-Agricultural Land</i>			
User with permanent rights (legal and legalizable) AND Eligible organizations	Loss of use of the land for a period less than 1 year	- No compensation for land; however, - The Project will pay rent to APs during temporary use; AND - Compensation for any demolished structures at replacement cost; AND - Restore land to its previous or better quality.	Rent will be determined so as to be not less than the amount of income forgone due to the temporary loss of this. This will be addressed on a case to case basis through direct negotiation between the EA and the occupier.
	Loss of use of land exceeds 1 year	a) AP to continue temporary use arrangements; OR b) AP can sell landholding to Project at replacement value based on current market prices.	

Entitled Persons	Type & Level Of Impact	Compensation Policy	Implementation Issues
User with lease or temporary right	Loss of use of the land for a period less than 1 year	- No compensation for land; however, the Project will: - pay rent to APs during the temporary use; AND - Compensation for any demolished structures; AND - Restore land to its previous or better quality.	
	Loss of use of land exceeds 1 year	a) AP to continue temporary use arrangements; OR b) Receive compensation equal to 30 percent of the affected land value at replacement value based on current market prices.	
<i>B.2. Permanently Affected Residential and/or Non-Agricultural Land</i>			
User with permanent rights (legal and legalizable)	Loss of residential and/or non-agricultural landholding without houses and structures built thereon	a) As a priority, allocation of replacement land a) equal to area of affected land up to a maximum of land quota in province of subproject; b) of same type (e.g., residential, commercial), c) at a location satisfactory to AP, d) with full title in the names of both the household head and his/her spouse, e and e) without charge for taxes, registration and land transfer charges; OR, if AP opts, b) Cash compensation at replacement cost based on current market prices of the affected land.	
	Affected landholding exceeds area of land quota	a) Cash compensation for the area greater than land quota at replacement cost based on current market prices for agricultural land plus an allowance equal to 40% of the affected residential land value; and b) Cash compensation at market price for trees and crops on the affected land.	
	Loss of residential land/or non-agricultural landholding with houses and structures built thereon	AP will be entitled to one of the following options: - Stay and rebuild their houses/ structures on the remaining land if viable, and cash compensation at replacement cost for the affected land area and the affected house/ structures without depreciation of salvable materials, plus package of allowances (see G); OR - Relocation in resettlement site with cash compensation at replacement cost for the affected house/ structures without depreciation of salvable materials, plus package of allowances; or self-relocation with cash compensation at replacement cost for affected land and house/structures without depreciation of salvable materials, plus package of allowances. In case of self-relocation, AP is entitled to support for preparation of housing foundation equal to the average investment value in infrastructure of a standard plot in resettlement site.	
	Affected landholding is under dispute	- Compensation held in escrow account until land dispute is resolved.	
User with lease or temporary rights	Loss of residential and/or non-agricultural land	- Cash compensation at 30 percent of replacement cost based on market prices of the affected land, and - Cash compensation at replacement cost for house/structures on affected land, and - Relocation assistance.	Local authorities assist AP to locate alternative land.

Entitled Persons	Type & Level Of Impact	Compensation Policy	Implementation Issues
Non-titled user	Loss of residential land	- No compensation for affected land; however, - Non-titled AP entitled to compensation for affected structures (see C, below), plus package of allowances	
	Non-titled AP has no other residential land	- Local authorities should consider to allocate replacement residential land or house with full title and plus package of allowance	
	Loss of non-agricultural (e.g., commercial) land	- No compensation for affected land; however - Non-titled AP entitled to compensation for affected structures (see C, below); AND - Economic rehabilitation package in lieu of compensation (see G, below).	
	Non-title AP has no other non-agricultural (e.g., commercial) land	- Local authorities may allocate replacement non-agricultural (e.g., commercial) with temporary or lease land rights.	
Eligible organizations	Loss of non-agricultural land	- No compensation for land if land use fee is unpaid or paid by state funds, otherwise cash compensation for land at replacement cost; and - Cash compensation for affected structures and allowance of relocation if any.	Note: Land organizations <u>not</u> eligible for land compensation may, nonetheless, receive cash compensation at replacement value for any investments on the affected land, if the investments were not made with State funds; and, may request allocation of alternative land to meet their needs.

C. PRINCIPAL HOUSES AND/OR SHOPS AND OTHER STRUCTURES OR PROPERTY

C.1. Principal Structures (Houses and/or Shops)

Owners of houses/ structures	House/ Structure partially affected and remaining portion can be used	- Cash compensation at replacement cost for materials and labor for affected portion, to be paid in materials, cash or a combination of both, and with no deduction for depreciation or salvageable materials; AND - Repair allowance (see G, below)	Owners of structures are entitled to compensation regardless of whether or not they possess a) land use rights to the land OR b) construction permits for the structures
Owners of residential or combined house/shop structures	Structure totally affected OR Structure partially affected and remaining portion no longer viable	- Cash compensation at replacement cost for materials and labor, to be paid in materials, cash or a combination of both, and with no deduction for depreciation or salvageable materials; AND - Relocation and subsistence allowances (see G, below).	
Owners of shop or non-residential structures	Structure totally affected OR Structure partially affected and remaining portion no longer viable	- Cash compensation at replacement cost for materials and labor, to be paid in materials, cash or a combination of both, and with no deduction for depreciation or salvageable materials; AND - Relocation allowance (see G, below).	

Entitled Persons	Type & Level Of Impact	Compensation Policy	Implementation Issues
Tenant	Structure partially affected and remaining portion viable	- Tenant may remain with owner's agreement.	
	Remaining structure no longer viable, OR Tenant opts to move	- Rent allowance equivalent to 6 months' rent; AND, - Assistance to find new, affordable rental accommodation; AND - Relocation allowance (see G, below)	Notice to tenants by owner at least two (2) months in advance.
<i>C.2. Other Structures, e.g., kitchens, toilets, animal sheds, fences, foundations, etc.</i>			
Owners of structures	Partially or totally affected structures or other property	a) Cash compensation at full replacement cost for materials and labor, to be paid in materials, cash or a combination of both, and with no deduction for depreciation or salvageable materials; OR b) Cash or in-kind assistance to relocate affected structures or property; OR c) Cash assistance to repair of property to original or better condition (see G, below).	Owners of structures are entitled to compensation regardless of whether or not they possess a) land use rights to the land OR b) construction permits for the structures
	Graves	- Cash compensation equal to the costs at current market prices to construct a new grave of similar type at a location acceptable to AP; AND - Cash assistance of VND 3 million per grave to be paid directly to Aps	Compensation to be paid directly to APs.
D. ANNUAL AND PERENNIAL CROPS, FRUIT AND TIMBER TREES AND TREE/PLANT FENCES			
Owners of crops and/or trees	Loss of annual crops	a) A minimum of 2 months' notice to harvest crops; OR b) If standing crops are ripening and cannot be harvested, cash compensation of unharvested crops at market values based on the average production over past 3 years.	Owners of crops and/or trees are entitled to compensation regardless of whether they possess land use rights
	Loss of perennial crops, fruit and timber trees and tree fences	- Cash compensation at current market prices given the type, age and productive value of the affected crops and/or trees.	Compensation must equal in value to crops that would be harvested had acquisition not occurred.
E. COMMUNITY AND PUBLIC RESOURCES			
Village, Ward, Government Unit	Loss of community buildings and infrastructure	a) Repair or restoration to original or better conditions of affected community buildings and infrastructures at no cost to community; OR b) Replacement, if necessary, at locations identified in consultation with affected communities and relevant authorities, at no cost to community; OR c) Cash compensation at replacement value based on current market prices for affected community assets.	If income loss is expected (e.g. irrigation, community forest, community grazing land, income from fishpond), the village, commune or district authority is entitled to compensation for the total production loss (over 3 years); this compensation should be used collectively for income restoration measures and/or new infrastructure.

Entitled Persons	Type & Level Of Impact	Compensation Policy	Implementation Issues
	Publicly owned utilities	a) Relocation and/or rehabilitation to original or better conditions of affected public utilities, at no cost to public utility; OR b) Cash compensation at replacement value based on current market prices for affected public utilities.	
F. LOSS OF BUSINESSES AND INCOME SOURCES (NON-LAND BASED)			
F.1. Businesses that relocate and/or rebuild structures			
Households with businesses without tax declarations, e.g., small shops	Structure totally affected and must be relocated OR Structure partially affected and must be rebuilt	- Cash assistance for loss of income based on the minimum wage in the respective province for the duration that the business/ income-generation activity is disrupted. - Cash compensation for affected structures at replacement costs.	Affected businesses will be notified 3-4 months in advance to relocate and/or rebuild new structures, so as to be able to continue to operate businesses while resettling.
Registered business owners	Structure totally affected and must be relocated OR Structure partially affected and must be rebuilt	- Cash assistance for loss of income equal to 30 percent of taxable revenues of one year. Average annual taxable revenues determined on basis of financial statements for the past 3 years; And - Cash compensation for affected structures at replacement costs	
F.2 Employees and Hired Laborers			
Employees and hired laborers	Temporary loss of employment/ work while employers reorganize, relocate and/ or rebuild	- Cash compensation for lost wages or salary equal to current wages or salary for each day (or month) they cannot work.	Eligible APs include employees of registered and small business, and hired agricultural and non-agricultural laborers.
	Permanent loss of employment/ work due to land acquisition or relocation of employer	- Cash assistance equal to six months wages or salary <u>or</u> the value of a remaining contract, whichever is higher. - Assistance to secure new employment including relevant skills training expenses if required	
G. REHABILITATION ASSISTANCE			
G.1. Relocation Allowance			
All APs that relocate	Relocation of household and/or business effects and salvaged and new building materials	- Cash assistance of VND 3 million per AH that locate within the district or town, of VND 4 million if relocating in other district or town within the province, or of VND 6 million if relocating in other province and - House rental at VND 1.4 million per AH (if AHs having 05 APs and less), or at VND 1.5 million per AH (If AH having 06 APs and more) in 06 months if AH is not relocated, or in months from the date the relocation AH physically removes till 06 months after the AH receives its relocation land plot (as per Dak Nong PPC Decision),	Eligible APs include owners of residential structures that are totally or partially affected and remaining portion is not viable; non-titled APs allocated alternative residential land or housing; tenants; and, businesses and eligible land use/ management organizations that relocate.

Entitled Persons	Type & Level Of Impact	Compensation Policy	Implementation Issues
<i>G.2. Transition Subsistence Allowance</i>			
Owners of residential structures that must rebuild.	Loss of income during period to rebuild	<ul style="list-style-type: none"> - Cash assistance equal to 30 kg of rice per month per household member for 6 months valued at market price - Assistance is for 3 months if partial rebuilding only is required. 	At time of compensation, allowance will be adjusted for inflation to ensure that APs have sufficient resources to meet basic food and non-food expenditures.
<i>G.3 Repair Allowance</i>			
Owners of partially affected principal structures; AND Owners of other affected structures.	Damage due to dismantling of part of principal structure, or part or all of other structure	- Cash assistance based on actual costs to repair the remaining part	At time of compensation, allowance will be adjusted for inflation to reflect current market prices for repairs.
<i>G.4 Infrastructure Development Allowance</i>			
Owners of structures that relocate themselves	Provision of basic infrastructure, e.g., water supply, toilet, access, drainage	Cash assistance equal to the basic cost of investment unit infrastructure	The objective is to ensure that, in addition to compensation for other affected structures including, e.g., toilets, wells, among others., those APs can establish on residential land with adequate basic infrastructure. At time of compensation, allowance will be adjusted for inflation.
<i>G.5 Economic Rehabilitation Package (To be paid at compensation payment time)</i>			
Severely affected APs, displaced from housing or losing 10 percent or more of their productive, income generating assets irrespective of tenure status.	Assistance to restore livelihoods and incomes following acquisition of agricultural land or other productive assets	<ul style="list-style-type: none"> - See G.2 above; AND - In-kind assistance to be decided in consultation with eligible APs. Forms of assistance may include, but are not limited to, agricultural extension assistance, and training for non-agricultural occupations. 	Very poor HHs defined as those earning less than VND200,000 or lower per capita per month. Transitional allowance not payable if HH already qualifies under G1. Value of in kind assistance to be determined during RP implementation.
AHs forced to give up cultivation	Changing from rural to urban occupation	<ul style="list-style-type: none"> - Cash assistance for job training at least equal to 02 times of agricultural land value for the area of land affected but not exceeding the local land quota, or - A resettlement land-plot in resettlement area if the cash assistance as defined about is at least equal to the value of that land plot 	
<i>G.6. Special allowance for social and economically vulnerable households</i>			
	Assistance to the poorest to improve their social and economic conditions	- Assistance in cash, equivalent of 30 kg of rice per person per month for 3 years (36 months)	Eligible households are those who are classified as poor under MOLISA definition.

Entitled Persons	Type & Level Of Impact	Compensation Policy	Implementation Issues
Vulnerable APs	Assistance to other vulnerable households to improve their social and economic conditions.	<ul style="list-style-type: none"> - Cash assistance of VND 2 million to be given to AHs as beneficiaries of welfare policies and AHs as war contributors; - Cash assistance of VND 1 million to be given to other vulnerable AHs 	
<i>G.7 Bonus to APs that relocate on time</i>			
All APs that relocate		<ul style="list-style-type: none"> - Cash bonus up to a maximum of VND 5,000,000 per household for households that dismantle structures from affected land in a timely fashion (as regulated by Decree 69/2009/ND-CP) 	Bonus amount to be decided in consultation with local authorities for each subproject. Payment to be made directly to APs immediately upon removal.

VI. PUBLIC PARTICIPATION AND CONSULTATION

A. General

60. The main objectives of the participation and consultation process are to:

- i. provide complete and timely information to APs about the Project and related activities, and ensure that they are able to make fully informed decisions about matters that will directly affect their livelihoods, incomes and living standards;
- ii. obtain the cooperation and participation of APs and other stakeholders for resettlement planning and implementation – that is, gather information about the needs and priorities of APs regarding compensation, relocation and other activities to be undertaken as part of resettlement planning and implementation; and, obtain the reactions of APs and other stakeholders to proposed policies and activities;
- iii. ensure that local authorities will be included in resettlement planning and decision-making and that APs working in collaboration with local authorities will take part in resettlement activities, e.g., property evaluation, compensation, resettlement monitoring;
- iv. reduce the potential for conflicts, as well as the risk of project delays; and
- v. enable the Project to design the resettlement and rehabilitation program in a manner that best fits the needs and priorities of APs.

61. The consultative process will include not only affected people, but also representatives of local governments in the subcomponent areas, community leaders of host communities, civil society organizations such as NGOs and members of local people's organizations (e.g. Women's Union, Fatherland Front and Farmer's Association) and, as relevant, members of ethnic minority communities. Special attention will be paid to identifying the needs of vulnerable groups such as the poorest, ethnic minorities, women, children and elderly, and ensure that their views are considered in the formulation of the RP.

62. The following sections describe the activities relating to consultation and public disclosure that have been, or are required to be, undertaken as part of this Resettlement Plan. These activities are summarized in the Public Consultation and Disclosure Plan in **Annex 2**.

B. Consultations during the PPTA and RP Preparation

63. Given that much of the PPTA preparation time has been involved with Project identification, i.e. the definition of the towns and subcomponents that will form part of this Project, the scope for direct consultation with potentially affected APs has been limited. Notwithstanding the above, information obtained during the field surveys undertaken as part of the RP preparation process revealed that occupiers of sites now are aware that they will need to lose all or part of their current land holdings and they will receive compensation for the land lost and will be eligible for other assistance.

64. The PPTA consultants also emphasized the importance of public consultation and RP disclosure processes to local officials in Dak Nong during the Interim Workshop held in Gia Nghia in January 2010. In response, the local officials emphasized that they fully appreciated the need for a positive approach towards the needs of APs and that they would assiduously apply the policies, entitlements and compensation standards contained in the Resettlement Plan. They also informed the PPTA consultants that the Land Administration Department was experienced in the land acquisition process given the amount of urban re-structuring currently taking place in Gia Nghia, much of which involved the relocation of population.

C. Consultation and Disclosure Using RP Implementation

65. Consistent with the requirements of ADB's *Public Communications Policy – Disclosure and Exchange of Information*, following approval of this RP by the Dak Nong PPC, the following activities will be undertaken:

- i. The PPMU in Dak Nong Province made available the approved RP including all attachments in Vietnamese at commune offices or the local project office. The Public Information Brochure (**Annex 1**) was distributed to potential APs.
- ii. Prior to appraisal, the draft RP has been disclosed to APs and uploaded on the ADB Involuntary Website. This is the same procedure for the final RP and the revised updated RP following the completion of the detailed technical design.
- iii. The Dak Nong PPMU worked closely with the Provincial Resettlement Committee (PRC) and local officials in the towns and communes to carry out a comprehensive consultation process including regular meetings with APs, their representatives and local authorities. Specific key activities are described below.
- iv. The updated RP will be disclosed to APs and placed in commune office and the village leader's houses after being approved by ADB.

6.1 Public Information Meeting

66. Before the Detailed Measurement Survey, a public information meeting was held in each commune to provide APs with additional information about the Project and an opportunity for open discussion about resettlement policies and procedures. All APs were sent an invitation letter at least two weeks prior to this meeting. The meeting was also announced through the local media (radio, television and press). All members from affected households were encouraged to attend, as well as other interested community members.

67. During the meeting, information was presented in verbal and graphic format. APs were provided with the information in a written form, with extra copies made available at district and commune offices throughout the subproject area. Adequate opportunities were provided during the meeting for APs to respond with questions and comments. The TRC compiled a list of APs present at the meeting, as well as a complete record of questions, comments, opinions, decisions and follow-up actions that arise from the meeting. A report was prepared and submitted to the PRC.

68. The information to be provided to APs during the meeting includes:

- i. Description of the Dak Nong subcomponents and the wastewater treatment plant and drainage system.
- ii. Maps showing the extent of land and property acquisition.
- iii. Overall RP policy, i.e. the primary objective that APs are able to achieve their pre-project living standards and an assurance that RP policies and procedures are designed to safeguard the rights of APs.
- iv. APs' entitlements and rights to compensation by category of AP, e.g. those with and without legal documentation, those losing property (houses, businesses) and/or agricultural land.
- v. Compensation standards (including method of calculation and compensation rates) and options, e.g. cash or land for land; relocation options (if applicable); and, opportunities for project-related employment.
- vi. Organizational responsibilities for the land acquisition process, including the provincial and local government departments and agencies involved in LAR, their responsibilities and contact details so that APs can obtain more information.
- vii. The grievance redress procedure for dealing with AP complaints.

- viii. APs' rights to participate in, and be consulted about, all aspects of LAR planning and implementation, particularly with reference to their preferences for resettlement, compensation and rehabilitation measures, and special measures for vulnerable APs.
- ix. The implementation schedule for payments of compensation and other resettlement activities including the time table for site clearance (with an assurance that this will only occur after full payment of compensation), construction activities and monitoring procedures.

6.2 Consultations with Severely Affected and Vulnerable APs

69. According to the DMS results, the development of subcomponent would not significantly affect any HH, and there is no vulnerable AH in the subcomponent area, therefore, the TRC and the PPMU did not carry out detailed consultations individually and/or in separate groups with SAPs, and other vulnerable households..

6.3 Results of consultations with APs

70. All AHs are aware of benefit and importance of the project for the city in general and for their lives in particular so that they support project. They expect the project should be implemented soonest to improve their living conditions.

71. The most concern of APs is compensation prices for affected assets and rehabilitation measures to help them restore their livelihoods and stabilize their lives after land acquisition.. Almost all consulted AHs agreed with compensation price for land issued by the PPC in 2010. The AHs proposed and it was also agreed in the consultations that the TRC would update the current market price for transference of land use rights during the compensation implementation if the price for land was increased.

72. During the RP updating, the project staff with support of the resettlement specialist of the Project Implementation Assistant Consultant carried out a replacement cost survey (September 2010) and the result of the RCS shows that the Provincial Regulated Prices in 2010 of Dak Nong Province are very close to the market prices. The RCS result was discussed with the APs during the village consultative meetings and APs agreed with compensation price for land issued by the PPC in 2010. The compensation unit rates shall be updated at time of compensation by the TRC with participation of affected households, to ensure that the compensation unit rates are close to the market rates.

D. Grievance Redress

73. A well-defined grievance redress and resolution mechanism will be established to address AP grievances and complaints regarding land acquisition, compensation and resettlement in a timely and satisfactory manner. All APs will be made fully aware of their rights, and the detailed procedures for filing grievances and an appeal process through the Public Information Brochure and other procedures described hereafter.

74. APs are entitled to lodge complaints regarding any aspect of the land acquisition and resettlement requirements; compensation policy, entitlements, rates and payment; and, strategies and procedures for resettlement and rehabilitation assistance programs. AP complaints can be made verbally or in written form. In the case of verbal complaints, the committee hearing the complaint will be responsible to make a written record during the first meeting with the AP. APs who present their complaints will be exempt from all administrative fees incurred and will be provided with free legal representation should they lodge appeals to district courts.

75. Reliance upon the grievance redress procedure should be reduced as far as possible through effective participation and consultation with APs during the subcomponent design process and LAR implementation during and after the DMS. Every attempt should be made to establish a rapport between the affected communities and the implementing agencies through frequent interactions and transparency thereby maximizing the resolution of grievances at commune level. A four-stage procedure for redress of grievances is proposed:

Stage 1: Complaints from APs on any aspect of compensation, relocation or unaddressed losses are in the first instance lodged verbally or in written form with the commune resettlement liaison officer who will endeavor to resolve the matter with the CPC and the Resettlement Working Group within 15 days of the complaint is received.

Stage 2: If no resolution can be reached or if no response is received from the liaison officer within 15 days of registering the complaint, the AP can take their complaint to the District/Town Peoples Committee liaison officer who will endeavor to resolve the matter with the T(D)PC and the Resettlement Working Group within 30 days from receipt of complaint. The AP must lodge the complaint within 30 days of registering the original complaint and must produce documents to support his/her claim.

Stage 3: If the AP is not satisfied with the decision of the T(D)PC or in the absence of any response, the AP can appeal to the Provincial People's Committee (PPC). The PPC, with advice from the PRC, will provide a decision on the appeal within 30 days from the day it is received by the PPC.

Stage 4: If the AP is still not satisfied with the decision of PPC on appeal, or in the absence of any response within the stipulated time, the AP, as a last resort, may submit his/her case to the District Court.

76. The procedure described in these four steps is consistent with the legal process for resolution of disputes in Viet Nam stipulated in Land Law 2003, Decree 197/2004/ND-CP, Decree 84/2007/ND-CP and Decree 136/2005/ND-CP. However, the system is oriented primarily towards disputes between people, as opposed to between people and government. Therefore, as part of the internal monitoring and evaluation system, the PRC will keep a written record of all grievances and complaints brought forward by APs, as well as their final resolution. The independent monitoring agency/consultant contracted for external monitoring and evaluation will be responsible for checking the procedures for and resolutions of grievances and complaints. The independent agency may recommend further measures to be taken to address unresolved grievances and responsibility of chief officer and staff who are responsible for solving grievances as stipulated in Article 63 and 64 Decree 136/ND-CP on guiding implementation of complaint code.

VII. ORGANIZATIONAL FRAMEWORK AND SCHEDULE OF RESETTLEMENT IMPLEMENTATION

77. This Chapter describes the proposed institutional framework for the implementation of the RP (sections A to C), key implementation issues (sections D), and presents an indicative implementation schedule (section E).

A. Institutional Arrangements for the Project as a Whole

78. The project implementation arrangements are described below according to national level, provincial level, and district/town level. These arrangements were discussed and agreed upon during the Provincial Participatory Workshops. At the national level, the following organizations will be involved in project implementation:

- i. The Central Project Steering Committee (CPSC) is responsible for monitoring overall project implementation progress, coordinating project implementation, and advising on issues such as scope of investment, project policies and procedures. It will convene annually. It will consist of representatives from MOC, MPI, MOF and MONRE.
- ii. Within the Ministry of Construction (MOC), the Management Board for Urban Technical Infrastructure Development (MABUTIP) is responsible for coordinating the Project and managing central level Project consultants.
- iii. The Project Coordination Unit (PCU) reports to MABUTIP and is responsible for providing support through consulting services, monitoring and evaluation, progress reports, assisting in preparing withdrawal applications for loan disbursement, monitoring provincial project financial reports, ensuring that periodic audits are properly carried out in a timely fashion, monitoring all project related procurement to ensure compliance with ADB and GOV requirements, and act as liaison between the Project and ADB. The PCU will include one member from each province who is a non-resident in Hanoi, with staff responsible for progress reporting, financial and disbursement monitoring, budgeting/administration and consultant management.
- iv. Ministry of Finance (MOF) is responsible for overall disbursement of loan funds, and signing subsidiary loan contracts with Project Operating Entities (POE) such as Provincial Water Supply Companies (PWSC). For grant funds, MOF will approve funds transfer to PPCs, and will endorse and monitor Imprest accounts and withdrawal applications and replenishment requests and forward to ADB and PCU.
- v. Ministry of Planning and Investment (MPI) is responsible for the planning, budgeting and scope of investment. MPI will also make recommendations on this Pre-Feasibility Study, whereas the subproject feasibility studies will be approved by the PPCs.
- vi. State Bank of Viet Nam (SBV)—Its International Relations Department participates in loan negotiations (along with the Government Office), assigning the servicing bank for processing Letters of Credit, and making the Loan Agreement effective.

B. Institutional Arrangements for the Dak Nong Subproject

79. The Dak Nong PPC will be the Executing Agency (EA) for the subproject and will be responsible for providing overall policy direction and approvals for all aspects of the subproject including approval of the RP and all resettlement-related issues.

80. The PPC established a Provincial Steering Committee (PSC) to report to the PPC. The PSC is chaired by the PPC Vice Chairman. The PSC's functions include policy guidance, resolution of inter-agency issues, monitoring and evaluation of Project activities. Membership in PSC include: (i) Department of Construction (DOC), the Director or Vice Director of PWSC (who would be the director or vice director of the PSC); (ii) Department of Planning and Investment (DPI); (iii) Department of Finance (DOF); (iv) Department of Natural Resources and Environment (DONRE); (v) Viet Nam Women's Union (VWU), and other agencies as recommended by the PPC.

81. A Provincial Project Management Unit (PPMU) was established to manage and monitor all day-to-day Project implementation activities. The PPMU reports to the PSC. It includes representatives from PWSC, the TPCs in each subproject town and representatives from other entities involved in the construction and management of project-financed subcomponents.

82. The PPMU functions include: (i) monitoring and coordinating all project activities in subproject towns in the province; (ii) supervising consultants responsible for design, preparation of tender documents, construction supervision, and other activities; (iii) preparing bid plans, work-plans and annual budget plans; (iv) managing prequalification of contractors, bid evaluations, contract negotiations, site compensation and clearance; (v) supervising work-plans and ensuring quality control of work done by contractors and consultants; (vi) supervising acceptance tests of new facilities, commissioning and hand over activities; (vii) supervise all project financial tasks, including coordinating with MOF on withdrawal applications, submitting disbursement requests, obtaining payment approvals, maintaining accounts and financial statements, and carrying out audits according to ADB and GOV requirements; (viii) supervising and monitoring project-related resettlement and environmental activities; and (ix) preparing periodic project progress and annual reports and submit to PPC and then PCU for aggregation in Project progress reports to GOV and ADB.

2.1 Institutional Arrangements for Resettlement and Land Acquisition Activities

Central Level

83. The PCU has specific responsibility for the following resettlement activities:

- i. Consolidate project progress reports (including financial accounts) on land acquisition and resettlement for relevant ministries and ADB; and
- ii. Recruit and supervise the external independent organization (or consultants) for external resettlement monitoring.

Provincial Level

84. The Provincial Peoples' Committee (PPC), based on advice received from the Provincial Steering Committee, will be responsible for issuing all decisions and approvals relating to the implementation of this RP including those relating to its formal adoption, unit compensation costs, notices and approvals for information disclosure, land acquisition and compensation payments, allocations of replacement land (if applicable) and grievance redress. The PPC will also be responsible for establishing the institutional arrangements including the Provincial Resettlement Committee (PRC) (and appointment of its head), the Land Valuation Council and allocation of responsibilities to town and district based organizations.

85. The PRC will oversee all activities of PPMU and Gia Nghia TRC in regard to the implementation of the TP. The PRC also is responsible for:

- (i) Coordinating agencies at different levels to ensure timely and effective RP implementation; this applies particularly to DONRE who will prepare the land acquisition plans and the unit compensation costs (with assistance from the Land Valuation Council in regard to current market prices, if necessary).
- (ii) Resolving any issues of inter-agency coordination that cannot be resolved by the PPMU.
- (iii) Resolving any grievances that have been appealed to the PPC.
- (iv) Ensuring the timely release of funds.

86. The membership of the PRC includes the Vice-President of PPC who will be the Head of the PRC; the Director or Vice-Director of the PWSC; the Director of the Land Administration Department; TPC representatives from each town and other relevant agencies, e.g, agriculture and rural development, the Women's Union and/or the Farmer's Association.

87. The Provincial Project Management Unit (PPMU) will be responsible for the implementation of all LAR activities related to the Wastewater treatment plant and drainage system subcomponent, and in particular:

- (i) Ensuring the integration of civil works with land acquisition and resettlement activities.
- (ii) Preparing a revised RP for the subproject included updated numbers of APs, compensation rates (based on an independent assessment of current market values) and budget, submitting this to the PPC for approval and, once approved, making it publicly available in commune offices.
- (iii) In combination with Gia Nghia TRC repairing the detailed scheduling of LAR activities including particularly the procedures and mechanisms for land acquisition, allocation and compensation disbursement.
- (iv) Resolving issues related to the disbursement of funds, inter-agency co-ordination, scheduling of activities, AP grievances and, where necessary, bringing these to the notice of the PRC.
- (v) In combination with Gia Nghia TRC and project CPCs planning and executing the public information campaigns, public disclosure programs and stakeholder consultation programs with affected households and communities, including distribution of the Public Information Brochures (PIB) to all APs prior to the DMS.
- (vi) In combination with Gia Nghia TRC organizing and executing the DMS process including an updated census of APs and inventory of losses.
- (vii) Using the results of the DMS, establish a database of APs for each subproject component including name, ethnicity, household size, poverty status, and details of assets acquired and compensation paid.
- (viii) Coordinating the activities of agencies, e.g. land administration, agriculture and rural development, the Women's Union, involved in the implementation of rehabilitation measures and rural development support activities targeted at SAPs.
- (ix) Submitting monthly progress reports to the PCU from start of acquisition until completion of disbursement. These reports should indicate by AHs and in total, the assets acquired and the amount of compensation disbursed; totals should be cumulative indicating the total amount of assets acquired and the compensation disbursed since the start of acquisition process. After completion of disbursement, reports should be quarterly describing the extent of other rehabilitation measures, the number of beneficiaries and their cost. Reports should also include summaries of any grievances and complaints and the resolution of these.
- (x) Cooperating fully with the independent monitoring agency, responsible for the external monitoring of the LAR activities, including providing the agency with the AP database.

Town/District and Commune Levels

88. The Peoples' Committee of Gia Nghia provincial town established the Town Resettlement Committee (TRC) to implement the RP. Gia Nghia TRC in combination with PPMU and project CPCs carry out resettlement activities of the project, in particular:

- i. The dissemination of the Public Information Brochure and other publicity material; ensuring that APs are aware of the LAR process.
- ii. Planning and participating in the DMS and the disbursement of compensation payments.
- iii. The identification of severely affected and vulnerable APs and the planning and implementation of rehabilitation measures for these APs.

- iv. Help identify any sites resettlement sites and new farming land for APs who cannot remain in their present location.
- v. Assist in the resolution of AP grievances.
- vi. Facilitate the work of the agency appointed to undertake the external monitoring.

C. Key Implementation Issues Relating to Resettlement

Consultations and Disclosure

89. APs should be informed about the project information and participated in the various stages of the preparation and implementation of LAR activities. Requirements for disclosure include i) the distribution of a Public Information Brochure (PIB) in Vietnamese and; ii) placement of copies of the RP in Vietnamese in commune offices prior to implementation of the RP. The final RP and the revised/updated RP following the completion of the detailed technical design will likewise be uploaded in the ADB website.

90. Prior to the DMS and following distribution of the PIB, the TRC and PPMU held a general information meeting to discuss the provisions and implementation procedures for the LAR for the subproject. Information to be provided to APs at this meeting includes compensation unit rates and entitlements, and dates for the DMS, the disbursement of compensation and land clearance.

91. During the entire LAR process, opportunities will be provided for APs, especially those who will be severely affected or come from vulnerable groups, to discuss matters of concern, e.g. compensation payments, economic rehabilitation packages consisting of cash and in-kind assistance and grievances, with members of the TRC, PPMU and liaison officers from the TPCs and C/WPCs.

DMS and Subcomponent Compensation Plan

92. The DMS will be carried out by TRC with assistance from local liaison officers and with the full participation of the APs. Based on the DMS, the TRC will prepare a plan showing the land, structures and other assets to be acquired from each AH. Simultaneously, the TRC will prepare an updated schedule of compensation unit cost rates and other allowances which will be submitted to the PRC for review and then the PPC for approval.

93. Based on these approved costs, the TRC will prepare a Subproject Compensation Plan identifying all APs, their losses and their entitlements to compensation. Following review and acceptance by PPMU, this Plan will provide the final basis for the disbursement of compensation to APs. Once approved, the required budget will be requisitioned by PPMU.

Updated Resettlement Plan

94. The RP is updated following completion and verification of the detailed engineering design for the Wastewater treatment plant and drainage system subcomponent and finalized based on a detailed measurement survey of affected assets of 100 percent of households that will be affected by land acquisition. The updated RP will be prepared by the PPMU with assistance from the external resettlement consultant. The updated RP will include:

- i. Updated inventories of APs and their losses;
- ii. Revised compensation rates;
- iii. Details of public consultations and disclosure activities undertaken and planned for the LAR implementation period; and
- iv. Proposed economic rehabilitation measures and eligibility criteria for these.

95. The revised RP will be reviewed by the PRC and submitted to the PPC for approval. The PPC will approve the final RP and forward it to ADB for concurrence prior to the commencement of any activities to implement land acquisition, compensation or resettlement.

Implementation of SAP Assistance Programs

96. Following the DMS, there is no severely affected AH, therefore, no specific assistance program is needed in this subcomponent.

97. There are no ethnic minority AHs in the Wastewater treatment plant and drainage subcomponent, therefore, there is no need to have a specific plan for the ethnic people.

98. Irrespective of the number of female-headed households identified during the IOL surveys, women in all AP households have major responsibilities for income-earning activities, as well as management of household needs. Because of their essential roles in AP households, women are key to the household adjustment to land acquisition and involuntary resettlement.

99. The effectiveness of these measures will be evaluated by the proposed monitoring program which will be implemented during project implementation (see **Chapter VIII**).

Flow of Funds and Disbursement of Compensation

100. This crucial aspect is discussed in **Chapter IX** which contains the compensation standards and resettlement budget.

Internal and External Monitoring

101. PPMU will initiate the internal and external monitoring procedures described in **Chapter VIII**. The first internal monitoring report should describe the public disclosure and consultation activities carried out prior to the DMS. The first external monitoring activity should be the baseline socioeconomic survey of APs based on the DMS database.

102. PRC, CRC and PPMU are experienced in the execution of land acquisition and resettlement procedures using Vietnamese laws and regulations. They are, however, less experienced in the application of the additional requirements required to conform to ADB's policy on Involuntary Resettlement, especially in relation to the preparation and updating of ADB-compliant Resettlement Plans, the public consultation and disclosure procedures and external monitoring. In order that these policy requirements can be met, an experienced local resettlement expert/organization and specialist resettlement consultants will be appointed to assist PCU, the PRC and TRC in these tasks. Key responsibilities for these experts are outlined in **Annex 4 and 5**.

D. Implementation Schedule

103. The Project as a whole is expected to commence in mid 2007 with the establishment of the PPMUs, the recruitment of Project consultants and the surveys and investigations required for the preparation of detailed designs. However, it is delayed until the fourth Quarter 2009. Therefore, land acquisition activities are commenced the 3rd Quarter 2010 with construction starting in mid 2011.

104. At present, the specific timetable for the implementation of the Dak Nong subproject is already prepared. It is, thus, not possible to provide a definitive program for the implementation of LAR activities. The implementation schedule shown in **Figure SA5-1** assumes that the final designs for the Wastewater Treatment Plant and Drainage system Subcomponent have been finalized and approved by July 2010. The schedule envisages the completion of resettlement activities by the first quarter of 2011.

Figure SA5-1. RP Implementation Schedule (Key Activities) for Package DN3A/B/10/ICB

Activity	Year	2009			2010												2011-6/2013			
	Month	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4
Establish PRC and CRC																				
Recruit independent consultant																				
Training of CRC staff																				
Distribute PIB and other consultation and disclosure activities																				
Preparations for DMS and required LAR documentation																				
Carry out replacement cost survey																				
Update compensation rates and Project entitlements																				
Confirm economic rehabilitation measures																				
Carry out Detailed Measurement Survey																				
Prepare final compensation plan for compensation payments to APs																				
Hold public information meetings																				
Publish list of APs																				
Update RP and obtain ADB concurrence																				
Publicize dates for compensation disbursement																				
Disburse compensation																				
Consultations with severely affected and vulnerable APs																				
Site vacation and clearance																				
Implementation of rehabilitation measures																				
Internal monitoring reports																				
External monitoring reports																				
CIVIL WORKS CONSTRUCTION																				

Final Resettlement Monitoring Survey and Report will be submitted every 6 months since the starting time.

VIII. MONITORING AND EVALUATION

A. General

105. The Project will establish systems for internal and external monitoring and evaluation. The main purpose of the monitoring and evaluation program is to ensure that the resettlement and acquisition of land and properties have been implemented in accordance with the policies and procedures of the RP. External monitoring and evaluation, in particular, will focus on social impacts on APs and whether or not APs have been able to restore a standard of living equal to, if not better than, that which they had before the Project.

106. The scope of the monitoring and evaluation program will include land acquisition, resettlement and, as relevant, ethnic minorities components, providing feedback to management on their implementation and identifying problems and successes as early as possible to facilitate timely adjustment of implementation arrangements.

107. The objectives of the monitoring and evaluation program are to (i) ensure that the standard of living of APs is restored or improved; (ii) monitor whether the timelines are being met; (iii) assess if compensation, rehabilitation measures and social development support programs are sufficient; (iv) identify problems or potential problems; and (v) identify methods of responding immediately to mitigate problems.

B. Monitoring Indicators

108. Based on the above, the key activities that will be monitored are:

- i. land acquisition and transfer procedures;
- ii. consistency of compensation payments with RP rates and disbursement of these;
- iii. construction of replacement houses by displaced households;
- iv. re-establishment of displaced households and business enterprises;
- v. reaction of severely affected, very poor and other vulnerable APs to rehabilitation packages;
and
- vi. re-establishment of livelihoods and income levels; and
- vii. improved conditions for the poorest and vulnerable households.

109. **Table SA5-11** contains the indicators and benchmarks that will need to be collected in order to monitor the above activities.

Table SA5- 11. Monitoring and Evaluation Indicators

Type	Indicator	Examples of Variables
Process Indicator	Staffing	Number of staff employed for LAR activities by function.
	Consultation, Participation and Grievance Resolution	Number of consultation and participation programs held with various stakeholders. Grievances by type and resolution.
Output Indicator	Acquisition of Land	Area of cultivation land acquired by road section and subproject. Area of other private land acquired. Area of communal/government land acquired.
	Structures	Number, type and size of private structures acquired. Number, type and size of community structures acquired. Number, type and size of government structures acquired.
	Trees and Crops	Number and type of private crops and trees acquired. Number and type of government/community crops and trees acquired. Crops destroyed by area, type and number of owners.
	Compensation and Rehabilitation	Number of households affected (land, buildings, trees, crops). Number of owners compensated by type of loss. Amount compensated by type and owner. Number and amount of allowances paid. Number of replacement houses constructed by concerned owners. Number of replacement businesses constructed by concerned owners. Number of owners requesting assistance to purchase replacement land. Number of replacement land purchases effected. Number of entitlements delivered. Number of entitlements used by APs. Suitability of entitlements to APs as per RP objectives. Number of non-titled APs receiving replacement land with lease/temporary rights. Number of severely affected, very poor or other vulnerable APs receiving economic rehabilitation packages or other assistance. Participation in construction activities. Access to credit.
Impact Indicator	Household Earning Capacity (pre- and post-LAR)	Employment status of economically active members disaggregated by gender. Landholding size, area cultivated, by crop. Changes to income-earning activities (agriculture and non-farm). Household income and expenditures.

C. Monitoring Methodology

110. Monitoring will be achieved through two monitoring mechanisms: (i) *ongoing internal monitoring* of process and output indicators by PPMU; and (ii) *external monitoring* by APs and an independent monitoring organization to assess the extent to which resettlement and rehabilitation objectives have been met.

3.1 Internal Monitoring

111. The PPMU is responsible for the internal monitoring of RP implementation. They will prepare and submit monitoring reports to the PCU. These reports should be monthly commencing with the distribution of the Public Information Brochure continuing until the final disbursement of compensation funds. It is recommended, however, that the monitoring reports should be fortnightly during the period when LAR activities are at their most intense, i.e. when the acquisition agreements are being made with APs and during the disbursement of compensation to APs.

112. The monitoring reports will summarize land acquisition and resettlement progress against monitoring indicators; and, where necessary, recommend changes to ensure that the implementation

of the RP conforms to the objectives and procedures in the RP. These reports will be submitted to PPC for review and approval.

113. The PCU will submit quarterly internal monitoring reports to ADB. These reports will summarize progress on land acquisition and resettlement for all subprojects, and will notify the ADB of PPC approval of changes to the implementation of the RPs.

3.2 External Monitoring

114. External monitoring will commence as soon as the updated RP has been approved, and will carry out independent bi-annual reviews or as requested by PCU during the RP implementation based on the objectives and indicators outlined above with any requirements for corrective actions highlighted.

115. The methods for external monitoring and evaluation of land acquisition, compensation and resettlement activities include:

- i. Reviewing internal reports and relevant documents;
- ii. Semi-quantitative methods (livelihood and living standard scoring indicator) to assess progress towards reaching the objective by carrying a sample survey with all severely affected households and at least 20% of all other affected households.
- iii. PRA methods to monitor risks. This covers risks identified and any arising risks. External monitoring also covers the relevance of all RP activities, i.e. whether they are appropriate to minimize and mitigate the risks of impact occurring or foreseen, help manage the environment in an improved manner, and are consistent with other on-going rural development and poverty initiatives.

116. A Post-Resettlement Evaluation will be carried out 6 months after completion of all resettlement activities, using the same survey questionnaire and sample as used during monitoring activities.

117. The AP database should be maintained throughout the duration of external monitoring activities. It will be updated following the completion of each round of monitoring surveys. The database will be fully accessible to implementing agencies and the PCU.

118. External monitoring reports summarizing the findings of each round of surveys will be submitted to the respective PRC, PPMU, and PCU as well as directly to ADB. The reports should contain (i) a summary of the progress of RP implementation; (ii) identification of problem issues and recommended solutions so that implementing agencies are informed about the ongoing situation and can resolve problems in a timely manner; (iii) identification of specific ethnic minority issues, as relevant; and, (iv) a report on progress of the follow-up of issues and problems identified in the previous report. The monitoring reports will be discussed in a meeting between the monitoring agency, implementing agencies and PCU held after submission of the reports. Necessary remedial actions will be taken and documented.

119. The PCU will recruit an independent monitoring agency or individual consultant to conduct external monitoring for the Project. If the costs for external monitoring are included in the loan, recruitment must be in accordance with ADB procurement requirements; if the costs are included in counterpart fund, recruitment will be in accordance with GOV requirements. In either case, prior to recruitment, ADB must approve the terms of reference and the candidate's experience and qualifications. The external monitoring agency/consultant specialized in social sciences and experience in resettlement monitoring. A draft TOR for this assignment is contained in **Annex 4**.

IX. COMPENSATION STANDARDS AND BUDGET

120. This Chapter presents and describes the financial aspects of the implementation of the resettlement process. Section A describes the basis for the compensation standards. Section B presents the resettlement cost estimates for each of the four project towns while Section C contains the total resettlement budget for the Wastewater treatment plant and drainage system subcomponent as a whole. Section D describes the proposed disbursement arrangements.

A. Basis of Cost Estimates

121. Unit costs for compensation are shown in **Table SA5-12**. They have been determined from the following provincial sources as well as the national level documents described in **Chapter IV**:

- i. Decision 05/2010/QD-UBND dated 23 February 2010 of Dak Nong PPC on regulations of compensation, assistance and resettlement when the State acquires land in the provinces.
- ii. Decision 29/2009/QD-UBND dated 29 December 2009 of the PPCs on land prices in the province,.
- iii. Decision 18/2010/QD-UBND dated 14 July 2010 of the PPC on price for construction, construction works on land sites; the ratio of the main structure to the total value of the house and the works to serve as basis for estimating compensation and assistance.
- iv. Decision 19/2007/QD-UBND dated 24 October 2007 of the PPC on the issuance of prices of plants, cash crops and cattle on the land to serve as basis for estimating compensation and assistance.
- v. Review of current market values for selected items.

122. The rates shown in **Table SA5-12** reflect current replacement costs of assets lost at current market value, which is compulsory for compensation of affected assets. During DMS implementation, DRC carried out a replacement cost survey to identify any changes in land price and other assets. However, the survey did not find any differences between market prices and those issued by the PPC. Compensation and allowance could help AHs to buy replacement land to maintain their livelihood.

123. The assistance allowances for severely affected persons and other vulnerable households to restore or improve their pre-project conditions, currently based on existing Dak Nong PPC regulations and ADB's social safeguard policy statement.

124. If APs do not agree with the project approved compensation rates applied to their land and assets, they may lodge a complaint or grievance as per the grievance redress process described in **Chapter VII**. Unless proven through the grievance redress mechanism that certain households might have been inadvertently missed out during the census of APs and inventory of affected assets, only those households satisfying the cut-off date provision of the Resettlement Policy are eligible for compensation and other entitlements.

Table SA5- 12. Compensation Unit Rates

Item	Unit	Compensation rate		Comments
		VND	USD	
Land				
Agri.land in urban area	m2	120,000	5.83	Per Decision 05/2010/ QD-UBND, AH is entitled to an allowance equal to 60% of residential land price on average in urban area up to land quota (1.500m ²)
Agricultural land	m2	20,000	0.97	
Structures				
Houses	m2	1,700,000	82.52	

Simple houses	m2	811,000	39.37	
Other structures	m2	88,700	4.31	
Water well	m2	7,500,000	364.08	
Crops/trees				
Durian	tree	500,000	24.27	The prices for trees are estimated in compliance with the current PPC Decision. However, the PPC is in process of updating the unit prices to be applied for compensation in 2011, and the compensation in this RP shall be updated with the new prices accordingly
Rambutan	tree	350,000	16.99	
Cashew nut/coffee	tree	112,000	5.44	
Bamboo	Cluster	150,000	7.28	
Banana	tree	15,000	0.73	
Jackfruit	tree	220,000	10.68	
Acacia	tree	80,000	3.88	
Mango	tree	250,000	12.14	
Vegetables	m2	7,000	0.34	
Newly planted trees	tree	25,000	1.21	
Rehabilitation allowances	Not applicable			

Source: PPMU.

Exchange rate in February 2011: \$1.0 = VND 20,600.0

B. Land Acquisition and Resettlement Budget

125. The estimated resettlement cost for the Wastewater treatment plant and drainage system subcomponent has been calculated based on the unit price list given in **Table SA5-12** and the DMS survey undertaken in September 2010. **Table SA5-13** provides the overall cost estimates for the Wastewater treatment plant and drainage Subcomponent in Dak Nong subproject.

126. **Table SA4-13** shows that the estimated total cost of resettlement in Wastewater treatment plant and drainage system subcomponent has will be around VND 2.70 billion (US\$131,514). This cost is for the direct costs associated with the Wastewater treatment plant and drainage system subcomponent, i.e. for structures, basic infrastructure, land, crops, allowances, management cost and the contingency for any missing assets to be affected as well as cost contingency for the price updated in 2011.

127. The major cost item in the RP budget is land which constitutes 56.35 percent of the overall total and 63.22 percent of the acquisition costs excluding the contingency and management cost for this subcomponent. The compensation for trees and crops makes up 18.98 percent of the total cost estimate for compensation, and the compensation estimated for houses and structures also takes another 13.80 percent of the total RP cost.

Table SA5- 13. Resettlement Budget – Wastewater treatment plant and drainage system subcomponent

Item	Unit	Unit rate (VND)	Quantity	Compensation rate	
				1000 VND	USD
Land				1,441,555	69,978
Support for agri. land in urban area	m ²			1,405,824	68,243
Agricultural land	m ²	10,000		35,731	1,735
Structures				400,773	19,455
Houses	m ²	1,700,000	155	264,061	12,818
Simple houses	m ²	811,000	85	68,935	3,346
Other structures	m ²	88,700	595	52,777	2,562
Water well	unit	7,500,000	2	15,000	728
Crops/trees				551,102	26,753

Durian	tree	500,000	112	56,000	2,718
Rambutan	tree	350,000	106	37,100	1,801
Cashew nut	tree	112,000	2,771	310,352	15,066
Bamboo	tree	150,000	232	34,800	1,689
Banana	tree	15,000	222	3,330	162
Jackfruit	tree	220,000	122	26,840	1,303
Acacia	tree	80,000	386	30,880	1,499
Mango	tree	250,000	103	25,750	1,250
Vegetables	m ²	7,000	1,750	12,250	595
Newly planted trees	tree	25,000	552	13,800	670
Rehabilitation allowances	Not applicable because AHs are supported for agri. Land within urban area as regulations in article 21 and 22 Decree 69/2009/ND-CP				
Subtotal				2,393,430	149,141
Contingency		10% of sub-total		258,809	12,564
Total				2,652,234	161,705
Management cost		2% of total		56,938	2,764
			Grand Total	2,709,172	131,514

Source: PMU.

Exchange rate in February 2011: \$1.0 = VND 20,600.0

C. Flow of Funds and Disbursement of Compensation

128. Funds for RP implementation are part of the Project budget. All costs relating to RP implementation, e.g. compensation for land and property acquisition, transition allowances and rehabilitation packages, and administration, will be fully funded by the Government. Loan funds may however be used to pay for external monitoring and post-implementation evaluations. The Executing Agency for this Project - the Ministry of Construction with delegated responsibility to PCU - will ensure that the PPC provides adequate and timely funds.

129. To ensure the timely delivery of budget for implementation of resettlement activities, for compensation payments and rehabilitation assistances, it is proposed that the PPC arrange the transfer of funds to the PPMU for compensation payments, rehabilitation allowances and measures. The PPMU will then transfer the funds to the TRC who will be responsible for disbursing the payments directly to APs. Disbursement will be witnessed by members of the PPMU, PRC, and local TPC and CPC officials.

130. For each subcomponent, compensation payments will be made on the basis of the final Subproject Compensation Plan approved by PRC/PPC following completion of the DMS. Once the budget is allocated, the PPMU will inform TRC about the dates for the disbursement of compensation payments. In turn, TRC will inform APs, and town and commune resettlement liaison officials at least two weeks in advance and will prepare individual schedules of losses and compensation entitlements for each AP/ AH.

131. APs will sign the compensation forms to acknowledge receipt of compensation payment and to agree to clear the area within the specified time in order that construction works can begin. APs will retain 01 copy of all compensation forms. The forms will be countersigned by representatives from PRC, TRC, TPC and/ or CPC.

132. During disbursement, APs will be informed of the grievance redress procedure should they not agree with the proposed entitlements or compensation rates.

133. Eligible APs will be informed of the arrangements for the in kind assistance provided by the economic rehabilitation packages, e.g. agricultural extension services, access to credit and training.

134. All land acquisition, compensation and relocation activities will be completed prior to ADB approval to award contracts for civil works on the subcomponents.

Annex 1

Public Information Brochure

QUESTION 1: WHAT IS THE CENTRAL REGION SMALL AND MEDIUM TOWNS DEVELOPMENT PROJECT?

Answer: The Central Region Small and Medium Towns Development Project is financed by the Asian Development Bank (ADB) and the Government of Viet Nam to improve water supply, drainage, wastewater treatment and solid waste systems in 8 towns located in 5 provinces in the Central Region. The overall objectives of the Project are to improve the living conditions of the urban population in these provinces and to stimulate economic development. The Ministry of Construction (MOC) is the Executing Agency for the Project, with delegated responsibility to the Management Board for Urban Technical Infrastructure Development (MABUTIP). A Provincial Project Preparation and Management Unit (PPMU) will be established in each province to coordinate and manage the implementation of the Project.

QUESTION 2: HOW WILL THE CENTRAL REGION SMALL AND MEDIUM TOWNS DEVELOPMENT PROJECT AFFECT THE LOCAL POPULATION ?

Answer: The population in the project towns will benefit variously from more extensive access to piped water supply, reduced risk of flooding, more effective solid waste management and lower risks of pollution from wastewater. The implementation of the Project will however necessitate the acquisition of some land for the construction of water treatment plans, land fill sites, wastewater stabilization ponds and associated drainage and water distribution networks. Every attempt will be made during the design process to minimize the negative impacts of such acquisition on households and communities.

Where land acquisition is necessary, those affected by acquisition will be properly compensated for their affected land, houses, structures, crops and/or trees. Relocation and income restoration assistance will also be provided to Affected Persons (APs) who will be severely affected by the Project. Details are included in a Resettlement Plan that is available at your commune office.

QUESTION 3: WHAT IS THE MAIN OBJECTIVE OF RESETTLEMENT PLAN?

Answer: The main objective of the Resettlement Plan is to ensure that all APs will be at least as well-off, if not better-off, than they would have been in the absence of the Project.

QUESTION 4: WHAT IF MY LAND IS AFFECTED BY THE PROJECT?

Answer: You will be offered a choice of replacement land of equal area and productive capacity at a location acceptable to you OR cash compensation at replacement cost at current market prices.

QUESTION 5: DO WE NEED TO HAVE A LAND TITLE IN ORDER TO BE COMPENSATED?

Answer: No, lack of formal legal rights to land does not prevent any APs from receiving compensation, allowances and rehabilitation assistance. Those APs who possess a land use rights certificate (LURC) or any other form of written or verbal agreement to utilize the land are entitled to compensation for the lost land as well as assets on the land. Those APs who do not have legal/legalizable or temporary/lease rights for land will still be compensated for the assets on the land, such as any structures, crops and trees.

QUESTION 6: IS THE COMPENSATION APPLIED FOR AFFECTED HOUSES AND STRUCTURES?

Answer: Yes. Compensation will be applied for all affected assets including houses, shops and other structures as well as other fixed assets at replacement cost at current market prices (including material and labor) without any deductions for building depreciation or salvageable building materials. This will ensure that the APs are able to reconstruct houses and other structures of better or at least the same quality as before.

QUESTION 7: WHAT ABOUT AFFECTED CROPS AND TREES?

Answer: Affected crops, fruit and timber trees and tree fences will be compensated in cash at current market prices. Compensation for unharvested crops will be based on the average production in the past 3 years multiplied by the market prices (based on a recent survey data) at the time that acquisition takes place. Compensation for trees will be based on the type, age and productivity of trees.

QUESTION 8: HOW ARE COMPENSATION RATES DECIDED?

Answer: Compensation rates will be set by the PPC based on the advice from the Land Administration Bureau and an independent assessment of current market prices. You will have the right to appeal if you are not satisfied with the proposed compensation rates (see question 12 below).

QUESTION 9: BESIDES THE COMPENSATION, HOW CAN THE PROJECT HELP?

Answer: In addition to compensation for loss of land and other assets, the Project will provide rehabilitation assistance to eligible APs to ensure that their standard of living is maintained or improved after the Project. Eligible APs for rehabilitation assistance include:

- **Severely affected households:** Households that lose more than 10 percent of their total productive landholdings will receive an economic rehabilitation package consisting of i) a transition subsistence allowance equivalent to 30kg of rice per person per month for six months and ii) income restoration assistance such as agricultural extension assistance to intensify use of existing land, access to existing credit programs or project-related employment.
- **Households that relocate:** Households that must relocate to new residential land will receive a transition subsistence allowance equivalent to 30kg of rice per person per month for six months for during transition; a transportation allowance of between VND 3,000,000 and 6,000,000 in cash or assistance from the District Resettlement Committee; and, an incentive bonus of VND 5,000,000 if APs demolish their affected houses or structures in a timely manner.
- **Business owners that lose income while they relocate or rebuild their shops/businesses:** Households with small, unregistered businesses will receive cash compensation equal to the provincial minimum wage for six months. Owners of registered businesses will receive cash compensation equal to their monthly after-tax revenues for six months.
- **Employees and hired laborers who lose their jobs:** will receive cash compensation for lost salary/wages for each month they cannot work, if the loss is temporary; or, if the loss is permanent, cash compensation equivalent to the provincial minimum wage for six months or cash compensation for remaining contract period whichever is higher.
- **Poor households:** Households that are not severely affected but whose monthly income is less than VND 200,000 per capita will receive additional compensation of VND1 million per household.

QUESTION 10: DOES THAT MEAN THAT ANYBODY IN OUR COMMUNITY CAN CLAIM FOR COMPENSATION?

Answer: No. Entitled APs are those persons or households that will lose land or property based on the detailed measurement survey (DMS) that will be conducted following completion of the final designs for the Project subcomponents. Affected communes and local authorities will be informed of the cut-off date (the date of DMS) for the subproject. The DMS will inventory the losses for compensation and rehabilitation of all APs who will be affected by the Project. The DMS will be conducted in the presence of APs, the design engineers, the Land Administration Department and officials from the Town/District and Commune People's Committees.

QUESTION 11: HOW WILL APs BE CONSULTED AND INFORMED?

Answer: A consultation and public information program will be organized in your commune to ensure that APs receive complete and timely information about the Project. APs will be provided information on project components, impacts, their rights and entitlements, grievance mechanism, rights of participation and consultation, resettlement activities, responsibilities of institutions and implementation schedule.

This program will enable the Project to design the resettlement and rehabilitation program to meet the needs of APs, and help APs to make informed decisions about compensation and relocation. Consultations with APs and local authorities will reduce the potential for conflicts and minimize the risk of project delays, and maximize the economic and social benefits of the Project.

QUESTION 12: IF THERE ARE ANY DISAGREEMENTS OR PROBLEMS ABOUT LAND ACQUISITION, COMPENSATION OR OTHER GENERAL DISPUTES DURING PROJECT IMPLEMENTATION, DO APs HAVE THE RIGHT TO VOICE THEIR COMPLAINTS?

Answer: Yes, APs can voice their complaints (in verbal or written form) to responsible local authorities and resettlement committees. Their complaints can be filed first at the ward or commune level, and can be elevated to the district and provincial level and taken to district court if the APs are not satisfied with the decision of lower levels. APs will be exempted from all taxes, administrative and legal fees. All

complaints of APs on any aspect of land acquisition, compensation, resettlement and implementation will be addressed in a timely and satisfactory manner.

QUESTION 13: AS A RESIDENT IN THE PROJECT AREA, HOW CAN I HELP?

Answer: We would like you to participate in all consultation meetings and other project-related activities in order to ensure that you are fully informed and consulted. Your active participation during the detailed measurement survey (DMS) and implementation will allow us to determine measures to mitigate impacts, to identify problems or potentials problems and to identify ways of responding immediately to solve these problems.

QUESTION 14: HOW WILL YOU KNOW IF THE OBJECTIVES OF THIS PROJECT ARE MET?

Answer: The PPMU will ensure internal monitoring of all Project activities. In addition, the PPMU will engage an independent monitoring agency to conduct external monitoring of resettlement activities during Project implementation. Every 6 months, the independent monitoring agency will submit a report to PCU and ADB on resettlement implementation progress. A post-resettlement impact evaluation will assess whether negative impacts have been mitigated adequately and pre-project standards of living of APs have been restored as a result of resettlement activities and the Project.

DAK NONG SUBPROJECT DESCRIPTION: The Project will provide improvements to water supply, wastewater disposal, drainage and solid waste management in Gia Nghia, Ea T'Ling, Dak Mam and Quang Khe.

LAND ACQUISITION IMPACTS IN PACKAGE DN3A/B/10/ICB: Based on the field surveys carried out in September 2010, it is anticipated that improvements to drainage in Gia Nghia town, and new water treatment Plants in Dak Mam and Quang Khe will require land/property acquisition from 06 households. None of 06 AHs lose from 10% or more or have to relocate.

SCHEDULE FOR PACKAGE DN3A/B/10/ICB: The detailed measurement survey (DMS) was carried out in September 2010 to 06 HHs to be affected by the development of the Wastewater Treatment Plan and Drainage system subcomponent in Gia Nghia town. The process of land acquisition and compensation is most likely to start in late 2010 with construction starting in early 2011.

FOR FURTHER INFORMATION AND SUGGESTIONS:

Please contact the DPC or CPC where you live, the Dak Nong Provincial People's Committee (*Indicate complete address and contact numbers*) or the Dak Nong Provincial Project Management Unit (*Indicate complete address and contact numbers*).

Annex 2

Consultation and Disclosure Plan

Activity	Task	Timing	No of People	Agencies	Comments
Socioeconomic Survey (SES)/ Initial Inventory of Loss Survey	Collect socioeconomic info on APs as well as AP's perception on the project. Discuss entitlements and other provisions of RP.	September 2010	22 APs from 6 households (100 percent)	Gia Nghia TRC under direction of consultant	Importance of consultations and disclosure emphasized at participatory workshops. AP awareness initiated through contact with engineering teams.
Publicize LAR issues	Distribute PIB to APs in local language.	July-September 2010	All AP households	MABUTIP/ Dak Nong Water Supply & Urban Development JSC.	Must be completed prior to ADB Management Review Meeting.
Disclosure of updated RP to APs	Copies of updated RP in local language place in commune offices.	December 2010	All commune residents	MABUTIP/ Dak Nong Water Supply & Urban Development JSC.	
Web Disclosure of the updated RP	Updated RP posted on ADB website.	Late December 2010 (see comment)	-	ADB	
Consultative meetings during DMS	Face to face meetings with APs.	Late September 2010	All APs	PRC, PPMU/ RWG	
Public Notification	Publish list of affected households/asset; establish eligibility cut-off date.	Late September 2010	All commune residents	PRC, PPMU/ RWG	
Public Information Meeting in each commune	Discuss all aspects relating to LAR and especially entitlements, compensation rates, grievance redress and implementation procedures and timing.	September 2010	All commune residents	PRC, PPMU/ RWG	
Consultations with severely affected and/or vulnerable APs	Individual and/or small group consultations to identify appropriate rehabilitation measures.	Late 2010	Severely affected and vulnerable APs	PRC, PPMU/ RWG, T(D)PCs, CPCs	
Notification about compensation payments	Letter to APs informing about time, location and procedure for compensation payments.	Early December 2010	All APs	PRC, PPMU/ RWG, T(D)PCs, CPCs	

Annex 3

Affected Households (Package DN3A/B/10/ICB)

No	Name of HH Head	Land to be acquired (m ²)	Comments
1	Pham Thi Nong*	180	
2	Nguyen Quang Trung	2,986	Including 299 m ² that AH requesting the project to acquire
3	Nguyen Quang Binh	11,066	Including 6,790 m ² that AH requesting the project to acquire
4	Phan Van Duc	5,518	Including 2,322 m ² that AH requesting the project to acquire
5	Dao Thi Kim Thanh*	9,060	Including 2,987 m ² that AH requesting the project to acquire
6	Nguyen Thanh Luan	6,622	Including 1,670 m ² that AH requesting the project to acquire

* Female headed HHs but these households have titular female heads but all have at least adult males of working age present.

The land area that AHs request the Project to acquire further because in their opinion, with the project intervention, it's difficult to access to or to cultivate on because part of these land is located on the eastern part of the project on slope >40°.

Source: DMS Survey, September 2010.

Annex 4

Outline TOR for Independent Monitoring Agency/Consultant

1. Aims and Objectives

The aims and objectives for external monitoring and evaluation are to:

- Verify results of internal monitoring;
- Assess whether resettlement objectives have been met; specifically, whether livelihoods and living standards have been restored or enhanced;
- Assess resettlement efficiency, effectiveness, impact and sustainability, drawing lessons as a guide to future resettlement policy making and planning; and
- Ascertain whether the resettlement entitlements were appropriate for meeting the objectives, and whether the objectives were suited to AP conditions.

2. Information Requirements

The Independent Monitoring Agency (IMA) will monitor and evaluate achievements and impacts related to implementation of the approved Resettlement Plan. The IMA will develop a database sufficient to evaluate whether the objectives of the Resettlement Plan are being met. This database will be developed to enable comparisons of "before" and "after" resettlement conditions. The database will consist of data acquired through the Census and Detailed Measurement Survey of each affected household, which will form the basis for the Project's record keeping system. The IMA will expand the database as necessary with maps, charts, photographs of affected properties, copies of contracts and land titles, payments, and valuation documents relating to resettlement.

3. Method and Approach

The method and approach for external monitoring shall include (i) review of pre-project baseline data on APs, (ii) identification and selection of an appropriate set of indicators for gathering and analyzing information on resettlement impacts, (iii) use of various formal and informal surveys for impact analysis, (iv) use of participatory methods for monitoring and evaluation; and (v) assessment of resettlement efficiency, effectiveness, impact and sustainability, drawing lessons as a guide to future resettlement policy making and planning.

4. Detailed Methodology

The methodology for conducting monitoring and evaluation of the implementation of the RP will include the following activities:

- A twice-yearly sample household survey using the same or similar questionnaire to that used during the baseline census survey to determine whether RP objectives are being met; sampling may be 20% of each category relocated, rehabilitated, and marginally affected;
- Periodic Participatory Rapid Appraisals (PRAs) to allow the IMA to consult with the various stakeholders (local government, resettlement committees, PMU resettlement field staff, NGOs, community leaders and APs). PRAs will involve obtaining information, identifying problems and finding solutions through participatory means which will include the following:
 - Key informant interviews with selected local leaders, resettlement committee members,
 - Focus group discussions on specific topics such as compensation payment, income restoration, relocation;
 - Community public meetings to discuss community losses and impacts, construction work employment;
 - Structured direct field observations on the status of resettlement implementation, plus individual and group interviews for cross-checking purposes;
 - Informal surveys and interviews of APs, hosts communities, special interest or vulnerable groups and women; and
 - In-depth case studies of problems that have arisen during internal or external monitoring requiring special efforts for resolution.

- An ex-post evaluation 6 to 12 months after all resettlement and income restoration activities have been completed, following the same methodology as for the periodic monitoring during RP implementation.
- Sample monitoring indicators to address progress towards achieving resettlement plan objectives are attached.

5. Participatory Monitoring and Evaluation

The IMA consultant shall ensure participation of all stakeholders, especially women and vulnerable groups, affected people, local community based organizations (CBOs) and/or NGOs, and hosts in the monitoring and evaluation process. The IMA consultant will plan and implement PRA techniques during the monitoring and evaluation process, including key informant interviews, focus group discussions, community public meetings, structured direct observations, informal surveys/interviews, and in-depth case studies.

6. Resource Requirements

The IMA consultant will consist of a team of human geographers/sociologists from a local research or consulting agency, university department or development NGO, with experience in resettlement monitoring and evaluation. The consultant's team should include persons with demonstrated experience in household surveys, data input and analysis, and participatory rapid appraisal techniques.

7. Time Frame for Monitoring and Evaluation

The consultant will conduct a baseline socioeconomic survey of 20% of affected households before any relocation takes place. This will be followed by two monitoring activities per year, beginning after resettlement activities begin and continuing until resettlement activities are completed. The consultant will also conduct one ex-post evaluation survey to assess the achievement of resettlement objectives, the changes in living standards and livelihoods and the restoration of the economic and social base of the APs.

8. Reporting Requirements

The IMA will produce a report following each bi-annual monitoring activity. The reports will contain a description of monitoring activities, findings in relation to whether the project activities have been completed as planned and budgeted, findings in relation to achievement of RP objectives, and recommendations, timetable and budget for addressing outstanding problems.

The IMA will also produce a report following the ex-post evaluation. The evaluation report will cover the following:

- Whether the resettlement activities have been completed (a) in accordance with the approved resettlement plan, and (b) in accordance with ADB's Policy on Involuntary Resettlement
- The extent to which the specific objectives and the expected outcomes/results have been achieved and the factors affecting their achievement or non achievement
- Description of any outstanding actions that may be required to bring the resettlement into compliance with ADB's Policy.
- Description of any further mitigation measures needed to meet the needs of any affected person or families judged and or/perceiving themselves to be worse off as a result of the Project, and a timetable and budget requirements for supplementary mitigation measures, and detail the process of compliance monitoring and final "signing off" for these AP.
- Major lessons learned
- Key risk factors
- Recommendations

9. Potential Monitoring Indicators

The following are sample monitoring indicators, from which specific indicators can be developed and refined.

Table A4.1 Potential Monitoring Indicators

Type of Monitoring	Basis for Indicators
Budget and Time Frame	<ul style="list-style-type: none"> • Have all land acquisition and resettlement staff been appointed and mobilized for the field and office work on schedule? • Have capacity building and training activities been completed on schedule? • Are resettlement implementation activities being achieved against agreed implementation plan? • Are funds for resettlement being allocated to resettlement agencies on time? • Have resettlement offices received the scheduled funds? • Have funds been disbursed according to RP? • Has the social preparation phase taken place as scheduled? • Has all land been acquired and occupied in time for project implementation?
Delivery of AP Entitlements	<ul style="list-style-type: none"> • Have all APs received entitlements according to numbers and categories of loss set out in the entitlement matrix? • Have APs received payments on time? • Have APs losing from temporary land borrow been compensated? • Have all APs received the agreed transport costs, relocation costs, displacement allowances, and income and livelihood restoration support according to schedule? • Have all replacement land plots or contracts been provided? Are measures in process to provide land titles to APs? • How many AP households have received land titles? • How many AP households have received housing as per relocation options in the RP? • Does house quality meet the standards agreed? • Have relocation sites been selected and developed as per agreed standards? • Are the APs occupying the new houses? • Are assistance measures being implemented as planned for host communities? • Is restoration proceeding for social infrastructure and services? • Are APs able to access schools, health services, cultural sites and activities?
Delivery of AP Entitlements (continued)	<ul style="list-style-type: none"> • Are income and livelihood restoration activities being implemented as set out in the income restoration plan, for example numbers of APs trained and provided with jobs, micro-credit disbursed, number of income generating activities assisted? • Have affected businesses received entitlements?
Consultation, Grievance, and Special Issues	<ul style="list-style-type: none"> • Have consultations taken place as scheduled including meetings, groups, community activities? Have resettlement information brochures been prepared and distributed? • How many APs know their entitlements? How many know if they have been received? • Have any APs used the grievance redress procedures? What were the outcomes? • Have conflict been resolved? • No. of conflicts or grievances reported (by women, men, vulnerable groups) • Types of conflicts or grievances reported (by women, men, vulnerable groups) • No. of conflicts or grievances resolved (of women, men, vulnerable groups) • Degree/extent of awareness about resettlement process • Degree/extent of satisfaction with resettlement process • Degree/extent of awareness about the entitlement • Degree/extent of satisfaction with their entitlement • Degree/extent of awareness about grievance redress procedure • Degree/extent of satisfaction with grievance redress procedure

Table A4.2 Indicators for External Monitoring and Evaluation

Type of Monitoring	Basis for Indicators
Basic Information on AP Households	<ul style="list-style-type: none"> • Location • Composition and structures, ages, educational and skill levels • Gender of household head • Ethnic/caste group • Access to health, education, utilities and other social services • Housing type • Land and other resource owning and using patterns • Occupations and employment patterns • Income sources and levels • Agricultural production data (for rural households) • Participation in neighborhood or community groups • Access to cultural sites and events • Value of all assets forming entitlements and resettlement entitlements
Restoration of Living Standards	<ul style="list-style-type: none"> • Were house compensation payments made free of depreciation, fees or transfer costs to the AP? • Have APs adopted the housing options developed? • Have perceptions of "community" been restored? • Have APs achieved replacement of key social and cultural elements?
Restoration of Livelihoods	<ul style="list-style-type: none"> • Were compensation payments sufficient to replace lost assets? • Was sufficient replacement land available of suitable standard? • Did transfer and relocation payments cover these costs? • Did business displacement allowances allow for re-establishment of enterprises and production? • Have enterprises affected received sufficient assistance to re-establish themselves? • Have vulnerable groups been provided income earning opportunities? Are these effective and sustainable? • Do jobs provided restore pre-project income levels and living standards?
Levels of AP Satisfaction	<ul style="list-style-type: none"> • How much do APs know about resettlement procedures and entitlements? Do APs know their entitlements? • Do they know if these have been met? • How to APs assess the extent to which their own living standards and livelihoods have been restored? • How much do APs know about grievance procedures and conflict resolution procedures?
Effectiveness of Resettlement Planning	<ul style="list-style-type: none"> • Were the APs and their assets correctly enumerated? • Were any land speculators assisted? • Was the time frame and budget sufficient to meet objectives? • Were entitlements too generous? • Were vulnerable groups identified and assisted? • How did resettlement implementers deal with unforeseen problems?
Other Impacts	<ul style="list-style-type: none"> • Were there unintended environmental impacts? • Were there unintended impacts on employment or incomes?

Annex 5

Outline Terms of Reference for Consulting Services: Resettlement Planning, Implementation, And Capacity Building Consultants

A. Background

The Central Region Small and Medium Town Development Project (CRSMTDP), aims to improve the urban environment and enhance poverty reduction activities in five provinces of the Central Region of Viet Nam, namely, Dak Nong, Binh Thuan, Ninh Thuan, Phu Yen and Khanh Hoa.

The Project will consist of improvements to water supply, drainage, wastewater management and solid waste management systems in up to 13 towns where inadequate urban infrastructure poses serious environmental and health risks, and inhibits social and economic development. The Project will also strengthen local management capacities and the institutional framework for urban environmental services in the towns, and improve community health through a targeted program of community environmental sanitation and awareness.

The implementation of the project will require the acquisition of land and property and thus lead to some involuntary resettlement. In line with ADB policy, the PPTA consultants prepared Resettlement Plans for each province.

These RPs will need to be updated after detailed design, presented to ADB for approval, and then implemented. Subproject resettlement plans will also be prepared where significant resettlement (over 200 APs are affected) is involved. Because of the complexity of the overall project, which involves up to 13 towns and over 15 sub-projects, and the need for all RPs and resettlement related processes to be fully ADB-compliant, specialist resettlement consultants will be recruited by the Management Board for Urban Technical Infrastructure Development Projects (MABUTIP), the delegated agency of the Ministry of Construction, the Executing Agency for the Project

B. Scope of Services

1. Facilitate Establishment and Implementation of a Centralized Resettlement/Social Management System

The consultant will guide and assist in the establishment and implementation of a centralized resettlement/social management system for dealing with resettlement and other related topics such as ethnic minorities and gender aspects of the Project. The consultant will guide and assist the Resettlement Office of MABUTIP and implementing agencies and resettlement committees based on the approved Resettlement Plan for activities that include, but are not limited to, the following:

- Update and implement the approved Resettlement Plans;
- Establish and implement procedures for (a) minimizing adverse social impacts from land acquisition and loss of other assets throughout the planning, design and implementation phases; (b) undertaking and completing census and detailed measurement survey of all losses; (c) coordination of resettlement and compensation activities on the various subprojects; (d) participatory needs assessment for replacement house and land plots; (e) tracking compliance with project policies; and (f) implementing promptly corrective actions and resolving grievances;
- Design and implement detailed income restoration programs for people severely affected by loss of income;
- Establish and implement procedures for a management information system and ongoing internal monitoring;
- Validate that compensation and resettlement have been satisfactorily completed for a subproject and income restoration measures are in place before the contract is given the notice to proceed.

2. Formal and On-the-Job Training on Resettlement and Social Issues

The consultant will provide formal and on-the-job training for the Resettlement Office of MABUTIP, Resettlement Committees and other members of the project team, and domestic consulting agencies on, but not limited to the following:

- policies, procedures, and best practices related to resettlement planning, implementation and monitoring,
- social impact assessment, gender, ethnic minorities;
- participatory rapid appraisal and basic social research methodologies; and
- report preparation.

C. The Consultant and Staffing Inputs

The Consultant is expected to have an advanced degree in a social science or other relevant discipline, have at least 5 years of international experience, including experience undertaking similar work in Viet Nam. Four (4) person months of international consultant's input will be required with expertise covering: resettlement planning and implementation, and social assessment.

In addition approximately 25 person months of input from a domestic consultant will be needed, preferably with experience of preparation and implementation of resettlement plans.