

Resettlement Planning Document

Resettlement Plan
Document Stage: Draft for Consultation
Project Number: 30286

June 2006

Viet Nam: Central Region Small and Medium Towns Development Project – Khanh Hoa Province

Prepared by Provincial People's Committee

ABBREVIATIONS

ADB	Asian Development Bank
AP	Affected Persons
CPC	Commune Peoples' Committee
CPSC	Central Project Steering Committee
CRTP	Central Region Transport Project
CRSMTDP	Central Region Small and Medium Towns Development Project
DMS	Detailed Measurement Survey
DOC	Department of Construction
DOF	Provincial level Department of Finance
DOH	Provincial level Department of Health
DONRE	Provincial level Department of Natural Resources and Environment
DPC	District People's Committee
EA	Executing Agency
EMDP	Ethnic Minority Development Plan
EMP	Environmental Management Plan
FS	Feasibility Study
GHK	GHK International, Ltd. (the lead consultant)
GOV	Government of Viet Nam
HCMC	Ho Chi Minh City
HH	Households
IMA	Independent Monitoring Agency
IOL	Inventory of Losses (Survey)
LAR	Land Acquisition and Resettlement
LCB	Local Competitive Bidding
MABUTIP	Management Board for Urban Technical Infrastructure Development Projects
MDG	Millennium Development Goals
MOC	Ministry of Construction
MOF	Ministry of Finance
MONRE	Ministry of Natural Resources and Environment
MOLISA	Ministry of Labor, Invalids and Social Assistance
MPI	Ministry of Planning and Investment
PAH	Project Affected Household
PCU	Project Coordination Unit
PMU	Project Management Unit
PPC	Provincial Peoples' Committee
PPMU	Provincial Project Management Unit
PPU	Project Preparation Unit
PPTA	Project Preparatory Technical Assistance
Pre-FS	Pre-Feasibility Study
PRC	Provincial Resettlement Committee
PSC	Project Steering Committee
PWC	Public Works Company
PWSC	Provincial Water Supply Company
RAP	Resettlement Action Plan
RP	Resettlement Plan
RRP	Report and Recommendations to the President (ADB Report)
ROW	Right of Way
RWG	Resettlement Working Group
SBV	State Bank of Viet Nam

SES	Socioeconomic Survey
SWM	Solid Waste Management
TA	Technical Assistance
TAR	Technical Assistance Report
TOR	Terms of Reference
TPC	Town People's Committee
UPWC	Urban Public Works Company
URENCO	Urban Environmental Company
USD	US Dollar
VND	Viet Nam Dong
WELI	Water and Environmental Consultants, Ltd. (PPTA subcontractor)
WS	Water Supply
WSC	Water Supply Company
WSP	Wastewater Stabilization Pond
WSS	Water Supply and Sanitation
WTP	Water Treatment Plant

CURRENCY EQUIVALENTS

(As of December 2005)

Currency Unit	=	Dong (D)
D1.00	=	\$0.0000631
\$1.00	=	D15,850.00

MEASUREMENTS

HA	=	HECTARE
Km	=	kilometer
m	=	Meter
m ²	=	square meters
m ³	=	cubic meters

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EXECUTIVE SUMMARY

Introduction 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, Khanh Hoa Ninh Thuan, Binh Thuan, Phu Yen, and Dak Nong. 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 Ministry of Construction is the Executing Agency for the Project, with delegated responsibility to the Management Board for Urban Technical Infrastructure Development Projects (MABUTIP).

Khanh Hoa Province is located in the South Center Coastal region of Viet Nam. Urban conditions in the three towns of Khanh Hoa have improved in recent years through the extension of water supply networks and road upgrading. However, many towns have yet to receive piped water supply and some areas have inadequate solid and liquid waste disposal systems. The Khanh Hoa subproject will provide improvements to physical infrastructure in three towns – Cam Ranh, Ninh Hoa and Van Gia and their surrounding communes and wards. Most notably of the infrastructure projects, Cam Ranh, with a population of 215,000 will receive the benefit of a water stabilization pond constructed to serve its expanding population. Cam Ranh will also benefit from a new landfill site to be located away from the town and villages. This will secure a solid waste management program for the town. In Ninh Hoa, a town with 117,370 people, a water treatment plant (WTP) will be constructed. The plant will be served by a 45km extension of its transmission lines. Further, pumping stations will be constructed to serve the WTP with an additional extension to transmission pipes. Land will be set aside in Van Gia for a landfill site, and space for improved drainage works.

Resettlement Plan This Resettlement Plan (RP) has been prepared in accordance with the overall resettlement policy that all people affected by land acquisition and resettlement in the affected communes shall be adequately compensated for lost assets and that sufficient measures are taken to ensure that they are able to restore pre-project living standards. Key features of this policy are: (i) compensation for land and structures shall be at replacement cost based on current market prices, and (ii) the inclusion of a number of rehabilitation/ transitional assistance measures targeted at severely affected and vulnerable households.

Contents of the RP The RP sets out (i) the legal and policy framework, (ii) the compensation and entitlement policy, (iii) the resettlement impacts of the Khanh Hoa subproject, (iv) the socioeconomic characteristics of affected persons (APs), (v) consultation and public participation procedures, (vi) processes for grievance redress and resolution, (vii) the institutional arrangements for RP implementation and an indicative time schedule for this, (viii) monitoring and evaluation program, and the compensation standards and resettlement budget.

Resettlement Impacts

Resettlement impacts have been minimized by engineering decisions and consultations undertaken during the PPTA. These include alerting APs to the likelihood of some of their land being required and the selection of sites for the landfill site and wastewater stabilization pond (WSP) in Cam Ranh which will affect zero properties, and only acquire agricultural land directly or through the associated buffer zones. In Ninh Hoa, the selected site for the Water Treatment Plant (WTP), the WTP will assist in helping to treat raw water and serve the communities' needs to 2015. In Van Gia the land acquired belongs to the local Commune Peoples' Committee. Thus, any compensation will therefore be paid for loss of crops rather than the land. None of the households will have to relocate in Van Gia. Similarly, in Khanh Hoa none of the households will have to relocate – only temporary structures, such as those to shelter farmers involved in aquaculture, will be lost. **Table ES-1** presents the scope of land acquisition and resettlement impacts based on the results of the inventory of losses and socioeconomic surveys carried out during the PPTA. It shall be noted that due to lack of available design information at the time of writing, it was only possible to make an assessment of the major resettlement projects i.e. the WSP, the landfill sites and the WTP in Ninh Hoa. Subcomponents not assessed in detail are the proposed primary and secondary drains, wastewater interceptors and some of the pumping stations required in Cam Ranh and Van Gia for the expansion of the drainage and water management network. The transmission lines that will be needed in Ninh Hoa have yet to be exactly earmarked. It is not, however, anticipated that the resettlement impacts of these subcomponents will be significant as land acquisition will be small and otherwise involve temporary acquisition or be sited along roads, or canals that will be reconstructed or have yet to be constructed in urban expansion areas. Acquisition alongside roads or canals will be on public land and will be outside the scope of this project because the roads will not be constructed under this Project.

Table ES-1: Summary Scope of Land Acquisition and Resettlement Impacts

Impacts	Khan Hoa	Comments
Number of APs (Population)	184	This impact is due to the landfill site and WSP in Cam Ranh, the WTP in Ninh Hoa. Minimal impact of the Van Gia acquisition.
Number of PAHs (households)	36*	One HH is poor under the old MOLISA poverty line (under the revised poverty line of 260,000VND, there would be two poor households). No female headed exists without an adult male present.
Affected Agricultural Land (sq.m.)	242,935	Land is used predominately for forestry or aquaculture.
Affected Residential Land (sq.m.)	0	No houses lost only temporary structures.
Affected Houses (Qty)	0	No houses will be lost. However, 256 temporary structures will be requisitioned.
Households losing over 10% of their land	34	APs are also employed in urban based work for many months of the year.
Affected Crops (sq.m.)		Eucalyptus trees and aquaculture.

*There are 36 PAH in Khan Hoa. The 36 PAH includes two peoples' committees and a local ward that will lose land or assets.

Table ES-1 shows that the resettlement impact of the subcomponent projects will have a severe impact on around 34 households. The affected households are mainly involved in forestry and aquaculture¹ and urban service sector workers who have waged employment. The PAHs live in Cam Thinh Dong commune that will be affected by the landfill, and from Cam Linh ward of Cam Ranh town who are affected by the proposed WSP and its access road. Those living in Xuan Tay will be most affected by the proposed Van Gia landfill while those in Ninh An commune will be most affected by the proposed WTP due to loss of forest land.

Consultations and Disclosure	Consultations with APs were carried during the preparation of this RP and will continue throughout the various stages of the Project. Prior to the ADB Management Review Meeting (MRM), PPMU and MABUTIP will ensure the following disclosure requirements are met: (i) the distribution of a Public Information Brochure (PIB) in Vietnamese and, as required, ethnic minority language(s); and, (ii) placement of copies of the RP in Vietnamese and English in provincial, district and commune offices. This draft RP will be uploaded on the ADB resettlement website immediately.
Implementation Arrangements	The Ministry of Construction is the Executing Agency for the Project, with responsibility for planning and implementation delegated to MABUTIP. MABUTIP will establish a Provincial Project Management Unit (PPMU). A Resettlement Working Group (RWG), consisting primarily of officers from the Land Administration Department, will be established by the PPMU to carry out all land acquisition and resettlement (LAR) activities. The activities of the RWG will be overseen by a Provincial Resettlement Committee (PRC) set up by, and answerable to, the Provincial Peoples' Committee (PPC). The PPC/ PRC will be responsible for issuing all required decisions, approvals and information related to RP implementation as well as ensuring the timely availability of funds for disbursement to APs. The RWG will work closely with liaison officers from the Peoples' Committees of the towns, districts and communes where project subcomponents are located. Representatives of the Women's Union and/or the Farmers' Association will participate actively in RP implementation at the local level. The RWG will maintain a computerized database of affected people and assets.
Implementation Schedule	RP implementation is not expected to start until late 2007. It is not, therefore, possible to provide an implementation program specific to this subcomponent. LAR activities will commence as soon as possible after the final technical designs have been approved. The total elapsed time for the completion of LAR activities from setting up the PRC to ground clearance is expected to be around 7 months. Economic rehabilitation measures will persist for another few months and external monitoring will take place periodically until the final evaluation survey scheduled for 2 years after the DMS. Compensation and resettlement

¹ Owing to the proximity of the town, most households derive income from semi-permanent, urban-based, informal sector employment.

for a particular subcomponent or section will be satisfactorily completed and rehabilitation measures in place before ADB will approve award of civil works contract for that particular subcomponent or section.

Resettlement Plan Budgets and Flow of Funds

For this subproject, the estimated RP cost is approximately USD 1 million². This includes compensation payments and allowances to APs, operational/administration expenses, internal and external monitoring, and contingencies. This sum also includes an indicative allowance for the subcomponents that have not yet been assessed in detail. **Table ES-2** gives a breakdown of these estimated costs.

MABUTIP, through the PPMU, will be responsible for channeling funds for the compensation for land acquisition and resettlement to the PPMU. The PPMU will be responsible for the direct payment to the APs with respect to affected land, structures, crops and trees. The disbursement of compensation payments will be witnessed by representatives of PRC, RWG, T(D)PC and CPC. All payments will be signed for by the AP and countersigned by these witnesses.

Table ES-2: Preliminary Estimate of Resettlement Costs

Cost Item	Cost (US\$)	%
Land	494,226	49% (85%)*
Structures	2,915	0% (1%)*
Crops	55,131	5% (9%)*
Infrastructure	0	0 % (0%)*
Allowances	28,186	3% (5%)*
Sub-total	580,458	(100%)
Contingency - quantities (10%)	58,046	10%
Sub-total – assessed scheme elements	638,504	75%
Allowance for non-assessed sub-components (20%)	127,701	13%
Total Resettlement Costs	766,204	76%
External Monitoring (1%)	15,324	1%
Administration Costs (2%)	7,662	2%
Sub-Total	916,891	91%
Price contingencies / inflation (10%)	91,689	9%
Grand Total	1,008,580	100%

* %ages of net Cam Ranh landfill and WSP acquisition costs and Ninh Hoa WTP and

Van Gia landfill. Other figures are %ages of total resettlement budget.

Updating of Resettlement Plan

This RP has been prepared on the basis of the engineering designs available at time of writing. It will be updated following detailed design and the implementation of the Detailed Measurement Survey (DMS) which will provide the legal and definitive basis for the acquisition of land and property for this subproject. The updated RP will include a final database of affected persons and a summary of the updated detailed measurement survey data as well as a revised budget.

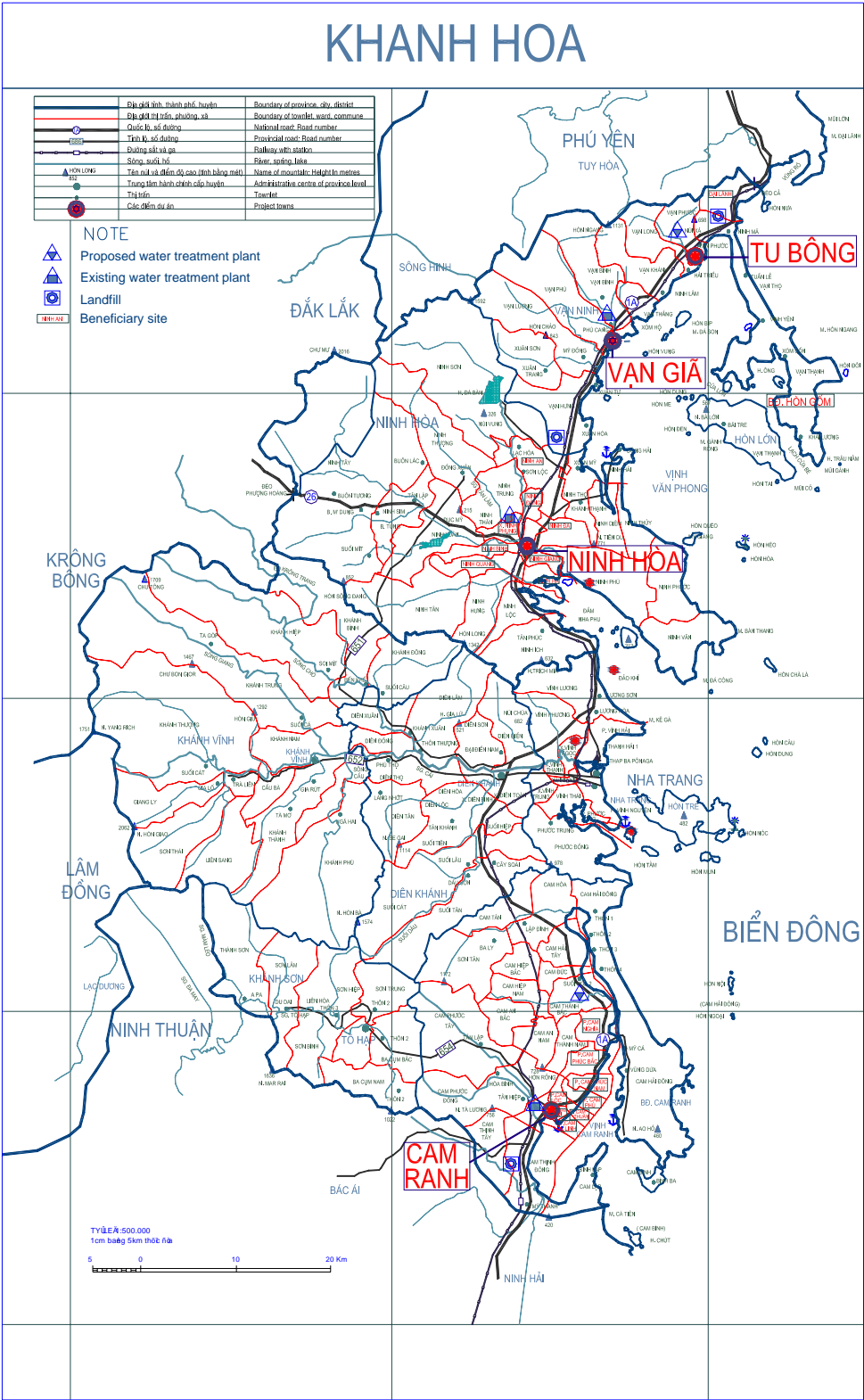
The PPC, based on advice from PRC and investigations by PPMU/RWG, will establish compensation rates for the subproject. These rates will be based on the latest available PPC rates adjusted, as necessary, by the findings of a replacement cost survey to be

² The exact figure is US\$1,008,580.00.

conducted by the independent monitoring agency (to be contracted by the Project Coordination Unit (PCU)). Compensation rates will be continuously updated to ensure that APs receive compensation based on full replacement value at the time of compensation payments. These compensation rates will also be included in the updated RP along with the revised budget.

Any revisions to the entitlement matrix will be limited to (a) inclusion of new entitlements to address impacts not previously recognized, or (b) changes of mode of payment from cash to in-kind or vice-versa. In no case will a reduction in the monetary value of any allowance be allowed regardless of whether payment is made in cash or in-kind. The approved updated RP will be implemented to the satisfaction of ADB.

MAP



I. INTRODUCTION

A. The Project

1. The Central Region Small and Medium Town Development Project (CRSMTDP), TA 4485-VIE, aims to improve the urban environment and enhance poverty reduction activities in five provinces of the Central Region of Viet Nam, namely, Phu Yen, Binh Thuan, Ninh Thuan, Dak Nong 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 five 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%. The average level of urbanization for the five provinces is about 33% ranging from 13% in Dak Nong to 45 % in Binh Thuan.

2. 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.

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 Khanh Hoa Subproject

4. Khanh Hoa Province is located in the South Central Coastal Region of Viet Nam. The total population of the province in 2004 was around 1,100,000. The Khanh Hoa subproject will involve improvements to drainage and wastewater management and solid waste management in three locations, Cam Ranh, Van Gia and Ninh Hoa. The urban population in the densely populated town of Cam Ranh in 2004 was around 90,467, but forecasted to reach 105,900 by 2015. The urban population of Van Gia was 20,764 in 2004 with a forecasted population of 28,400 in 2015. Ninh Hoa, whose urban population is currently 22,897, is expected to see a demographic rise to 27,200 people by 2015.

5. The Khanh Hoa subprojects will involve the improvement wastewater disposal and management in Cam Ranh, through the upgrade of the drainage network and the introduction of a WSP in Cam Linh ward, and construction of several pumping stations. Solid waste management will also be addressed in Cam Ranh town with the development of a landfill site to serve the surrounding communes. In Ninh Hoa, the Project will introduce a safe water supply system, and effectively deal with raw water by constructing a water treatment plant (WTP) which will be served by a 45 km expansion of the existing transmission pipes. A second landfill site for Khanh Hoa will be located in between Ninh Hoa and Van Gia. Van Gia will also support an expansion of its water treatment plant and the construction of a new water pumping station. **Table SA2-1** gives a summary of the proposed principal civil works associated with these subcomponents.

Table SA2-1: The Khanh Hoa Subproject: Civil Works

Town	Subcomponent	Scheme Elements	Comments
Cam Ranh	Drainage and Wastewater Management	<p>Renovate and dredge current drains.</p> <p>Build -</p> <ul style="list-style-type: none"> • 16 km of primary and secondary drains for all seven wards, • 17km of wastewater interceptors (D400- 1000), • 4 wastewater pumping stations and 3 km of pressure mains, and, • 1 waste stabilization pond (WSP). 	<p>WSP will be constructed near Ba Ngoi port.</p> <p>Detailed surveys for the alignments of drains have not been completed at the time of writing.</p>
	Solid Waste Collection and Management	<p>Purchase of pushcarts to carry 400 liters & 800 liters; provision of waste bins and trucks for solid waste.</p> <p>Provide rubbish storage facilities.</p> <p>Develop sanitary landfill with leachate collection system.</p>	<p>Leachate treatment works will need to be provided with septic tanks. Access roads and other supplementary works will need to be constructed.</p>
	Water Supply and Development	<p>Expand water treatment plant. Install 10km of distributive pipes DM150 and 1km of DM100.</p> <p>Construct new water pumping station on 0.5km of land, 1 reservoir and transformer. One building for management and experimentation.</p>	<p>Expand water intake and capacity of existing water pumping station.</p>
	Solid Waste Collection and Management	<p>Purchase of pushcarts to carry 400 liters & 800 liters; provision of waste bins and trucks for transporting solid waste.</p> <p>Some rubbish storage facilities.</p> <p>Develop sanitary landfill with leachate collection system.</p>	<p>Leachate treatment works will need to be provided with septic tanks. Access roads and other supplementary works will need to be added constructed.</p>
Ninh Hoa	Water supply and Development		<p>The 8km D300 transmission line will carry raw water from the pumping station to the treatment plant.</p>
		<p>Utilize 750m³ elevated reservoirs and pipe system.</p> <p>Construct a new pumping station at Da Ban lake.</p> <p>Install 8km of new raw water transmission line.</p>	

Town	Subcomponent	Scheme Elements	Comments
		Build a new water treatment plant and management route.	
		Expansion of existing network by installing 45km of transmission and distributive line from DN100 to DN300 including 24km for Ninh Hoa town and 20km for Ninh Thuy and Ninh Phuoc.	
	Solid Waste Collection and Management	Purchase of pushcarts to carry 400 liters and liters; and provision of waste bins. Provide rubbish storage stations. Landfill to be shared with Van Gia town.	

Source: CRSMTDP consultants.

6. A key component of ADB's resettlement policy is to avoid wherever possible the need for involuntary resettlement. During the Project Preparatory Technical Assistance (PTTA), discussions amongst the engineering team and between local officials and the resettlement experts have resulted in a number of changes that have reduced the potential resettlement impact of the Khanh Hoa subproject. These include alerting APs to the likelihood of some of their land being required, thereby avoiding the construction of buildings which would require subsequent demolition, and the selection of sites for the landfill and wastewater stabilization pond.

7. Despite the above measures, land acquisition for the Khanh Hoa subproject will have some unavoidable social impacts. A total of around 24 hectares, consisting of agricultural land, will be acquired which will adversely affect 36 households. Of these, 34 will be severely affected in that they will lose over 10% of their land. In addition, although no houses will be lost, 256 temporary structures will be requisitioned.

8. This resettlement plan (RP) has been prepared to address the unavoidable adverse impacts arising from land and property acquisition as a result of the construction of the Khanh Hoa subcomponents. 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 that they are at least as well off as they would have been in the absence of the project. This RP is based on (i) an inventory of losses (IOL) of APs affected by land acquisition and/or resettlement arising from those scheme elements for which information is currently available, (ii) a socioeconomic survey of these APs, and (iii) discussions with local officials.

9. The policies and principles adopted for the Project have been established based on the above-mentioned surveys, on Vietnamese legislation, and the Asian Development Bank's (ADB) Policy on Involuntary Resettlement. Wherever a gap exists between ADB's Policy on Involuntary Resettlement and Vietnamese law, ADB policy supersedes the provisions of relevant Vietnamese decrees (see Chapter II). The provisions and policies of this RP will form the legal basis for the implementation of resettlement activities for the Khanh Hoa subproject.

10. This Resettlement Plan is based on engineering investigations and designs carried out for the Pre-Feasibility and Feasibility Studies for this Project.¹ Following final approval for Project, the detailed design work will commence, which is likely to result in changes to the amount of land acquisition and the ensuing resettlement impacts. Once the final design has been completed and approved, the land acquisition process can start. Detailed Measurement Survey (DMS) will provide the definitive and legal basis for the land and assets to be acquired. The RP will be updated at this time to include the results of the DMS and to provide an accurate and final assessment of the numbers of APs, the property and land to be acquired from each, as well as a revised budget. This updating will include a revision of the compensation rates based on the most recent rates published by the Khanh Hoa PPC and a survey of current market values of key items, e.g. land, house rebuilding and crop prices. Simultaneously with this updating, a socioeconomic survey (SES) of all APs losing land or property permanently and a sample survey of those land temporarily will be undertaken to provide the basis for subsequent resettlement monitoring.

11. The Resettlement Plan begins with a review of the legal background to resettlement and land acquisition in Viet Nam and the relationship between this and ADB policy (Chapter II). Chapter III describes the overall resettlement policy to be adopted for the Khanh Hoa subproject and presents the detailed eligibility criteria and entitlements that will apply. Chapter IV describes the land acquisition and resettlement impacts that will ensue from the subproject's implementation while Chapter V presents a socioeconomic profile of affected persons and households. Chapter VI describes the consultation and public participation procedures adopted in the preparation of this RP and proposed for the implementation period. Grievance redress procedures are described in Chapter VII. Chapter VIII describes the institutional arrangements for RP implementation including an indicative implementation schedule. Proposed arrangements for monitoring and evaluation are contained in Chapter IX before the compensation standards and estimated budget are presented in Chapter X. Annexes 1 to 4, respectively, contain the draft Public Information Brochure, to be issued to all APs prior to the commencement of resettlement activities, the consultation and disclosure plan, an inventory of APs likely to be impacted by the main elements of the scheme and terms of reference (TOR) for resettlement consultants.

II. Legal Background

12. 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*.

A. The Vietnamese Legal Background

1. Applicable Laws and Circulars

13. 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:

¹ Specifically, the RP is based on the design information contained in the Pre-Feasibility Report and subsequently updated during the preparation of the Feasibility Study. While the locations of the major subcomponents are generally known, detailed site boundaries have yet to be located on the ground and alignments for access roads, drains and pumping stations are indicative only. It should be noted that the requirements of the PPTA time program made it impractical to await the completion of all design work prior to the preparation of this Resettlement Plan.

- (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 Government.
- (v) Decree 198 of the Government 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. Circular 114/20044/TT-BTC, guiding implementation of Decree 188.
- (vii) Circular 144, dated 26 November 2004, of the Ministry of Finance providing guidelines to executing Decree 188 of the Government.
- (viii) Decree 17/2001/ND-CP, dated 4 May 2001, relating to regulations on management and utilization of overseas development assistance.
- (ix) Decree 17/2004/CT-TTg, on speeding up the disbursement of ODA capital source.
- (x) Decree 17/2006/ND-CP dated 27 January 2006, relating to amendment and additions to Decrees 181 and 197 above.
- (xi) 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.

14. 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) Decrees of PPCs on regulations on compensation, assistance and resettlement when the State acquires land in the provinces.
- (ii) Decrees of PPCs on land prices in the provinces.
- (iii) Decrees of PPCs 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 of PPCs on the issuance of prices of plants, cash crops and cattle on the land to serve as basis for estimating compensation and assistance.

15. Details of the Decrees issued by Khanh Hoa province are provided in **Chapter X** (Compensation Standards) and have been incorporated into the resettlement budget.

2. The 2003 Land Law

16. The 2003 Land Law that became effective on 01 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.

17. 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)).

3. Decree 197/2004

18. Following the adoption of the new Land Law, the GOV issued Decree 197/2004 to regulate the implementation of the new Land Law. This decree supersedes Decree 22/1998 which previously provided the detailed regulations governing compensation and entitlements arising from land acquisition and resettlement. Guidelines have been issued for the implementation of this Decree (116/2004/TT-BTC). The principal new features of Decree 197 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 occupants 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 shall 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 no land is 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% to 50% 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; (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 shall 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.

4. Decree 17/2006/ND-CP

19. The main provisions of this decree, which has only just been issued, are summarized below.

20. **Pertaining to Decree 181/2004/ND-CP.** Decree 17 includes a standard for calculating the maximum amounts of land that can be used for different types of projects. 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.

21. **Pertaining to Decree 197/2004/ND-CP.** Provisions in Decree 17 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.

22. Households losing more than 30% 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.

23. 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.

24. Administrative and implementation expenses for land acquisition and compensation must not exceed 2% of the total land compensation cost.

B. The Relationship between National Laws and ADB Policy

25. The following summarizes the key ADB policies relevant to the preparation of the Resettlement Plans for the Project.²

1. ADB Policy on Involuntary Resettlement

26. The aim of the ADB Policy on Involuntary Resettlement (1995) is to avoid or minimize the impacts on people, households, businesses and others affected by the land acquisition required by 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.

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

- (i) Involuntary resettlement shall be avoided where feasible.
- (ii) Where population displacement is unavoidable, it shall be minimized by exploring all viable project options.
- (iii) People unavoidably displaced shall be compensated and assisted, so that their economic and social future would be generally as favorable as it would have been in the absence of the Project.

² The ADB *Policy on Indigenous Peoples* is not included in this discussion because, due to the ethnic composition in the project area, the policy is not triggered.

- (iv) People affected shall be informed fully and consulted in resettlement and compensation options.
- (v) Particular attention and assistance shall be given to the following groups of APs to help them improve their socioeconomic status: those relocating to new sites, members of ethnic minorities, the poor, the disabled and the elderly and female headed households.
- (vi) The absence of formal legal title to land by some affected groups shall not be a bar to compensation; particular attention shall be paid to households headed by women and other vulnerable groups such as ethnic minorities and appropriate assistance provided to help them improve their socioeconomic status.
- (vii) The full costs of resettlement and compensation shall be included in the presentation of project costs and benefits.

2. Gaps between National Laws and ADB's Involuntary Resettlement Policy

28. The 2003 Land Law and Decree 197/2004 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.

29. **Table SA2-2** highlights the key differences between Decree 197 and the ADB's policy on involuntary resettlement and how these have been affected by Decree 17/2006. Measures to bridge the remaining differences in order to make local practices consonant with Bank policies and procedures are also provided.

Table SA2-2: Differences between Decree 197 and ADB's Policy on Involuntary Resettlement

Decree 197/ Decree 17	ADB Policy	Project Policy
Article 6: If persons who have land recovered by the State meet all conditions prescribed in Article 8 of the Decree, 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 providing such support.	APs who are not entitled to compensation under domestic law will be assisted to restore their pre-project living standards	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.
Article 9: 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 (see Chapter VIII) 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.
Article 18,19, 20: - Houses and structures on non-eligible-for-compensation land, which have not violated announced land use plans or the	All affected houses and structures, irrespective of land tenure status,	Full compensation at replacement cost will be paid for all affected structures based on current fair market price of new building

Decree 197/ Decree 17	ADB Policy	Project Policy
right of way will be assisted at 80% 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.	should be compensated at the full replacement cost	materials and labor without any deductions for salvageable materials and labor or depreciation.
Articles 26, 28: Only registered businesses are eligible for assistance	All affected businesses are eligible for assistance	All affected businesses are eligible for assistance
Article 28, 29: AP's losing more than 30% 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% of productive land, will be entitled to rehabilitation assistance as will members of vulnerable households.	APs losing more than 10% 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.

3. ADB's Policy on Gender and Development

30. The ADB *Policy on Gender and Development*³ adopts gender mainstreaming as a key strategy for promoting gender equity, and for ensuring that women participate in and that their needs are explicitly addressed in the decision-making process for development activities. For projects that have the potential to have substantial gender impacts, a gender action plan has been prepared to identify strategies to address gender concerns and the involvement of women in the design, implementation and monitoring of the project.

4. ADB's Public Communications Policy

31. The ADB *Public Communications Policy*⁴ seeks to encourage the participation and understanding of people affected by and other stakeholders to ADB-assisted activities. Information on ADB-funded projects shall start early in the preparation phase and continue throughout all stages of project development, in order to facilitate dialogue with affected people and other stakeholders. The Executing Agency shall, as necessary, develop a project communications plan and designate a focal point to maintain contact with affected people. With respect to land acquisition, compensation and resettlement, information shall be distributed to affected peoples (APs) and publicly in the following manner: (i) prior to loan appraisal, the draft Resettlement Plan (RP); (ii) following completion of the final RP, the final RP; and, (iii) following any revisions, the revised RP. This information can be in the form of brochures, leaflets or booklets, in the local language(s) as well as English, the working language of the ADB. When APs include non-literate people, other appropriate methods of communications will be used.

5. ADB's Accountability Mechanism

³ ADB, 1998, *Policy on Gender and Development*; ADB, 2003, *Operations Manual (C2/BP and C2/OP)*.

⁴ ADB, 2005. *Public Communications Policy: Disclosure and Exchange of Information*.

32. The ADB *Accountability Mechanism*⁵ serves to enhance the capacity of ADB to respond to, prevent and/or resolve problems associated with the implementation of its policies in ADB-funded project. It consists of two separate but complementary functions: (i) a consultation phase consisting of a special project facilitator (SPF) who will respond to specific problems of locally affected people in ADB-assisted projects through a range of informal and flexible methods; and, (ii) a compliance review phase consisting of a compliance review panel (CRP) to investigate and make recommendations to remediate alleged violations of ADB operational policies and procedures that have resulted or are likely to result in direct, adverse and material harm to project-affected people. The relevant operations department of ADB has the initial responsibility for responding to the concerns of affected communities.

33. Complaints may be filed by (i) any group of people in the country where the ADB-assisted project is located or in a member country adjacent to the borrowing country; (ii) a local representative of the affected group; or (iii) a nonlocal representative, in exceptional cases where local representative cannot be found and the Special Projects Facilitator agrees. If a complaint is made through a representative, it must clearly identify the people on whose behalf it is made and provide evidence of authority to represent the project-affected people.

III. The Resettlement Policy

A. Objective

34. The Vietnamese legislation governing resettlement, compensation and rehabilitation of affected people and the ADB's *Policy on Involuntary Resettlement* have been adapted 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.

35. 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

36. Consonant with ADB's policy that APs shall 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 the Khanh Hoa subproject 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;

⁵ ADB, 2003. *Review of the Inspection Function: Establishment of a New ADB Accountability Mechanism*.

- (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

37. 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 value 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 value 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) RPs 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

38. **Table SA2-3** provides the detailed CRSMTD Project Entitlement Matrix. This is a generic entitlement matrix and therefore not all the entitlements will apply to the Khanh Hoa subproject. Specific provisions relating to Khanh Hoa province are however included. The entitlement matrix 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.

39. The numbers of PAHs entitled to the various categories of entitlement in **Table SA2-3** will be assessed in the next Chapter.

E. Eligibility

40. For the Project, the cut-off-date for eligibility to the entitlements presented in **Table SA2-3** is defined as the completion of the Detailed Measurement Survey (DMS) to be undertaken as soon as possible following completion of detailed engineering design for each subcomponent.

41. People who move into the land take area as defined by the DMS after the subproject 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, occupants 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

42. The Project compensation and entitlement policy matrix, presented in **Table SA2-3**, 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.

1. Assistance to Severely Affected Households

43. The ADB's definition of a severely affected person (SAP) is one who experiences either a loss of 10% or more of their productive assets (most often land) or physical displacement from residential or commercial accommodation.

44. 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 three to six months (3 months if only partial rebuilding required; 6 months if total rebuilding required) 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) technical support and assistance to access credit to start business enterprises or other economic activities; through the National Fund for Employment Support of MOLISA, the Agricultural and Rural Development Bank for the Poor and local and national nongovernment organizations (NGOs) promoting micro-credit facilities.
- (iv) priority for employment on project construction (see below).

45. 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.

46. Note that SAPs are only eligible for one economic rehabilitation package per household even if they lose both their property and over 10% of their land holding.

47. 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), 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.

48. PAHs falling into the above categories are eligible for additional assistance as follows:

- (i) Very poor households (income under VND100,000 per capita): transition allowance and economic rehabilitation package as above.
- (ii) Other vulnerable households: VND1 million per household (as per Khanh Hoa PPC decree).

49. Vulnerable households are not eligible for the above assistance if they already qualify for assistance as SAPs, but will be provided additional assistance as needed to assist them to improve their pre-project conditions.

2. Priority Employment for SAPs on Subcomponent Construction Work

50. Civil works for construction of subcomponents in Khanh Hoa 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.

51. 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.

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

Table SA2-3: Entitlement Matrix

Entitled Persons	Type and Level Of Impact	Compensation Policy	Implementation Issues
A. AGRICULTURAL LAND			
A.1: Temporarily Affected Agricultural Land			
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.	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 100% of 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.	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% 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.
A.2 Permanently affected agricultural land			
User with permanent right (legal and legalizable)	10% or more 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,	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

		<p>registration and land transfer charges; AND</p> <ul style="list-style-type: none"> - Economic rehabilitation package (see G, below); OR, if AP opts, <p>b) Cash compensation at 100% replacement value at current market prices; AND,</p> <ul style="list-style-type: none"> - Economic rehabilitation package (see G, below). 	<p>portion. The size of the entire holding will be the basis for providing replacement land and cash compensation.</p> <p>Preceding note on viability of remaining (unaffected) portion of the plot also applies.</p>
	Affected landholding exceeds area of land quota	<ul style="list-style-type: none"> - 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. 	
	Less than 10% of total productive landholding affected; OR No suitable replacement land available	<p>a) Cash compensation at 100% replacement value at current market prices for affected portion, if remaining holding is viable; OR</p> <p>b) Cash compensation at 100% replacement value at current market prices for entire landholding, if remaining holding is not viable.</p>	
	Affected landholding located in urban, peri-urban or rural residential area, as per approved land use plan	<ul style="list-style-type: none"> - Additional cash compensation equal to 30% of the agricultural land value. 	
	Affected land co-owned by two or more households	<ul style="list-style-type: none"> - 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.	<ul style="list-style-type: none"> - Compensation held in escrow account until land dispute is resolved. 	
User with lease or temporary rights		<p>a) Cash compensation equivalent to 30% replacement value for affected land; OR,</p> <p>b) Cash compensation for loss of net income for the remaining leased or assigned period, whichever is higher.</p>	Preceding note on viability of remaining (unaffected) portion of the plot also applies.
Non-titled user		<ul style="list-style-type: none"> - No compensation for affected land. - 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	More than 10% of total	<p>a) As a priority, allocation of replacement land a) equal in area to affected land up</p>	Preceding note on viability of

	productive landholding affected	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 and e) without charge for taxes, registration and land transfer charges; OR, if AP opts, b) Cash compensation at 100% replacement value at current market prices.	remaining (unaffected) portion of the plot also applies.
	Affected landholding exceeds area of land quota	- Cash compensation for the replacement value for the area of affected land that exceeds the land quota.	Preceding note on viability of remaining (unaffected) portion of the plot also applies.
	Less than 10% of total productive landholding affected; OR No suitable replacement land available	a) Cash compensation at 100% replacement value at current market prices for affected portion, if remaining holding is viable; OR b) Cash compensation at 100% replacement value at current market prices for entire landholding, if remaining holding is not viable.	
	Affected landholding in urban, peri-urban or rural residential area, as per approved land use plan	- Additional cash compensation equal to 30% of the agricultural value.	
B. RESIDENTIAL AND/OR NON-AGRICULTURAL LAND (e.g., commercial)			
B.1. Temporarily Affected Residential and/or Non-Agricultural Land			
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 rent to APs during temporary use equivalent to 10% of replacement cost at current market value; AND - Compensation for any demolished structures; 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 occupant.
	Loss of use of land exceeds 1 year	a) AP to continue temporary use arrangements; OR b) AP to sell landholding to Project at 10% of 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 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	a) AP to continue temporary use arrangements; OR	

	exceeds 1 year	b) AP to sell landholding to Project at 30% of replacement value based on current market prices.	
B.2. Permanently Affected Residential and/or Non-Agricultural Land			
User with permanent rights (legal and legalizable)	Loss of residential and/or non-agricultural landholding	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 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 and e) without charge for taxes, registration and land transfer charges; OR, if AP opts, b) Cash compensation at 100% replacement value at current market prices for similar type and location of land.	
	Affected landholding exceeds area of land quota	a) Allocation of additional replacement land to provide a total area equal to affected land, if available; OR b) Cash compensation at 100% replacement value based on market prices for area of affected land greater than land quota.	
	Remaining land not sufficient to rebuild affected structures	- Project will acquire entire landholding and structures; AND, at informed request of AP, a) Cash compensation equal to the replacement value based on current market prices for landholding and structures, with AP self-relocating with assistance from local authorities to locate alternative land; OR b) Allocation of replacement residential land combined with cash compensation at replacement value for acquired structures.	
	Remaining land less than 100 m ² , regardless of whether or not sufficient to rebuild affected structures	- At informed request of AP, the Project will acquire entire landholding and structures; AND, a) Cash compensation equal to the replacement value based on current market prices for landholding and structures, with AP self-relocating with assistance from local authorities to locate alternative land; OR b) Allocation of replacement residential land combined with cash compensation at replacement value for acquired structures.	
	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% replacement based on market prices for land of similar type and location.	
	Remaining land not sufficient to rebuild affected structures	- Assistance from local authorities to locate alternative land.	
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).	
	Non-titled AP has no other residential land	- Local authorities may allocate replacement residential land or housing with temporary or lease land rights.	
	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 will allocate replacement non-agricultural (e.g., commercial) with temporary or lease land rights.	
Eligible organizations	Loss of non-agricultural land	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 type (e.g., commercial), c) at a location satisfactory to AP, d) with full title and e) without charge for taxes, registration and land transfer charges; OR, if AP opts, b) Cash compensation at 100% replacement value at current market prices for similar type and location of land.	Note: Land organizations <u>not</u> eligible for land compensation may, nonetheless, receive cash compensation at 100% 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.
	Affected landholding exceeds area of land quota	a) Allocation of additional replacement land to provide a total area equal to affected land, if available; OR b) Cash compensation at 100% replacement value based on market prices for the area of affected land that exceeds the land quota.	
	Remaining land not sufficient to rebuild affected structures	- The Project will acquire the entire landholding and structures; AND at informed request of AP, a) Cash compensation equal to the replacement value based on current market prices for landholding and structures, with AP self-relocating with assistance from local authorities to locate alternative land; OR b) Allocation of replacement non-agricultural land combined with cash	

		compensation at replacement value for acquired structures.	
C. PRINCIPAL (HOUSES AND/OR SHOPS) AND OTHER STRUCTURES OR PROPERTY			
C.1. Principal Structures (Houses and/or Shops)			
Owners of structures	Structure partially affected and remaining portion can be rebuilt	<ul style="list-style-type: none"> - Cash compensation at 100% 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	<ul style="list-style-type: none"> - Cash compensation at 100% 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 transition allowances (see G, below). 	
Owners of shop or non-residential structures	Structure totally affected OR Structure partially affected and remaining portion no longer viable	<ul style="list-style-type: none"> - Cash compensation at 100% 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). 	
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	<ul style="list-style-type: none"> - 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.
C.2. Other Structures, e.g., kitchens, toilets, animal sheds, fences, foundations, etc.			
Owners of structures	Partially or totally affected structures or other property	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> - 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 compensation equal to the costs of exhumation and transport of the remains, reburial and all other reasonable costs 	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	<ul style="list-style-type: none"> - 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, including future income that will be lost for the remaining lifespan of the trees/crops.
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 100% 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 shall be used collectively for income restoration measures and/or new infrastructure.
	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 100% 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.	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 average monthly taxable revenues, for 6 months. Average monthly taxable revenues determined on basis of financial statements for the past 12 months.	
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 up to a maximum of VND4, 500,000. - Severance pay for employees. - 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	a) Cash assistance up to VND 3,000,000 for APs that relocate within relocation area (as per Khanh Hoa PPC decree). NB. Not applicable for PAHs rebuilding on same plot.	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.
G.2. Transition Subsistence Allowance			

Owners of residential structures that must rebuild.	Loss of income during period to rebuild	- Cash assistance equal to 30 kg of rice per month per household member for 6 months (valued for budget purposes at VND 250,000 per month per person as per Khanh Hoa Decrees). 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.
G.3 Repair Allowance			
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 up to a maximum of: a) VND 1,000,000 per structure, for Category 1, 2 or 3 structures; OR b) VND 500,000 per structure, for Category 4 and temporary structures.	At time of compensation, allowance will be adjusted for inflation to reflect current market prices for repairs.
G.4 Infrastructure Development Allowance			
Owners of structures that relocate themselves	Provision of basic infrastructure, e.g., water supply, toilet, access, drainage	- Cash assistance equal to VND 1.2 million per household based on Khanh Hoa PPC decree.	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.
G.5 Economic Rehabilitation Package			
Severely affected APs, displaced from housing or losing 110% 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	- 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 VND100,000 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. See Chapter X for basis of estimates.
G.6. Special allowance for social and economically vulnerable households			
Vulnerable APs (the poor, the elderly)	Assistance to the poorest and vulnerable households to improve their social and economic conditions.	- The greater of equivalent of 30 kg of rice per person in the family per month for 6 months OR VND 1 million per household. (VND 2 million if war contributor)	Eligible households are those who are classed as vulnerable/poor under MOLISA definition.

G.7 Bonus to APs that relocate on time			
All APs that relocate		- 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.	Bonus amount to be decided in consultation with local authorities for each subproject. Payment to be made directly to APs immediately upon removal.

IV. Project Impacts

A. Methodology

53. The assessment of the resettlement¹ impacts of the Khanh Hoa Subproject was undertaken by means of the following:

- (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 subcomponents²;

54. This data gathering³ was undertaken between October and March 2006.

B. Resettlement Impacts of the Khanh Hoa Subproject

1. General

55. **Table SA2-4** presents a summary of the main features of the Khanh Hoa subproject as they relate to land and property acquisition.

56. As previously noted, the design studies are proceeding in parallel with the preparation of this RP,⁴ thus while locations are available for the major elements of the proposed schemes (see **Table SA2-1**), i.e. the wastewater stabilization pond (WSP), they are not available⁵ for the drains, interceptors, pumping stations and land fill access road. Accurate assessment of the resettlement impact of all scheme elements is not therefore possible at the time of writing. The RP therefore concentrates on the assessment of the impacts of the scheme elements for which good locational information is available with a qualitative assessment being provided for the other elements of the schemes.

57. The accurate assessment of the resettlement impacts of the Khanh Hoa subproject, and complete figures of land acquisition, houses, structures, and other affected assets, will only become possible following completion of the detailed technical designs. Further changes are likely when the Detailed Measurement Survey, which will involve a ground-based survey of all land and assets falling within the land to be acquired, is undertaken; the information collected in this survey will provide the legal basis for the compensation and rehabilitation of affected persons. The final extent of resettlement impacts will therefore be determined during the actual land acquisition process.

¹ 'Resettlement' includes both land and property acquisition which may, more usually not, require the relocation of the PAH to another site.

² These were undertaken by the domestic resettlement specialist assisted by two trained researchers.

³ The data gathering exercise also collected information on unit costs and compensation rates necessary to provide an overall resettlement budget. This information is contained in Chapter X: Compensation Standards and Budget.

⁴ The completion of the designs for the Feasibility Study has the same scheduled completion date as this, and the other project RPs.

⁵ Walk through surveys and site investigations / topographical surveys have yet to be completed.

58. 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.

Table SA2-4: Khanh Hoa Subproject: Land Acquisition and Resettlement

Town	Subcomponent	Description	Current land use	Land Ownership	Comment
Cam Ranh	Drainage and wastewater management	WSP; drainage network, and four pumping stations, interceptors, etc	Aquaculture	Private	Area required for WSP is around 10.2 hectares including access road. Mostly on existing ROWs or in areas yet to be developed. Pumping stations may require some acquisition of private land but locations not yet fixed.
	Solid Waste Collection and Management	Landfill	Forestry	Public	One poor HH has been allocated 1ha of CPC land to plant fruit trees. The eucalyptus and fruit trees will be compensated for and a support will be given for land investment
Van Gia	Water supply and Development	Expansion of water treatment plant	-	-	Locations as yet undetermined
	Solid Waste Collection and Management	Landfill	Forestry	Public	No households live on the site. The site is public land, owned by Vang Hung CPC. Compensation will be for loss of trees.
Ninh Hoa	Water supply and Development	Install 8 km of new pipes + Construct new pressure pumps inc, pumping station	Forestry	Public	AP lives outside the boundary for land to be acquired.

Source: Consultants Field Surveys, November 2006.

2. Minimization of Resettlement

59. A key component of ADB's resettlement policy is to avoid, wherever possible, the need for involuntary resettlement. During the PPTA, discussions amongst the engineering team and between local officials and the resettlement experts have resulted in the selection of the landfill site in Cam Ranh. The chosen site is next to Hon Vung mount, 500 m from National Road No.1A west and located within agricultural land of Hiep Thanh village, Cam Thinh Dong commune. The remote location from the nearby towns and villages has assisted in the selection of this site. The site is 250 x 400 meters, requiring approximately 10 hectares for the landfill and a further 1,600 m² for the access road. The farmers who are using the agricultural land were granted land use right for 20 years and have been exempt from land taxation since 1998. For the first five years, the farmers grew crops and fruit trees. However, due to the inadequacy of the soil, crops and trees have suffered and failed to grow. Consequently, farmers changed their crop to eucalyptus trees, grass and to raising cattle and goats. Among the 12 PAHs, there is a collective household (CPC) and a poor household who will be supported in the transition to ease their way out of potential poverty. This poor HH has been assisted by the CPC by being allocated 1ha of CPC land to plant fruit trees. The eucalyptus and fruit trees will be compensated for and support will be given for land investment.

60. The WSP project in Cam Ranh town is located by the sea, in 'group 3', of Cam Linh ward. The site is 35 x 30 meters and is 250 meters from Cam Ranh port in the north. It was formed by farmers tens of years ago as the sea gradually encroached upon the land and is now

being used for aquaculture cultivation. On the embankments, above the aquaculture fields the farmers have temporary houses to watch over their produce. The location is divided into different ponds, with the average area of a pond being 3,000m². Some HHs in 2005 received a profit of more than VND 1 billion per pond. The aquaculture relies on the sea tide.

61. The existing water treatment plant with a capacity of 1500 m³/day has a polluted raw water source. To meet the expected capacity of 2015, a new water intake and raw water pumping station need to be built. To assist the pumping station, a new Water Treatment Plant (WTP) will be required with the addition of the raw transmission pipe, and distributive pipe linking to households. The WTP will be located on Hoan Hau hill, in Lac Hoa village, Ninh An commune in Ninh Hoa district. The site is about 12 km northwest of Ninh Hoa town, adjacent to Provincial Road Number 7. An area of 3.6 ha and an access road of 700m² will be acquired.

62. The landfill for Van Gia and Ninh Hoa is located in Xuan Tay village, Van Hung commune, Van Ninh district. It is 15 km from Van Gia and Ninh Hoa. It is 2.5 km from the west of National Road No.1A (north of Nuoc Man bridge). A small access road already exists to serve the site. The 10 ha site is in an area of typical forest land on hillside, within a valley. No households live or reside on the chosen site. However, the land owner, Van Hung CPC, is considered as a PAH.

3. Resettlement Impacts: Major Sites

63. The Cam Ranh landfill site will require around 10.3 hectares of land; and a further 1,600 m² of land for the construction of the access road. All the land is located on the outside of the major town, along one of the national roads, west of Cam Ranh. The acquisition of this land will have an affect on 13 households who use the land for growing cash crops. (see **Table SA2-5**). However, no farmer is living on the land, so compensation is paid for the loss of crops and for land investment.

64. In Cam Ranh, land acquisition for the WSP has been considered to have minimal interference with the tide flow into the shrimp ponds. The farmers will be supported so as to maintain their cultivation and to receive a higher income than before the Project, or at least equal to what they currently make, pre-WSP. The HHs in the proposed site have a relatively high salary for their occupations and area and, therefore, expect only 'satisfactory' compensation.

65. In Ninh Hoa, the four PAHs' reclamation of Hon Hau hill was approved by the CPC several months ago. At the base of the hill, the PAHs have built houses and gardens which are outside the area of land to be acquired for the project. These HHs have agricultural land for rice cultivation in the commune's field. Besides agricultural production some PAH are employed formally and informally as builders, porters, hair dressers and motorbike taxi drivers. In Ninh Hoa, the construction of the WTP will require compensation to four PAH for the loss of their eucalyptus trees. A total of 36,700 m² of forest land will be lost containing almost 3,000 eucalyptus trees. The acquisition of forest land will require an allowance for PAH to receive land reclamation compensation. A pumping station will be built within an 300 m² area of public land which is next to Da Ban lake. The 8-km water transmission pipe is likely to have no resettlement impacts as it will be installed along the existing canals to the WTP. At the time of writing, only approximate locations for the pipes could be given. As the pipes are likely to run along the canals which are public land, it is considered that compensation will be negligible.

66. In Van Gia, the land acquisition process will require compensation for the loss of the eucalyptus trees located on the site for the proposed landfill. The 17,500m² access road is on public land and therefore, does not require compensation. The eucalyptus trees are planted on public land managed by Van Hung CPC. Even though no compensation is required to support land reclamation, 50% of the replacement cost of the productive forest (1,500 dong/m²) will be given. This allowance will be paid to the CPC budget for land reclamation in other locations.⁶

Table SA2-5. Khanh Hoa Subprojects: Resettlement Impacts

RESETTLEMENT IMPACT FOR SCHEME ELEMENTS FOR WHICH DETAILED ASSESSMENTS WERE POSSIBLE				
		Impact on Household Structures (HHs)		
Town	Subcomponent/ Element	Severe Impact (requiring relocation)	Marginal Impact (no relocation)	Total
Cam Ranh	Landfill	0	13	13
Cam Ranh	WSP	0	0	0
Ninh Hoa	WTP + Expand network and supplementary works	None		
Van Gia	Landfill	None		
Khanh Hoa Province		Loss of Land by Private Households (ha)		
		Severe Impact (>10%)	Marginal Impact (<10%)	Total
Cam Ranh	Land fill + access road	10.37ha (12 hhs)	0.01ha (1 hh)	10.38 ha (13 hh) +1hh(CPC)
Cam Ranh	WSP	10.2 (17 hhs)	0	10.2(17 hhs)
Ninh Hoa	Expansion of water supply network and supplementary works	3.6 ha(4 hhs)	none	3.6 ha(4 hhs)
Van Gia	Water supply network expansion + landfill	None		
Khanh Hoa Province		24.7 (33 hhs)	0.01ha (1 hh)	24.8 (34 hhs)
	Type of Impact	Residential land and house demolition		0
		Residential land and some structures		0
		Residential and agricultural land with some structures		
		Agricultural land only		34
QUALITATIVE ASSESSMENT FOR SCHEME ELEMENTS WHICH COULD NOT BE ASSESSED IN DETAIL				
Town	Subcomponent/element	Comments		
Cam Ranh	One landfill site	Affect on 13 households for loss of forest land. No structures affected.		
Cam Ranh	WSP + 16 km Primary/ secondary drains and 17 km wastewater interceptors, 4 pumping stations; 3 km of pressure mains	Impact likely to be minimal as the great majority of these will be located within the ROW of existing canals.		
Ninh Hoa	Install 45 km of transmission and distributive lines. Construct new pumping station, and new WTP	Utilize 750 m³ elevated reservoirs and pipe system. Impact is likely to be minimal as majority of the infrastructure is located on public land.		
Van Gia	Install 10 km of DN 150 water supply pipes; new pumping station. Landfill site required	Landfill site is on public land. Compensation will be paid for the loss of forest land. Nonetheless, 50% of the replacement cost of the productive forest (1,500 dongs/m²) will be given		

Source: IOL Survey, March 2006; Consultants' estimates.

67. For the Cam Ranh landfill project, there are 13 households (c. 80 people)⁷ plus one collective Peoples' Committee (therefore 14 households), that will be affected by the acquisition of the land, currently used for growing eucalyptus trees (see **Table SA2-5**). One of the PAHs is

⁶ Van Hung CPC, is considered as a PAH

⁷ These figures shall be seen as estimates as site boundaries have yet to be finalized or clearly demarcated on the ground. In particular, the alignment of the access road is still indicative.

classified as vulnerable, with a monthly HH income of VHD1.75 million and an average per capita income reaching VHD194,000 per month. The acquired land will also be used for an access road. There will no property acquisition.

68. For the Cam Ranh WSP project, 17 households (c. 89 people) will be affected by the partial acquisition of land currently used for aquaculture. However, there will be no relocation of households and the shrimp farming, for example, which currently exists will be able to continue in parts. In total, only one household will lose all their land in both the Cam Ranh projects (see **Table SA2-6**). The majority of PAHs are losing between 51% -75% of their land.

69. In Ninh An commune of Ninh Hoa district, the acquisition of land will seriously affect the four PAHs who will lose all of their eucalyptus trees. One PAH will lose less than 35% of their land (see **Table SA2-5** and **Table SA2-6**) and two households will lose between 51% -75% of their land. In Van Gia, the only PAH is the Van Hung CPC which will lose its forest rather than land.

70. There are few vulnerable households amongst the PAHs. Although six households are categorized as female-headed, based on the sex of the respondent, none of these households had any adult males of a working age. One household had a per capita income below the current MOLISA poverty line. There are no households with disabled persons or people belonging to ethnic minorities.

Table SA2-6: Severely Affected Households

% of Agricultural Holding lost	Households	%	Amount of land lost (m2)
Cam Ranh			
Less than 35%	2	5 %	15,500
35-50 %	7	32 %	10,900
51-75 %	14	48 %	152,300
75-99 %	5	14 %	44,800
100 %	1	1 %	4736
Total	29	100 %	320,236
Ninh Hoa			
Less than 35 %	1	25 %	20,000
35-50 %	1	13 %	10,000
51-75 %	2	63 %	50,000
75-99 %	0		-
100 %	0		-
Total	4	100 %	80,000
Van Gia			
	1 ^a	0	
Total	34 ^b		
Vulnerable Households		Pop.	
Women-headed	0	-	
Poor	1	3 %	

^a Van Hung CPC is the considered a PAH in Van Gia, being the land owner. The compensation will cover the loss of Eucalyptus trees.

^b A CPC and local ward which will lose land and crops have been emitted from the total. Otherwise, the total PAH would be 36

Source: IOL Survey, March 2006.

71. The entitlements resulting from these losses, based on the entitlement matrix presented in **Table SA2-3**, are included in **Chapter X** which gives the detailed resettlement budget. Given that all 34 households will be severely affected, all will qualify for assistance over and above the direct compensation for lost crops, trees or land.

72. The preceding tables indicate that the Cam Ranh landfill and WSP, the Ninh Hoa WTP and to some extent the Van Gia landfill will have a severe resettlement impact for around 34 households and two organizations—the Van Hung CPC and Cam Ranh CPC; which in total will affect around 184 persons. One household with 9 persons are vulnerable. Chapter V describes the socioeconomic characteristics of the APs and their attitudes towards potential compensation packages.

4. Resettlement Impacts: Drains and Pumping Stations

73. The above is necessarily a partial assessment of the impact of the landfill sites (Cam Ranh and Van Gia) and the water treatment plants (Ninh Hoa) and WSP (Cam Ranh). The Cam Ranh and Van Gia proposed pumping stations could not be assessed as the topographic surveys and design studies are still being undertaken. Even when these have been completed, significant changes are probable during the preparation of the detailed designs. Accordingly, a detailed assessment of the resettlement impact arising from these schemes awaits the completion of the DMS.

74. Notwithstanding the above, our preliminary assessment indicates that the resettlement impact of these linear elements, despite their length, around 78 kms, is not likely to be significant:

- (i) In parts of Khanh Hoa new drains will often be located along canals or roads which will be constructed, or reconstructed, as part of the implementation of an approved Master Plan for these towns. Acquisition for these roads will, therefore, occur independently of this Project. Land acquisition for these new or reconstructed roads fall outside the scope of this Project, and hence the associated drains and water pipes will have no resettlement impacts attributable to this Project.
- (ii) In most other cases, the drains will be sited along existing roads with sufficient ROWs for them to be accommodated without significant impacts, i.e. except for awnings, driveways and other small scale or temporary structures. The majority of the drains will also 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 fences⁸.

75. Owners of temporary structures will be compensated based on the provincial standards at the time of the DMS. Wherever possible, reinstatement will be permitted.

76. Acquisition for the pumping stations may involve some private land. Where this is the case, owners will be compensated for this acquisition and will receive any additional entitlements (i.e. assistance packages) for which they are eligible.

⁸ At the time of writing, design information was insufficient to officer the number of characteristics of land uses within the existing ROW. The potential number of temporarily affected households is large. Where temporary acquisition is required, in urban areas, assuming an average property frontage of 10 m, the number of properties affected would be around 100 per km.

V. SOCIOECONOMIC SURVEY

A. General

77. 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.

78. During the IOL survey of APs, a socioeconomic survey of PAHs was also carried out to identify their salient socioeconomic characteristics. This serves as a basis for identification of appropriate measures that could assist PAHs to at least recover their living standards and restore their sources and levels of incomes or productive capacities. Given the low number of PAHs, all APs were interviewed. The names of the household heads affected by the Cam Linh ward WSP and landfill project in Cam Ranh, the water treatment plant in Ninh Hoa and the landfill development in Van Ninh 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 IX.

B. Town Socioeconomic Characteristics

79. **Table SA2-7** summarizes key socioeconomic characteristics of Can Ranh, Ninh Hoa and Van Gia. The size and status of the towns in terms of population. Perhaps, unsurprisingly, for all three towns, the suburban population is far greater than the urban population. In particular, the following is noted—the almost absence of ethnic minorities in the towns, the labor force is predominately based in agriculture, apart from in Van Gia, which has a stronger industrial and business center. Levels of poverty vary and represented in the old and new MOLISA poverty line. High school enrolment is consistently high in all three towns. All three towns have the same level of sanitation, in the use of latrines and septic tanks. Domestic supply of piped water in all three towns is low, with most towns favoring wells or bottle sources for their household supply. Data on the incidence of child malnutrition is incomparable without further information. More detailed information can be found in the **Appendix E: Social Assessment**.

Table SA2-7. Socio Economic Characteristics of Cam Ranh, Ninh Hoa and Van Gia: 2004

Indicator	Cam Ranh	Ninh Hoa	Van Gia
Total Population	215,822	117,370	77,359
Urban Total	90,467	22,897	20,764
Sub-urban	124,925	95,019	56,595
% Urban	42 %	20 %	27 %
% Ethnic minorities	Negligible	Negligible	Kinh (99.8 %) Minority 0.2 %
% Labor force in agriculture	65 %	72 %	38.7 %
Poverty rate (% of pop.)	3.7 ^a	3 %*	5 %**
	18 % ^b	18 %**	
School enrolment (% of children 5-15 yrs)	100 %	99 %	99 %
Malnutrition (% under 5 / no. of cases)	21.05 %	2,575 cases	N/A
Domestic Water Supply - wells	40 %	70 %	65.3
- piped	8 % ^c	15 %	7 %
Sanitation – latrines	25 %	25 %	25 %
- septic tanks	62 %	70 %	62 %

NA = not available.

^a Old standard of MOLISA, 2005.

^b New standard of MOLISA, 2005.

^c only in Can Thuan and Cam Linh wards.

Source: Main Report, Appendix E: Social Assessment.

C. Characteristics of Affected Persons.

1. Population and Households

80. The average size of PAHs in Khanh Hoa is 5.5 persons with around 80% having 3 to 6 persons (**Table SA2-8**). Only a small percentage (less than one) of the population in the three affected towns were from ethnic minorities. A total of 6 households were nominally headed but all had resident adult males of working ages.

Table SA2-8: Household Size

Khanh Hoa Province		
Household Size	No.	%
1 or 2 persons	0	0
3 or 4 persons	13	39 %
5-6 persons	13	39 %
7-9 persons	5	15 %
10+ persons	2	6 %
Total	33	100 %

Source: Field Surveys, March 2006.

81. The overall sex ratio of the total population surveyed is over a quarter of the population or 26% is aged under 16 years. 9% are aged over 60 years (**Table SA2-9**). The population is therefore predominantly concentrated in the working age groups.

82. Of the 36 PAHs living in Cam Ranh, Ninh Hoa, or Van Ninh district, 35 of them have been resident in the area for over 10 years. Only one household in Loc Hoa village in Ninh A commune in Ninh Hoa district has been living in the area between 5 to 10 years. All PAHs have permanent resident status in the area.

Table SA2-9: Age and Sex Distribution for Khanh Hoa

Age Group	Male	Female	Total	Male	Female	Total
Up to 15 years	30	17	47	32 %	19 %	26 %
16-25 years	22	31	53	24 %	35 %	29 %
26-50 years	27	25	52	29 %	28 %	29 %
51-59 years	5	7	12	5 %	8 %	7 %
60+ years	9	8	17	10 %	9 %	9 %
Total	93	88	181	100 %	100 %	100 %

Source: Field Surveys, March 2006.

83. **Table SA2-10** gives the educational attainment of APs aged over 15 years. From the household data, it was indicated that almost two thirds of APs completed secondary education and a further 20% completed higher secondary education. Only 16% recorded that they had completed primary level education. Only 1% of the AP was illiterate.

Table SA2-10: Educational Attainment (over 15 years)

Highest level of education	No.	%
Primary Class 1-5	26	16 %
Secondary Class 6-9	95	60 %
Higher Secondary Class 10-12	30	19 %
University College	5	3 %
Post graduate	0	0
Literate	0	0
Illiterate	2	1 %
Total	111	100 %

Source: Field Surveys, March 2006.

2. Occupation and Income

84. The income distribution of PAHs is presented in **Table SA2-11**. The average monthly household income of PAHs is around VND 3 million per month while the average per capita income is VND600,000 per month. This represents an above average per capita income compared to other resettled groups of the five provinces involved in the CRSMTD project. The high per capita income can be associated with the proximity of certain towns, such as Ninh Ho, to the tourist resort of Nha Thang.

85. The MOLISA poverty line has changed since the beginning of the first three RPs were written. The original MOLISA poverty line stood at VND200,000 per month. Since the beginning of this written report, the MOLISA poverty line has changed to VND260,000 per month. Using the old MOLISA poverty line, 1 PAH would be classified as poor while with the new MOLISA Poverty line, two households would be classified as poor. The low level of poverty partly reflects the importance of the additional incomes that households receive from off-farm activities, either through tourism or informal trade. There is no correlation between incomes and the titular head of household.

Table SA2-11: Per Capita Household Income

Household per capita income (VND per month)	No. of Households	% of households	No of Pop'	% of population
Under 200,000	1	3 %	9	5 %
200-299,000	2	6 %	28	15 %
300-399,000	2	6 %	16	9 %
400-499,000	3	9 %	18	10 %
500-599,000	2	6 %	12	7 %
600,000 and above	23	70 %	101	55 %
TOTAL	33	100 %	184	100 %

Source: Socioeconomic Survey, March 2006.

3. Land, Housing and Other Assets

86. Current agricultural land holdings of PAHs average approximately 12,000 m², although the median is 9,600 m². The range of land holdings varies quite considerably from a minimum of 3,500 m² to a maximum of 30,000 m² (**Table SA2-12**). As is apparent in the table, household land holdings are large for small scale farmers, with almost 50% owning more than 1 hectare. Similar, to the total household land holdings, per capita holdings have wide range from 633 m² to 6,667 m² with a median amount of 1,750 m². Ninety per cent of per capita ownership of land was more than 1000 m². Moreover, 40% of the APs had more than 2000 m².

Table SA2-12: Land Holdings

Household Land Holdings			Per Capita Land Holdings		
Area (m2)	No.	%	Area (m ²)	No.	%
0-1999	0	0	100-299	0	0 %
2000-2999	0	0	300-399	0	0 %
3000-3999	1	3 %	400-499	0	0 %
4000-4999	1	3 %	500-699	1	3 %
5000-9999	15	45 %	700 - 999	2	6 %
10000-19999	10	30 %	1000+1999	16	48 %
20.000+	6	18 %	2000+	14	42 %
TOTAL	33	100 %	TOTAL	33	100 %

Source: Socioeconomic Survey, March 2006.

87. All PAHs own their houses, their use rights to the land which they cultivate are governed by the local Peoples' Committees.

88. Almost all PAHs own at least 1 bicycle, 2 electric fans and 1 television. Almost 50 % of PAHs own a gas cooker. Around $\frac{3}{4}$ of PAHs own motor cycles. One third of APs own a telephone, video and an electric cooker and half of the households have their own private bath. Ownership of other durables is low (**Table SA2-13**).

Table SA2-13: Ownership of Assets

Item	Households owning	
	No.	%
Car	0	0 %
Motor Cycle	38	76 %
Bicycle	92	184 %
Washing Machine	0	0 %
Refrigerator	3	6 %
Television	50	100 %
Telephone	18	36 %
Video	16	32 %
Electric Fan	138	276 %
Gas Cooker	22	44 %
Electricity Cooker	17	34 %
Bath Tube	26	52 %

Source: Socioeconomic Survey, March 2006.

4. AP Perceptions

89. During the Socioeconomic Survey, PAHs were asked whether they would prefer compensation in the form of cash or replacement land/property. The unanimous response was to receive compensation equally in land and in cash. This response can be explained by facts. The majority of households are engaged in farming i.e. forestry, or small scale farming. In the case of Cam Ranh, the farmers occupy public land, which provides the APs with a greater incentive to own any future land which they will farm. Secondly, some of the PAHs have a relatively high per capita income, such is the case for those using the proposed WSP site. As some of the actual aquaculture ponds will be retained for the WSP site, the farmer's response has been to request 'satisfactory compensation', either in land or cash for them to continue in their livelihood. Thirdly, the affected households are not of a highly skilled group having no university level education nor are they employed in professional occupations. Thus their knowledge of land and cultivation is their skill. To remove their land would be to remove their skill base. It is perhaps, therefore, less surprising to find that 100% of APs requested formal training and employment as one their priorities. It is significant to note that, as a priority, all the households wanted cash compensation (along with land) without the ensuing debt. Therefore, when cash is distributed, it is advisable to train households to manage large sums of money. Households in resettlement projects in Asia often get into debt once they reconstruct their homes.

90. Owing to the early stage of project formulation, most PAHs were not aware of the proposed WSP. However, their awareness was raised through the SES. The main concern of PAHs was not that they would lose their land but that they would receive adequate compensation for their losses. All households expressed a desire to receive training that would help them access urban employment opportunities.

91. During the DMS, it will however be desirable to revisit this issue of how APs are compensated for lost land.

VI. PUBLIC PARTICIPATION AND CONSULTATION

A. General

92. The main purposes 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, and 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.

93. 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 nongovernment organizations 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.

94. 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 is shown in **Annex 2**.

B. Consultations during the PPTA and RP Preparation

95. 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.

96. Notwithstanding the above, as a result of both the SES and the recent topographic surveys, the occupants of the land for the landfill sites, the WSP and WTP are now aware that they will need to lose all or part of their current land holdings and that they would receive compensation for land and the crops/trees lost and would therefore be eligible for other assistance.

97. The PPTA consultants also emphasized the importance of public consultation and RP disclosure processes to local officials in Khanh Hoa during the Interim Workshop in March 2006. In response, the local officials emphasized that they fully appreciated the need for a positive approach towards the needs of Affected Persons 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 that previous ADB projects in the province in general had involved the acquisition of land and compliance with ADB resettlement policies.

C. Consultation and Disclosure during RP Implementation

98. Consistent with the requirements of ADB's Public Communications Policy – Disclosure and Exchange of Information, (2005), following approval of this RP by the Khanh Hoa PPC, the following activities will be undertaken:

- (i) The PPMU in Khanh Hoa Province will make available the approved RP including all attachments in Vietnamese at commune offices or the local project office.
- (ii) Prior to Appraisal the draft RP (in the form of Public Information Brochure [Annex 1]) will be distributed to potential APs and uploaded in the ADB. This will be the same procedure for the final RP and the revised/updated RP after the detailed technical design has been completed.
- (iii) The Khanh Hoa PPMU will work 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.

1. Public Information Meeting

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

100. During the meeting, information will be presented in verbal and graphic format. APs will be provided with the information in a written form, with extra copies made available at district and commune offices throughout the subproject area. Adequate opportunities will be provided during the meeting for APs to respond with questions and comments. The PPMU will compile 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 will be prepared and submitted to the PRC.

101. The information to be provided to APs during the meeting shall include:

- (i) Description of the Khanh Hoa subcomponents.
- (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 grievances 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 compensation⁹ 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.

2. Consultations with Severely Affected¹⁰ and Vulnerable APs

102. The PRC (operating through the PPMU, see Chapter VIII) will carry out detailed consultations individually and/or in small groups with severely affected, female household heads and other vulnerable households, in order to determine their specific requirements and preferences for rehabilitation assistance and, as required, relocation.

VII. GRIEVANCE REDRESS

103. 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 in Chapter VI.

104. 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 shall they lodge appeals to district courts.

⁹ This date will also be notified to APs by individual letter.

¹⁰ Defined as those losing their property and/or 10 % of their productive assets, e.g. land.

105. Reliance upon the grievance redress procedure shall 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 shall 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.

106. A four-stage procedure for redress of grievances is proposed:

- (i) **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 (or ward) 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.
- (ii) **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 the complaint.. The AP must lodge the complaint within 30 days of registering the original complaint and must produce documents that support his/her claim.
- (iii) **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.
- (iv) **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.

107. The procedure described in these four steps is consistent with the legal process for resolution of disputes in Viet Nam. 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.

108. If efforts to resolve disputes at the village and Project level remain unresolved or unsatisfactory, APs have the right to directly contact the ADB Operations Department (Southeast Asia Social Sectors Division, Southeast Asia Department) through the ADB office in Hanoi, and then directly to the ADB Office of the Special Project Facilitator (OSPF) as outlined in the Information Guide to the Consultation Phase of the ADB Accountability Mechanism.

VIII. ORGANIZATIONAL FRAMEWORK AND SCHEDULE OF RESETTLEMENT IMPLEMENTATION

109. 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

110. 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 to monitor overall project implementation progress, coordinate project implementation, and advise 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 to coordinate the Project and manage central level Project consultants.
- (iii) The Project Coordination Unit (PCU) reports to MABUTIP and is responsible to provide support through consulting services, monitoring and evaluation, progress reports, assist in preparing withdrawal applications for loan disbursement, monitoring provincial Project financial reports, ensure that periodic audits are properly carried out in a timely fashion, monitor 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 Imprested accounts and withdrawal applications and replenishment requests and forward to ADB, AFD and PCU.
- (v) Ministry of Planning and Investment (MPI) is responsible for 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 Khanh Hoa Subproject

111. The Khanh Hoa 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.

112. The PPC will establish a Provincial Steering Committee (PSC) to report to the PPC. The PSC will be chaired by the PPC Vice Chairman. The PSC's functions will include policy

guidance, resolution of inter-agency issues, monitoring and evaluation of Project activities. Membership in PSC will 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.

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

114. The PPMU's functions are to: (i) monitor and coordinate all Project activities in subproject towns in the province; (ii) supervise consultants responsible for design, preparation of tender documents, construction supervision, and other activities; (iii) prepare bid plans, work-plans and annual budget plans; (iv) manage prequalification of contractors, bid evaluations, contract negotiations, site compensation and clearance; (v) supervise work-plans and ensure quality control of work done by contractors and consultants; (vi) supervise 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) supervise and monitor project-related resettlement and environmental activities; and (ix) prepare periodic project progress and annual reports and submit to PPC and then MABUTIP for aggregation in project progress reports to GOV and ADB.

C. Institutional Arrangements for Resettlement and Land Acquisition Activities

1. Central Level

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

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

2. Provincial Level

116. The Provincial Peoples Committee (PPC), based on advice received from the Provincial Steering Committee (PSC), will be responsible for issuing all decisions and approvals relating to the implementation of the Khanh Hoa 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 the 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.

117. The Provincial Resettlement Committee (PRC) will oversee all activities of PPMU in regard to the implementation of the Khanh Hoa RP including the production and approval of the various documents necessary for the implementation of the land acquisition and compensation process. These include the documentation related to the land acquisition plans, the formulation of the unit costs for compensation, the public disclosure and consultation plan, the resettlement budget and fund disbursement requirements, and internal progress and monitoring reports.

118. The PRC will also be responsible for:

- (i) Co-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 DOF who will establish 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 co-ordination 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.

119. The membership of the PRC will include 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.

120. The Provincial Project Management Unit (PPMU) will be responsible for the actual implementation of all LAR activities related to the Khanh Hoa subproject, 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) Preparing 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 coordination, scheduling of activities, AP grievances and, where necessary, bringing these to the notice of the PRC.
- (v) 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 Brochure (PIB) to all APs prior to the DMS.

- (vi) Organizing and executing the DMS¹¹ 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 fortnightly progress reports to the PRC from start of acquisition until completion of disbursement. These reports shall indicate by PAH and in total, the assets acquired and the amount of compensation disbursed; totals shall be cumulative indicating the total amount of assets acquired and the compensation disbursed since the start of acquisition process. After completion of disbursement, reports shall be quarterly describing the extent of other rehabilitation measures, the number of beneficiaries and their cost. Reports shall also include summaries of any grievances and complaints and the resolution of these.
- (x) Cooperate fully with the independent monitoring agency, responsible for the external monitoring of the LAR activities, including providing the agency with the AP database.

121. The PPMU will establish a Resettlement Working Group (RWG) staffed mainly by members of the Land Administration Department to undertake the above tasks. Coordination with other activities will be assured by the appointment of a member of the engineering team to RWG. The Resettlement Working Group will report to the PPMU on a weekly basis.

122. Given the concentration of LAR impacts in Cam Ranh and in order to streamline procedures, it is recommended that RWG include members of the Land Administration Department of Cam Ranh town, monitoring Cam Linh and Cam Thinh Dong commune and that RWG deal directly with the APs and be directly responsible for the disbursement of compensation payments. The resettlement impacts in Ninh Hoa and Van Gia are relatively small in comparison and can be managed by the RWG with support from the respective districts.

3. District and Commune Levels

123. Given the recommendation that the RWG includes members of Cam Ranh, Ninh Hoa and Van Gia town Land Administration Department and that it deals directly with APs in the aforementioned towns, the PRC will include at least one member from the above towns. It will be necessary to set up parallel organizations at the town and commune level. In order to assure a requisite level of liaison and involvement at local level the Peoples' Committees of Cam Ranh, Ninh Hoa and Van Gia town shall each appoint liaison officers to work with the RWG on all LAR activities and, in particular:

¹¹ The DMS is arguably the most important activity during LAR as it constitutes the formal basis for determining AP entitlements and levels of compensation for individual households; it also provides the baseline for subsequent monitoring. The DMS will be undertaken by the RWG augmented by officials from local PCs, the Women's Union and/or Farmer's Association. The primary output of the DMS is a summary list of all APs showing the amount of land, property and other assets to be acquired. These will be confirmed by the signatures of the PAH in question, the head of the RWG, and the representative from the local PC.

- (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.

D. Key Implementation Issues relating to Resettlement

1. Establishment of Resettlement Committees

124. Following appraisal of the Project and prior to further work on land acquisition and resettlement, the PPC in Khanh Hoa, with advice from the Provincial Steering Committee, will establish the Provincial Resettlement Committee. The PRC together with PPMU will establish the Resettlement Work Group who will be responsible for the preparation and implementation of all land acquisition, compensation and resettlement activities.

2. Consultations and Disclosure

125. APs will be kept fully informed about, and participate in, the various stages of the preparation and implementation of LAR activities.

126. Requirements for disclosure include i) the distribution of a Public Information Brochure in Vietnamese and, as required, ethnic minority language(s) prior to the ADB Management Review Meeting (MRM) and, as required, following preparation of the updated RP; ii) placement of copies of the RP in Vietnamese and English in commune offices prior to the MRM; and, iii) placement of copies of the updated RP in Vietnamese in commune offices prior to implementation of the RP. The RP will be disclosed on the ADB Involuntary Resettlement Website prior to the MRM. The final RP and the revised/updated RP after the detailed technical design has been completed will likewise be uploaded in the ADB website.

127. Prior to the DMS and following distribution of the PIB, the PRC and RWG will hold 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.

128. 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 RWG and liaison officers from the TPCs and CPCs.

3. DMS and Subproject Compensation Chart

129. The DMS will be carried out by the RWG with assistance from local liaison officers and with the full participation of the APs. Based on the DMS, the RWG will prepare a chart showing the land, structures and other assets to be acquired from each PAH. Simultaneously, the RWG 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.

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

4. Updated Resettlement Plan

131. The RP will be updated following completion and verification of the detailed engineering design for the Khanh Hoa subproject and finalized based on a detailed measurement survey of affected assets of 100% of households that will be affected by land acquisition. The updated RP will be prepared by the RWG with assistance from the external resettlement consultant. The updated RP will include:

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

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

5. Implementation of SAP Assistance Programs

133. Following the DMS, the RWG¹² in Khanh Hoa will organize consultation programs for SAP households. These programs will:

- (i) interview SAP households individually or in small groups with separate consultations with ethnic minority households and with women who are household heads or members of SAP households;
- (ii) carry out a needs assessment to determine the types of in-kind economic rehabilitation measures, that SAPs feel can best help them to restore their livelihoods and living standards;
- (iii) obtain comments and feedback from SAPs about proposed measures, as well as identify further participation of SAPs in the implementation and management of measures.

134. The results of the consultation program and the economic rehabilitation measures that are identified will be reported in the updated RP to be submitted following completion of the DMS.

¹² See Chapter VIII.

135. The RWG will coordinate implementation of the economic rehabilitation measures for SAPs with the Women's Union, the Youth Union, the Farmers' Union and NGOs and other community organizations and, as required, with government departments and other agencies at the provincial level.

136. While there are few ethnic minority PAHs in the Khanh Hoa subproject, RWG will ensure that they benefit from the implementation of the proposals contained in the Ethnic Minorities Development Plan.

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 critical to the household adjustment to land acquisition and involuntary resettlement. Hence, the importance of ensuring that female SAPs are given special attention in the above mentioned consultations and assistance programs as well as equal priority for employment during the construction period. Consultations with, and assistance to, female SAPs shall be organized in close consultation with local branches of the Women's Union. Additionally, if SAPs opt for replacement land or house lots to be provided by the authorities, the names of the husband and wife will be included in the land use rights certificate (LURC) in cases where the household head is married.

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

6. Flow of Funds and Disbursement of Compensation

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

7. Internal and External Monitoring

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

140. Land Administration Departments 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 procedure 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 MABUTIP, the PRC and RWG in these tasks.¹³ Key responsibilities for these experts are outlined in **Annex 4 and 5**.

E. Implementation Schedule

¹³ This expert/ organization will also have similar responsibilities in the other project towns.

141. 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. Land acquisition activities are scheduled to commence in mid 2007 with construction starting in mid 2008.

142. At present, there is no specific time-table for the implementation of the Khanh Hoa subproject. It is thus not possible to provide a definitive program for the implementation of LAR activities. The implementation schedule shown in **Table SA2-14** thus assumes that the final designs for the Khanh Hoa subcomponents will have been finalized and approved by the end of the third quarter 2007. This is clearly conditional on the completion of loan processing by ADB and the establishment of the PPMU. The schedule envisages the completion of resettlement activities by the middle of 2008. This schedule will be revised in the updated RP to be prepared following the DMS.

Table SA2-14: Khanh Hoa RP Implementation Schedule (Key Activities)

Activity	Year	2007					2008											
	Month	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12		
PREPARATORY PHASE																		
Establish PRC and RWG																		
Recruit independent consultant																		
Training of RWG 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																		
IMPLEMENTATION PHASE																		
Carry out Detailed Measurement Survey																		
Hold public information meetings																		
Prepare final compensation chart for compensation payments to APs																		
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																		
MONITORING																		
Internal monitoring reports																		
External monitoring surveys/reports ^a																		
CIVIL WORKS CONSTRUCTION																		

^a Final Resettlement Monitoring Survey and Report will be submitted in late 2009.

IX. MONITORING AND EVALUATION

A. General

143. The Project will establish systems for internal and external monitoring and evaluation. The main purposes of the monitoring and evaluation program are to ensure that 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.

144. 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.

145. The objectives of the monitoring and evaluation program are (i) ensure that the standard of living of APs is restored or improved; (ii) monitor whether the time lines 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

146. 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.

147. **Table SA2-15** contains the indicators and benchmarks that will need to be collected in order to monitor the above activities.

C. Monitoring Methodology

148. Monitoring will be achieved through two monitoring mechanisms:

- (i) ongoing internal monitoring of process and output indicators; and
- (ii) external monitoring by APs and an independent monitoring agency to assess the extent to which resettlement and rehabilitation objectives have been met.

Table SA2-15: 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
	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

Type	Indicator	Examples of Variables
	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

D. Internal Monitoring

149. The Provincial Resettlement Committee working through the Land Administration Department is responsible for the internal monitoring of RP implementation. The PRC will prepare and submit monitoring reports to the PPMU. These reports shall be monthly commencing with the distribution of the Public Information Brochure continuing until the final disbursement of compensation funds. It is recommended however that they shall 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.

150. 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 MABUTIP for review and approval.

151. PPMU 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 MABUTIP approval of changes to the implementation of the RPs.

E. External Monitoring

152. External monitoring will commence as soon as the updated RP has been approved, and will carry out independent bi-annual reviews of the RP and, as relevant, EMDP implementation based on the objectives and indicators outlined above with any requirements for corrective actions highlighted.

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

- (i) The DMS will provide a database on APs in terms of their social and economic status, the nature and extent of losses, entitlements, compensation, among others. This database provides a baseline for monitoring project benefits, as well as being the basis for entitlements and compensation, and must be made available to the external monitoring agency to create their initial database.
- (ii) A survey of all APs will be conducted as soon as possible following the completion of the DMS in order to provide the baseline social and economic characteristics of APs. It shall be repeated 6 months and 12 months after the initial survey using the same questionnaire modified to include changes in income and living standards and attitudes towards the LAR process. All relocating households and severely affected APs shall be interviewed with at least 20% of all other affected households. Information will be collected on the sex, age, occupation, education and ethnicity of all household members; living conditions, e.g. access to water, sanitation and energy for cooking and lighting; ownership of durable goods; sources of household income: primary and secondary sources of household income and total household income.
- (iii) The household survey shall be supplemented with participatory rapid appraisals (PRA) involving more detailed semi-structured interviews with some SAPs and various stakeholders from local government, the PRC, and community leaders. The PRA will concentrate on double-checking the conclusions of the household survey, identifying problems and discussing potential solutions to these.

154. A Post-Resettlement Evaluation will be carried out 24 months after completion of all resettlement activities, using the same survey questionnaire and sample as used during monitoring activities.

155. The AP database shall 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 PPMU.

156. External monitoring reports summarizing the findings of each round of surveys and will be submitted to the respective PRCs and PPMU, as well as directly to ADB. The reports will 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; (iv) identification of specific ethnic minority issues, as relevant; and, (v) 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, PPMU and implementing agencies held after submission of the reports. Necessary remedial actions will be taken and documented.

157. PPMU 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 TOR and the candidate's experience and qualifications. The external monitoring agency/consultant must have specialized in social sciences and experience in resettlement monitoring. A draft terms of reference for this assignment is contained in **Annex 4 and 5**.

X. Compensation Standards and Budget

158. 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 contains the resettlement budget for Cam Ranh and Van Gia individually, whilst finally presenting the total budget for the Khanh Hoa subproject as a whole while Section C describes the proposed disbursement arrangements.

A. Basis of Cost Estimates

159. Khanh Hoa PPC issued various decisions to implementing Decree 197/CP. The Provincial Peoples' Committee only issues specific decisions on replacement cost for houses, structures, crops, graves and land, for example on residential, agricultural land, and the locations to be acquired for national benefit. Unit costs for compensation are shown in Table SA2-16 for Khanh Hoa. They have been determined from the following provincial sources:

- (i) Decision No.41/2005/QD - UB issued on 10/5/2005 by Khanh Hoa PPC on compensation, support and resettlement when the Government acquires land in the province.
- (ii) Decision No.03/2005/QD - UB issued on 12/1/2005 by Khanh Hoa PPC on prices of land in the province
- (iii) Decision No.80/2004/QD - UB issued on 24/03/2004 by Khanh Hoa PPC on the price of houses and structures that will require compensation.
- (iv) Decision No.50/2005/QD - UBND issued on 6/6/2005 by Khanh Hoa PPC on the prices of trees, crops, assets and structures in Khanh Hoa province.
- (v) Review of current market values for selected items.
- (vi) Resettlement Plans prepared for previous ADB projects.

160. The rates shown in **Table SA2-16** for Khanh Hoa province reflect current replacement costs of assets lost at current market value, which is compulsory for compensation of affected assets. These rates are based on 2005 prices; in all probability therefore they will change by the time that acquisition for the Khanh Hoa subprojects take place.

161. The RWG working with the Executing Agency will determine the revised compensation rates for the year in question based on new Khanh Hoa PPC decisions issued to replace those mentioned above, the annual rate of inflation and the results of a replacement cost survey to be conducted by the independent resettlement supervision and monitoring consultant.

162. The assistance allowances for severely affected persons and other vulnerable households to restore or improve their pre-Project conditions, currently based on existing Khanh Hoa PPC regulations and previous RPs for ADB projects will also be updated at the time that the acquisition occurs.

163. Based on the above, a revised resettlement budget will be prepared and included in the updated RP prepared following detailed engineering design and the DMS.

164. 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 SA2-16: Compensation Unit Rates for Khanh Hoa Province ¹⁴

Item	Unit	Compensation rate		Comments
		VND	USD	
1. Land				
Land for annual crops (subsidiary crops)	m ²	21,000	1.3	Khanh Hoa HPPC value is 12,000 making the market value the best value for those being compensated.
Land for perennial trees (industrial and fruit)	m ²	21,000	1.3	Khanh Hoa HPPC value is 14,000. Market value is given.
Forest land	m ²	750	0	Typically land given over to forests equate to 50% of production value. Revenue generated from forests is paid into the budget. Market value and Khanh Hoa HPPC price are the same
Land for aquaculture	m ²	6,700	0.4	HPPC value for the likes of shrimp farms is 15,000
2. Structures				
Temporary	unit	150,000	9.5	Khanh Hoa HPPC value is the same as the market value.
Grave yard	Grave	1,650,000	104.1	Khanh Hoa HPPC value is the same as the market value.
3. Crops				
Mango	tree	60,000	3.8	
Eucalyptus	tree	7,500	0.5	
Sugar cane	m2	400	0	
4. Rehabilitation Allowances				
Transition Living (subsistence) allowance. 120,000 x 6 month/person to be relocated	Person	720,000	45.4	
Employment support (2,000,000 VND person of a working age)	Person	2,000,000	126.2	
Employment support for people not of a working age (1,000,000/person)	Person	1,000,000	63.1	
Poverty reduction support for poor PAHs (120 000 days/person/month x 5 year**	Person	7,200,000	454.3	In accordance with decree 17.SAPS losing 30% + of their land and very poor PAHs; as for transitional subsistence allowance above.

Source: Decree 17/2005 (see Chapter II); Khanh Hoa PPC regulations; market surveys and contractors estimates.

B. Land Acquisition and Resettlement Budget for Khan Hoa Subproject

165. The estimated resettlement cost for the Khanh Hoa subproject has been calculated based on the unit price list given in **Table SA2-16**. The unit prices taken from the IOL survey that was conducted in March 2006. **Table SA2-17** provides the cost estimates for Cam Ranh, whilst **Table SA2-18** and **SA2-19** provides the cost estimate for Ninh Hoa and Van Gia, respectively. **Table SA2-20** summarizes the overall compensation for all projects and their subprojects in Khanh Hoa.

¹⁴ Only unit costs applicable to the Khanh Hoa subproject are shown.

166. The following should be noted:

- (i) A 10 % contingency has been added to allow for under-estimation of the amount of land required and the numbers of APs for the WSP and landfill site in Cam Ranh town, and for the WTP in Ninh Hoa and the second landfill site in Van Gia.
- (ii) A contingency of 20% has been added to allow for supplementary infrastructure costs, which may come from the development of the WSP, the landfill sites in Can Ranh and Via Gia, or the construction of pumping stations and the expansion of the transmission pipes in Ninh Hoa to serve the new WTP. These additional costs which are not expected to be significant (see Chapter IV), have been added to the overall budget.
- (iii) As per Decree 17, there is a 2% allowance for administration costs¹⁵.
- (iv) External monitoring has been put at 1 % of the total LAR costs
- (v) Inflation, or price contingencies for the Project have been put at 10% as per the project as a whole.

167. **Table SA2-20** shows that the estimated total cost of resettlement in Khanh Hoa will be around VND15.98 billion (US\$1 million). This total contains a 20% allowance for non-assessed subcomponents. Without the non-assessed subcomponents the figure for compensation would be around VND11 billion (US\$723,000). Around 59% of the total cost of the compensation (VND 9.4 billion) is attributable to the land required in Cam Ranh. Of the 59 % of compensation in Cam Ranh, a total of 18% is for the landfill whilst 41% is for the WSP in Cam Ranh. Around 1% of the total compensation cost is for the forest land lost in Ninh Hoa and a further 4% for the compensation of forest in Van Gia.

168. The major cost item in the RP budget for Cam Ranh, Ninh Hoa and Van Gia is land which constitutes 70% of acquisition costs. Other items such as crops and structures constitute only 9% of the acquisition budget. Rehabilitation allowances make up the remaining budget which indicates that changes in the above entitlements are unlikely to significantly affect the overall budget.

Table SA2-17: Resettlement Budget: Can Ranh's Subcomponent Land fill and WSP

Compensation Item	Unit	Quantity	Unit Rate (VND)	Compensation		Comment
				VND 000s	US\$	
1. Land						
Land for annual crops (subsidiary crops)	m ²	18,200	21,000	382200	24,117	
Land for perennial trees (industrial and fruit)	m ²	77,435	21,000	1626135	102,609	
Forest land	m ²	0	750	-	-	
Land for aquaculture	m ²	85,730	67,000	5743910	362,441	
2. Houses						
Temporary	unit	286	150,000	42900	2,707	45 lost for the landfill project and a further 241 for the

¹⁵ These costs include: (i) the payment of salaries, per diems, logistics, training for PMUs, implementing agencies, and various resettlement committees; (ii) consultation, dissemination and participation programs; (iii) grievance redressals; (iv) joint validations of inventory and detailed measurement survey; (v) administration of a replacement cost survey; (vi) process of compensation payment; and (vii) internal monitoring costs.

WSP.

3. Structures

Grave		2	1,650,000	3300	208
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Allowances

Transition subsistence allowance (120,000 dongs x 6 months/person)	person	169	720,000	121680	7678
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Employment support for people at working age	person	113	2,000,000	226000	14261
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Employment support for people not at working age	person	55	1,000,000	55000	3471
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Poverty reduction support for poor PAHs (120 000 days/person/month x 5 year*)	person	1	7,200,000	7200	454	For very poor households and SAPs.
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Sub-Total - Allowances				409880	25863
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Sub Total All Compensation				8,628,021	544,428
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Source: PPTA Consultants.

Table SA2-18: Resettlement Budget: WTP in Ninh Hoa

Compensation Item	Unit	Quantity	Unit Rate (VND)	Compensation		Comment
				VND 000s	US\$	
1. Land						
Forest land	m2	36,700	750	27525	1,737	
2. Crops						
Eucalyptus	tree	2,936	7,500	22020	1,389	
Allowances						
Transition subsistence allowance (120,000 dongs x 6 months/person)	person	15	720,000	10800	681	
Employment support for people at working age	person	12	2,000,000	24000	1,514	
Employment support for people not at working age	person	2	1,000,000	2000	126	
Sub-Total Allowances				36,800	2,322	
Sub Total All Compensation				86,345	3,963	

Source: PPTA Consultants.

Table SA2-19: Resettlement Budget: Van Gia, Landfill

Compensation Item	Unit	Quantity	Unit Rate (VND)	Compensation		Comment
				VND 000s	US\$	
1. Land						
Forest land	m2	70,200	750	52650	3,322	Even though no compensation is required a support for land reclamation for their investment will be 50% of the replacement cost of production forest (1,500 dongs/m ²).

2. Crops

Eucalyptus	tree	57,600	7,500	432000	27,259	The eucalyptus are planted on public land managed by Van Hung CPC.
Sub Total All Compensation				484,650	30,581	

Table SA2-20. Summary of Total Compensation for Khanh Hoa

Compensation Item	Compensation (VHD 000s)				Compensation	
	Cam Ranh (Landfill)	Cam Ranh (WSP)	Ninh Hoa (WTP)	Van Gia (Landfill)	VND 000s	US\$
Land	2008335	5743910	27525	52650	7832420	494,226
Structures	10050	36150	0	0	46200	2,915
Crops and Trees	419696	0	22020	432000	873716	55,131
infrastructure	0	0	0	0	0	0
Allowances	189800	220080	36800	0	446680	28,186
Sub-total	2627881	6000140	86345	484650	9199016	580,458
Contingencies (10 %)	262788	600014	8635	48465	919902	58,046
Total (assessed elements)	2890669	6600154	94979.5	533115	10118917	638,504
Allowance for non-assessed subcomponents (20 %)					2023783	127,701
Total LAR Costs					12142700	766,204
				Administration Costs (2 %)	242854	15,324
				External Monitoring (1 %)	121427	7,662
				Sub-total	14,530,765	916,891
				Price contingencies/Inflation (10 %)	1453076	91,689
				Grand Total	15,983,841	1,008,580

Source: PPTA Consultants.

C. Flow of Funds and Disbursement of Compensation

169. 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 MABUTIP—will ensure that adequate funds are made available as and when necessary.

170. To ensure the timely delivery of budget for implementation of resettlement activities, for compensation payments and rehabilitation assistances, it is proposed that the PCU arrange the transfer of funds to the PPMU for compensation payments, rehabilitation allowances and measures. The PPMU will then transfer the funds to the RWG 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.

171. For each subcomponent, compensation payments will be made on the basis of the final Subproject Compensation Chart approved by PRC/PPC following completion of the DMS. Once the budget is allocated, the PPMU will inform RWG about the dates for the disbursement of

compensation payments. In turn, RWG will inform APs,¹⁶ 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/PAH.¹⁷

172. 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.¹⁸ APs will retain 1 copy of all compensation forms. The forms will be countersigned by representatives from PRC, RWG, TPC and/ or CPC.

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

174. 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.

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

¹⁶ APs will be asked to bring necessary documents (land titles, ID, certifications, among others.)

¹⁷ Four copies will be prepared: one for the AP, one for RWG/PPMU, one for PRC and one for the PCU.

¹⁸ This shall be not less than one month after the disbursement of all compensation payments.

Public Information Brochure (PIB)

1. Question 1: What is the Central Region Small and Medium Town Development Project?

Answer: The Central Region Small and Medium Town 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 12 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.

2. Question 2: how will the central region Small and Medium Town 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.

3. 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.

4. 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 value at current market prices.

5. Question 5: Do we need to have a land title in the 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 or temporary/lease rights for land will still be compensated for the assets on the land, such as any structures, crops and trees, and compensated for loss of income.

6. 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 value 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.

7. 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.

8. 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 rate to appeal if you are not satisfied with the proposed compensation rates (see Question 12 below.)

9. 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% 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 5,000,000 depending on location 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.

10. 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 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.

11. 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.

12. 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.

13. 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.

14. Question 14: How will you know if the objectives of this project are met?

Answer: The PPMU will ensure internal monitoring all Project activities. In addition, 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 PMU 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 and the Project.

Khanh Hoa Subproject Description: The Project will improve wastewater disposal and management in Cam Ranh, through the upgrade of the drainage network and the introduction of a WSP in Cam Linh ward, and construction of several pumping stations. Solid waste management will also be tackled in Cam Ranh town with the introduction of a landfill site to serve the surrounding communes. In Ninh Hoa the project will introduce a safe water supply system, and effectively deal with raw water by constructing a water treatment plant (WTP) which will be served by 45km expansion of the existing transmission pipes. A second landfill site for Khanh Hoa will be located in between Ninh Hoa and Van Gia. Van Gia will also support an expansion of its water treatment plant construction of a further water pumping station.

Land acquisition impacts in Khanh Hoa: Based on the field surveys carried out in March 2006, it is anticipated that the landfill site in Cam Ranh will require land acquisition of 13 households and the land of CPC, totaling 14 households.

The construction of a wastewater stabilization pond (WSP) in Cam Linh ward of Cam Ranh will require land acquisition from around 16 households and one Ward People's committee (therefore 17), all of which will lose more than 10% of their current land holdings. All but one of the 17 households will lose at least 35% of their land. The WTP in Ninh Hoa will affect only four households, none of which will have to be resettled. A pumping station will be built within an area of 300m² which is public land next to Da Ban Lake. Any additional acquisition (mostly temporary and on public land) is also likely to be required for the construction of the 8km water transmission pipe which will be installed alongside the existing canals to the WTP. In Van Gia, the landfill site will acquire land currently used for growing eucalyptus trees.

Schedule for Khanh Hoa Subproject: The detailed design is expected to start in late 2006/early 2007. The detailed measurement survey (DMS) will be conducted after the detailed design is completed. The process of land acquisition and compensation is most likely to start in late 2007 with construction starting in early 2008.

For further information and suggestions:

Please contact the DPC or CPC where you live, the Khanh Hoa Provincial People's Committee (Address:; tel:.....) or the Khanh Hoa Provincial Project Management Unit (Address:; tel:.....).

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.	March 2006 (PPTA Stage)	36 AP households (100%) in Khanh Hoa	PPTA consultants	- 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-October 2006	All AP households	MABUTIP/ PWSC	Must be completed prior to ADB Management Review Meeting.
Disclosure of the RP to APs	Copies of RP in local language placed in commune offices.	July-October 2006	All commune residents	MABUTIP/ PWSC	
Web Disclosure of the RP	RP posted on ADB website.	Late 2006 (see comment)	-	ADB	- Prior to Appraisal - After ADB and GOV approval of RP - Updated RP
Consultative meetings during DMS	Face to face meetings with APs.	Late 2007	All APs	PRC, PPMU/ RWG	
Public Notification	Publish list of affected households/assets; establish eligibility cut-off date.	Late 2007	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.	Late 2007	All commune residents	PRC, PPMU/ RWG	NOTE. The timing of these activities will depend on the date of loan approval by ADB and the completion of the detailed engineering designs.
Consultations with severely affected and/or vulnerable APs	Individual and/or small group consultations to identify appropriate rehabilitation measures.	Early 2008	Severely affected and vulnerable APs	PRC, PPMU/ RWG, T(D)PCs, CPCs	
Disclosure after DMS	Publicisation of final compensation rates to APs: provide copies of updated RP in commune offices.	Early 2008	AP households and commune residents	PRC, PPMU/ RWG, T(D)PCs, CPCs	
Notification about compensation payments	Letter to APs informing about time, location and procedure for compensation payments.	Early 2008	All APs	PRC, PPMU/ RWG, T(D)PCs, CPCs	
Web Disclosure of Updated RP	Updated RP posted on ADB website.	Spring 2008	-	ADB	

Affected Households (Khan Hoa SAP)

No	Name of HH Head	Current Holding (m2)	Land to be acquired (m2)		Comments
			Agric.	% lost	
1	L ^a V ⁿ Tùu	18000	13765	76 %	
2	Nguy ^{Ôn} V ⁿ Th ^l i	21000	13615	65 %	
3	Nguy ^{Ôn} Th ^p S _o	19800	13760	69 %	Female headed household (**)
4	L ^a V ⁿ Cho	12000	6500	54 %	
5	Nguy ^{Ôn} Ng ^{ắc} H ^l i	16500	7500	45 %	
6	Nguy ^{Ôn} V ⁿ Hi ^{Ôp}	9600	4720	49 %	
7	Nguy ^{Ôn} T ^l ng	15000	9600	64 %	
8	L ^a Ch ^u	5800	3140	54 %	
9	S ^o m Th ^p Nu ^{«i}	9500	4130	43 %	Female headed household**
10	S ^c Th ^p Chi ^u	12000	100	1 %	Female headed household**
11	L ^a Bi ^{Ôn}	21000	11900	57 %	
12	Hu ^{nh} H ^u Thuy ^{Ôt}	5800	3105	54 %	
13	Phan B ^u Th ^ã	8800	3800	43 %	
14	CPC	-	8200		People's Committee
15	Ng [«] Ng ^{ắc} D ^{Ôn}	15000	5720	38 %	
16	Nguy ^{Ôn} Th ^p Nu ^{«i}	12000	7680	64 %	Female headed household**
17	Nguy ^{Ôn} Ng ^{ắc} S ^Æ ng	9500	8960	94 %	
18	L ^{ng} Th ^p i	5600	4440	79 %	Female headed household**
19	Nguy ^{Ôn} V ⁿ Th ^¾ ng	7200	4460	62 %	
20	L ^{ng} Anh Minh	30000	12920	43 %	
21	Ng [«] Ng ^{ắc} To ^m	3500	1000	29 %	
22	Ng [«] V ⁿ Ng ^{ay}	13500	6390	47 %	
23	Ng [«] Minh K ^Y nh	7400	4096	55 %	
24	Nguy ^{Ôn} Ph ^{íc} Thanh	5000	3200	64 %	
25	B ^{ch} V ⁿ Th ^ã	6500	4440	68 %	
26	H ^ã S ^¾ c Ti ^{Ôn}	6000	4644	77 %	
27	Ng [«] Th ^p Minh S ^¾ ng	5700	4264	75 %	Female headed household
28	Nguy ^{Ôn} H ^u Li ^{an}	7000	4352	62 %	
29	Nguy ^{Ôn} Th ^u nh Chi ^{Ôn}	4736	4736	100 %	
30	Ng [«] T ^{ing} T ^{Ôn}	6800	4428	65 %	
31	Ward PC		16670		People's Committee
32	L ^a B ^x nh	30000	16900	56 %	
33	L ^a Thanh H ^{ing}	20000	3600	18 %	
34	Nguy ^{Ôn} Qu ^{èc}	10000	3600	36 %	
35	B ⁱⁱ V ⁿ Thanh	20000	12600	63 %	
36	V ⁿ H ^{ng} CPC (in Van Gia- CPC)				People's Committee

** These households have titular female heads but all have at least one adult male of working age present.

Source: IOL Survey, March 2006.

OUTLINE TOR FOR INDEPENDENT MONITORING AGENCY/CONSULTANT

A. Aims and Objectives

1. The aims and objectives for external monitoring and evaluation are to:
 - (i) Verify results of internal monitoring;
 - (ii) Assess whether resettlement objectives have been met; specifically, whether livelihoods and living standards have been restored or enhanced;
 - (iii) Assess resettlement efficiency, effectiveness, impact and sustainability, drawing lessons as a guide to future resettlement policy making and planning; and
 - (iv) Ascertain whether the resettlement entitlements were appropriate for meeting the objectives, and whether the objectives were suited to AP conditions.

B. Information Requirements

2. 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.

C. Method and Approach

3. 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.

D. Detailed Methodology

4. The methodology for conducting monitoring and evaluation of the implementation of the RP will include the following activities:
 - (i) 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;
 - (ii) 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:

- (iii) Key informant interviews with selected local leaders, resettlement committee members,
- (iv) Focus group discussions on specific topics such as compensation payment, income restoration, relocation;
- (v) Community public meetings to discuss community losses and impacts, construction work employment;
- (vi) Structured direct field observations on the status of resettlement implementation, plus individual and group interviews for cross-checking purposes;
- (vii) Informal surveys and interviews of APs, hosts communities, special interest or vulnerable groups and women; and
- (viii) In-depth case studies of problems that have arisen during internal or external monitoring requiring special efforts for resolution.
- (ix) 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.

5. Sample monitoring indicators to address progress towards achieving resettlement plan objectives are attached.

E. Participatory Monitoring and Evaluation

6. 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.

F. Resource Requirements

7. 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.

G. Time Frame for Monitoring and Evaluation

8. 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.

H. Reporting Requirements

9. 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.

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

- (i) 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
- (ii) The extent to which the specific objectives and the expected outcomes/results have been achieved and the factors affecting their achievement or non achievement
- (iii) Description of any outstanding actions that may be required to bring the resettlement into compliance with ADB's Policy.
- (iv) 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.
- (v) Major lessons learned
- (vi) Key risk factors
- (vii) Recommendations

I. POTENTIAL MONITORING INDICATORS

11. 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?

	<ul style="list-style-type: none"> • 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 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
Restoration of Living Standards	<ul style="list-style-type: none"> • Value of all assets forming entitlements and resettlement entitlements • 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?

OUTLINE TERMS OF REFERENCE FOR CONSULTING SERVICES: RESETTLEMENT PLANNING, IMPLEMENTATION, AND CAPACITY BUILDING CONSULTANTS

A. BACKGROUND

1. 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.

2. 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.

3. 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.

4. 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

5. 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:

- (i) Update and implement the approved Resettlement Plans;
- (ii) 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;
- (iii) Design and implement detailed income restoration programs for people severely affected by loss of income;
- (iv) Establish and implement procedures for a management information system and ongoing internal monitoring;
- (v) 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

6. 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:

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

C. THE CONSULTANT AND STAFFING INPUTS

7. 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.

8. 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.