

Resettlement Planning Document

Resettlement Policy Framework
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Central Region Transport Network Project Resettlement Policy Framework

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Abbreviations and Acronyms

| | |
|-------------|---|
| ADB | Asian Development Bank |
| AP | Affected Person |
| COI | Corridor of Impact |
| DMS | Detailed Measurement Survey |
| EMDP | Ethnic Minority Development Plan |
| GOV | Government of Viet Nam |
| IMA | Independent Monitoring Agency |
| ISA | Initial Social Assessment |
| IOL | Inventory of Losses |
| Km | Kilometer |
| LURC | Land Use Rights Certificate |
| MOT | Ministry of Transport |
| PDOT | Provincial Department of Transport |
| PMU-1 | Project Management Unit No. 1 |
| PPMU | Provincial Project Management Unit |
| Project | Viet Nam Central Region Transport Network Project |
| PSC | Project Supervision Consultants |
| PPC/DPC/CPC | Provincial/District/Commune People's Committees |
| PRC/DRC/CRC | Provincial/District/Commune Resettlement Committees |
| RC | Resettlement Committee |
| RP | Resettlement Plan |
| ROW | Right-of-Way |
| SES | Socio-Economic Survey |

Definitions of Terms

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| Affected person (AP) | - means any person, household, firm or private institution who, on account of changes resulting from the Project, or any of its phases or sub-projects, will have its (i) standard of living adversely affected; (ii) right, title or interest in any house, land (including residential, commercial, agricultural, forest, salt mining and/or grazing land), water resources or any other moveable or fixed assets acquired, possessed, restricted or otherwise adversely affected, in full or in part, permanently or temporarily; and/or (iii) business, occupation, place of work or residence or habitat adversely affected, with or without displacement. |
| Common property resources | - mean all resources or assets that are held in communal or village ownership and include (but are not limited to) graves, burial grounds, wells, hand pumps and other affected drinking water sources, specimen trees, pagodas, churches and temples, shrines, religious symbols or sites, village ponds or community fishponds, schools, markets, community forest, community grazing land, irrigation canals and facilities, roads, paths, water supply lines and facilities, electricity lines and poles, and communication lines. |
| Compensation | - means payment in cash or in kind to replace losses of land, housing, income and other assets caused by the Project. |
| Cut-off date | - means the date of completion of the Detailed Measurement Survey (DMS) for each sub-project, and establishes the eligibility for compensation for physical assets affected by a sub-project of the Project. Affected people and local communities will be informed of the cut-off date for each sub-project. People moving into the area impacted upon by the sub-project after the cut-off date will not be entitled to compensation and assistance under the Project. |
| Eligible organizations | means organizations that are eligible for land compensation if the affected land has been a) allocated land by the State and land use fees have been paid without using the State budget; b) transferred legally and land transfer fees have been paid without using the State budget; or, c) acquired from households or individuals with LURC. |
| Host community | - means the community already in residence at a proposed resettlement or relocation site. |
| Income restoration | - means the re-establishment of income sources and livelihoods of affected people. |
| Insignificant resettlement effects | - occur when affected people are not physically displaced and/or do not lose more than 10% of their productive, income-generating assets. |
| Land acquisition | - means the process whereby an individual, household, firm or private institution is compelled by a public agency to alienate all or part of the land it owns or possesses to the ownership and possession of that agency for public purposes in return for fair compensation. |

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| Landless agricultural laborer | - means a person who, prior to the cut-off date, has no agricultural land holding and who derives his/her main income by working the lands of others as sub-tenant, sharecropper or agricultural laborer. |
| Legal and legalizable users of agricultural land | - means APs who have the right to use agricultural land permanently in the form of a land use right certificate (LURC) issued by the district authority that has the power to grant land use rights. These APs have full title to the land and will be compensated as such. This category of AP will also include those who are in the process of obtaining permanent land use rights and who have documents to prove such. These families have applied for a permanent LURC. Pending issuance, the People's Committee will have issued a temporary certificate. It usually takes several years before an LURC can be issued. In the meantime, the land users are considered legal occupants and they will be compensated as such. |
| Legal and legalizable users of residential and commercial land | - means APs who have the right to use residential and/or commercial land permanently in the form of a land use right certificate (LURC) issued by the district authority that has the power to grant land use rights. These APs have full title to the land. This category of AP will also include APs who are in the process of obtaining permanent LURC, and have been issued temporary LURC pending issuance of the permanent certificates. |
| Legal users of structures | - means APs who (i) have written permission issued by the relevant authority to build a structure (in rural areas, APs with a LURC have automatic right to build structures); (ii) are in the process of obtaining a permanent LURC from the relevant authority and have the documents to prove such; or (iii) have obtained ownership certificates or legalized certificates for their houses or structures between the cut-off date and the implementation of the sub-project, issued by the Provincial or District People's Committee. |
| Marginally affected person | - means an AP who will lose (i) less than 10 percent of his/her total agricultural land holding; (ii) less than 10 percent of his/her total income sources; and/or (iii) less than 50 percent of his/her main residential and/or commercial structure and will be able to rebuild on viable remaining residential plot. |
| Non-titled affected person | - means AP s that are found not to have legal or legalizable permanent rights to the land or structures they are using. Under the Policy, they will be compensated for their lost assets and rehabilitated as all other APs. Poor and vulnerable households may also be allocated use rights to replacement land and rehabilitation assistance to help them to improve their socio-economic status. |
| Rehabilitation | - means assistance measures provided under this Policy Framework other than compensation for acquired assets, and refers to the process of re-establishing incomes, livelihoods and living and social systems. |
| Relocation | - means rebuilding housing assets, including productive land and public infrastructures in another location. |

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| Replacement value | <ul style="list-style-type: none"> - means the method of valuing assets at current market value, or its nearest equivalent, plus any transaction costs such as administrative charges, taxes, registration and titling costs. In the absence of land markets, the Provincial People's Committee will establish a compensation structure that enables APs to restore their livelihoods to levels equivalent to or better than those maintained at the time of land acquisition and/or resettlement. (i) Agricultural land: The replacement value of agricultural land will be based on a) its productive potential or, where applicable, the current market value of the land; plus b) the cost of preparing the land to levels similar to those of the affected land; and, c) the costs of any registration and transfer taxes. (ii) Residential and non-agricultural land: The replacement value equals a) the current market value of land of equal size and use, with similar or improved public infrastructure and services in the vicinity of the affected land; and b) the costs of any registration and transfer taxes. (iii) Houses and other structures: The replacement value equals a) the current fair market prices for new building materials and labor to build a replacement structure with an area and quality similar to or better than the affected structure, or to repair a partially affected structure; plus b) the costs of transporting building materials to the construction site; c) the costs of any labor or contractors' fees; and, d) the costs of any registration and transfer taxes. In determining the replacement value of structures, no deductions are to be made for a) depreciation of the asset; b) the value of salvage materials; or, c) the value of benefits to be derived from the project. (iv) Annual crops: The replacement value for annual crops is equivalent to the average production over the last three years multiplied by the current market prices for agricultural products at the time of compensation. (v) Perennial plants and trees: The replacement value for perennial plants and trees is equivalent to current market prices given the type, age and productive value of the plants and/or trees. (vi) Other assets (community, cultural, aesthetic): Compensation will be calculated on the basis of the current market costs at time of compensation for repairing and/or replacing assets; or, the costs of mitigation measures. For example, compensation for the relocation of a gravesite will include all expenditures for excavation and construction of a new grave of similar type; exhumation and transport of remains to new grave; and, other reasonable costs. |
| Resettlement effects | <ul style="list-style-type: none"> - mean all negative situations directly caused by the Project, or any of its phases or sub-projects, including loss of land, structures, trees and crops, other immovable properties, income generation opportunities, and cultural assets. |

| | |
|--|--|
| Resettlement plan (RP) | - is a time-bound action plan with budget setting out compensation and resettlement strategies, objectives, entitlement, actions, responsibilities, monitoring and evaluation. A full or short RP is required when a sub-project social assessment identifies, respectively, significant or insignificant resettlement effects as defined in the Policy. The RP must be prepared and approved prior to loan appraisal for the sub-project. |
| Severely affected person | - means APs who will (i) lose more than 10 percent of their total agricultural land holding; (ii) relocate and/or lose more than 50 percent of their main residential and/or commercial structure; and/or (iii) lose more than 10 percent of their total income sources due to the Project. |
| Significant resettlement effects | - occur when 200 or more people experience major resettlement effects, that is, they are physically displaced from housing and/or lose 10% or more of their productive, income-generating assets. |
| Sub-project | - means a network of roads under the Project that are brought forward for implementation, starting with feasibility studies, preliminary and final design. Each sub-project is subject to the Policy Framework and guidelines. |
| Vulnerable persons, households or groups | - are defined as distinct groups of people who might suffer disproportionately from resettlement effects, including (i) those falling below the poverty line as defined by MOLISA, as well as any household earning up to 15% above the official poverty line; (ii) ethnic minority and other households living in remote, isolated areas or in communes with special difficulties as classified under Programme 135; or (iii) disadvantaged persons or households requiring “social protection” such as landless, disabled, handicapped, orphaned, vagrant, homeless, destitute, or lonely and elderly persons. |

1. Introduction

1.1 Project Description

The Viet Nam Central Region Transport Network Project will improve the road transport network in the central region of Viet Nam. The objective of the Project is to assist the Government of Viet Nam (GOV) to implement its poverty reduction strategy and to stimulate economic development in poor provinces. The scope of the Project includes i) investments to rehabilitate provincial and district roads in 11 provinces; and, ii) institutional strengthening for management of provincial road networks. The Ministry of Transport (MOT) is the Executing Agency for the Project, with delegated responsibility to Project Management Unit No.1 (PMU-1).

The investment component of the Project involves improvements to upgrade provincial and district roads to comply with Grade V standards. Short sections will be upgraded to Grade IV standards. The Project will be prepared and implemented in phases:

- (i) Phase 1 sub-projects include networks of roads in the provinces of Nghe An, Thua Thien Hue, Binh Thuan and Lam Dong (234.2 km). Detailed engineering design will begin early in 2005, with contracts for civil works signed in late 2005 or early 2006 following completion of resettlement activities.
- (ii) Phase 2 sub-projects include networks of roads in the provinces of Ha Tinh, Quang Tri, Ninh Thuan, Dak Lak and Dak Nong (290.1 km). Preparation of Phase 2 will begin in early 2006, with contract for civil works signed in early 2007 following completion of resettlement activities.
- (iii) Phase 3 sub-projects include networks of roads in the provinces of Quang Binh and Kon Tum (length to be determined).

Annex 1 lists the proposed road sections in Phase 1 and 2 sub-projects.

1.2 Resettlement Effects

The Project will upgrade sub-project roads to Grade V or IV standards, as per the Viet Nam road classification system.

| | Grade | |
|----------------------------------|------------------|------------------|
| | V | IV |
| Road dimensions (m) | | |
| Carriageway | 3.5 | 6.0 |
| Shoulders | 1.5 | 1.5 |
| Right-of-way, with side drainage | 9.5 | 13.0 |
| Road treatment | | |
| Carriageway | Sealed | Sealed |
| Shoulders | Sealed or gravel | Sealed or gravel |

Most sub-project roads can be upgraded within the existing road right-of-way (ROW). Some land acquisition is required to widen narrow embankments and/or to raise embankments in areas susceptible to flooding. In general, the land acquisition is less than 2m for Grade V roads and less than 3 m for Grade IV roads. Wherever possible, land acquisition is limited to one side of the existing roadway.

For some sub-projects, minor realignments are required to reconstruct sub-standard bridges or to ensure adequate safety conditions. The technical design for these realignments, and overall for the Project, pays careful attention to minimizing the requirements for land acquisition and the impacts on household and community assets.

Gender and poverty issues

Resettlement, particularly the need to relocate due to the loss of land and other assets, can increase the risks for the well-being and livelihoods of rural households. Women and poor households are among the most vulnerable groups affected by resettlement. Women's economic activities in agriculture and through self-employment in the informal sector are important contributions to household income and living standards. Poverty within the Project area is widespread. Along many Project roads, particularly in ethnic minority and remote areas, the number and proportion of poor households is significantly higher than the national average in Viet Nam. In the identification of resettlement strategies, special attention will be paid to the following issues:

- (i) The role of women's economic activities in restoring living standards.
- (ii) Access to credit for women and poor households.
- (iii) Access to agricultural extension and other technical assistance to assist women and poor households to improve the productivity of their agricultural activities.
- (iv) Joint registration of land use rights in the names of husband and wife in instances where households are allocated alternative agricultural and/or residential land.
- (v) Participation and consultation strategies that encourage the involvement of women, ethnic minorities and poor households in resettlement planning and implementation.
- (vi) Attention to complaints and grievances lodged by women, ethnic minorities and poor households.
- (vii) Gender disaggregated data collection to support resettlement planning and monitoring.

1.3 Resettlement Policy Framework

The Resettlement Policy Framework (RPF) has been prepared to guide the preparation and implementation of Resettlement Plans (RPs) for sub-projects, as required, and overall for the Project. It sets out the objectives, principles, eligibility criteria for affected people (APs), entitlements, legal and institutional framework, modes of compensation and rehabilitation, participation and consultation procedures and grievance redress mechanisms that will be employed to compensate, resettle and rehabilitate living standards of APs. The RPF also sets out the steps for preparation of RPs for sub-projects.

Prior to the Management Review Meeting (MRM), the RPF will be translated in the Vietnamese language. Copies of the RPF, in both English and Vietnamese languages, will be distributed to the respective provinces. The RPF will be uploaded on the ADB resettlement website immediately upon Board approval.

2. Legal and Policy Framework

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*.

2.1 Government of Viet Nam

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

- (i) The 2003 Land Law No. 13/2003/QH11 adopted by the National Assembly on 26 November 2003 and effective as of 1 July 2004.
- (ii) Decree No.22/1998/ND-CP regulates compensation, rehabilitation and resettlement in the event of land recovered by the Government for defense, security, national and public interests.
- (iii) Decree NO.87/CP establishes a price framework for various categories of land.
- (iv) Decree No.172/1999/CP enacted on 19 December 1999, that prescribes that AP within the ROW are entitled to compensation for affected land and other assets if they occupy them prior to the enactment of the decree.

Other relevant laws, decrees and regulations include:

- (i) Construction Law No. 16/2003/QH11 adopted by the National Assembly on 26 November 2003 and becoming effective as of 1 July 2004.
- (ii) Decree No.54/1999/ND-CP issued 8 July 1999, regulating the protection of safety for HV systems.
- (iii) Circular 145/1998/TT-BTC dated 4 November 1998, from the Ministry of Finance, that guides the implementation of Decree No.22/1998/ND-CP.
- (iv) Decree No.45/CP dated August 1996, allowing land use rights to those not eligible under Decree No.60/CP.
- (v) Decree No.60/CP dated July 1994, on property ownership and the right to use urban residential land.
- (vi) Decree No.61/CP dated July 1994, on the purchase, sale and trading of residential dwellings.
- (vii) Decree No.90/CP dated August 1994, stipulating compensation for losses (largely repealed by Decree No.22/CP but still applicable in some instances).
- (viii) Decree No.64/CP dated 27 September 1993, on the distribution of agricultural land to households for long-term agricultural purposes.
- (ix) Circular No.05-BXD/DT dated 9 February 1993, on the classification of house types.
- (x) Decree No.70 that stipulates that all documents registering family assets and land use rights must be in the names of both husband and wife.

2.2 ADB Policy on Involuntary Resettlement

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.*

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

- (i) Involuntary resettlement should be avoided where feasible.
- (ii) Where population displacement is unavoidable, it should be minimized by exploring all viable project options.
- (iii) People unavoidably displaced should 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.
- (iv) People affected should be informed fully and consulted in resettlement and compensation options.
- (v) Existing social and cultural institutions of resettlers and their hosts should be supported and used to the greatest extent possible, and resettlers should be integrated economically and socially into host communities.
- (vi) The absence of formal legal title to land by some affected groups should not be a bar to compensation; particular attention should be paid to households headed by women and other vulnerable groups such as ethnic minorities and appropriate assistance provided to help them improve their socio-economic status.
- (vii) Particular attention must be paid to the needs of the poorest affected people and vulnerable groups that may be at high risk of impoverishment. This may include those without legal title to land or other assets, households headed by females, the elderly or disabled and other vulnerable groups, particularly ethnic minority peoples. Appropriate assistance must be provided to help them improve their socio-economic status.
- (viii) As far as possible, involuntary resettlement should be conceived and executed as part of the project.
- (ix) The full costs of resettlement and compensation should be included in the presentation of project costs and benefits.
- (x) Cost of resettlement and compensation may be considered for inclusion in the Bank loan financing for the project.

2.3 Reconciliation of GOV and ADB Policies

The 2003 Land Law that became effective on 1 July 2004 supersedes the earlier 1987 and 1993 versions, and provides Viet Nam with a comprehensive land administration law. The State reserves the right to allocate land and determine its

usage. Under the Law, individuals, households and organizations can obtain use rights to land, which they can sell, transfer, rent, bequeath or use as collateral.

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). Of relevance to the Project, “national and public interest” is defined in the GOV Decree No. 22/1998/ND-CP of 24 April 1998 as including infrastructure projects. This provides the basis for right-of-way (ROW) acquisition.
- (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 (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 is no established resettlement zone, 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).

With the adoption of the new Land Law, the GOV is in the process of adopting new decrees to regulate the implementation of the Law. These decrees are not yet available, and so the following analysis continues to rely on the existing decrees.

Decree No.22/CP (1998) establishes the framework for compensation in the event of recovery of land for infrastructure and other public purposes. The Decree expands entitlements for compensation to include i) affected people who are “legalizable land

users”; and, ii) to those using a public ROW on a “case-by-case” basis. In cases where affected people receive social assistance or where, if necessary, they relocate according to the schedule established for the Project, they are entitled to additional allowances. It also provides land and cash options for compensation, as well as entitlement for land at higher than administrative rates in the statement “compensation suitable to the profit-making capability”.

Nonetheless, a number of provisions of Decree 22/CP are not consistent with the ADB *Policy on Involuntary Resettlement*. These include:

- (i) APs without legal title to land and houses will not be entitled to compensation (Articles 7 and 16).
- (ii) Compensation prices established under the Decree may result in less than 100% replacement cost without depreciation for land, houses and other structures (Articles 8, 17 and 18).
- (iii) Rental allowances established under the Decree may be less than 100% of the value of the current rental rates of APs (Article 25).

The minimum and maximum prices for compensation for different categories of land that are established under Decree No.87/CP are set administratively and may not be adequate for compensating affected at replacement costs.

Decree No.172/CP became effective on 1 January 2000, and stipulates that all APs occupying land within the ROW prior to that date would be compensated in the event of recovery of that land. In Project areas where the Decree has been fully applied, the policy is consistent with the ADB policy. If the Decree has not been fully applied or has been applied incorrectly in Project areas, the Decree will have to be waived for APs without legal or legalizable land use rights.

The following table summarizes gaps, and how they will be addressed by the Project.

Table 2-1 – Reconciliation of GOV and ADB Policies

| ISSUE | GOVERNMENT LEGISLATION | POLICY FRAMEWORK | DISCREPANCY |
|------------------------------------|--|--|--|
| <p>Non-legal land users</p> | <p>2003 Land Law Article 43: Non-legal land users are not entitled to compensation for recovered land.</p> <p>Decree 22 Article 7: Persons who illegally occupy land shall not receive compensation when the State recovers the land. In cases of necessity, the People's Committee of the province or city directly under the Central Government shall consider and make decisions on a case-by-case basis.</p> <p>Article 16: The owner of property on illegally encroached land shall, depending on concrete cases, be considered for assistance by the People's Committee of the province or city directly under the Central Government.</p> <p>Decree 172 Affected people within the ROW will be compensated for land and properties if they occupied them prior to the coming into force of the Decree on 1 January 2000.</p> | <p>Agricultural land: APs without legal or legalizable land use rights will not be compensated for land, but will receive compensation for lost crops, houses and other assets at full replacement cost. Poor and vulnerable APs including the landless will be allowed to continue utilizing any remaining land that APs are illegally occupying until the local authorities and RCs allocate land and provide temporary or lease rights to APs, and will not be displaced until the commune allocates other land.</p> <p>Residential land: APs without legal or legalizable land use rights will not be compensated for land but will receive compensation for affected structure at full replacement cost in materials, cash, or a combination of both, with no deduction for depreciation or salvageable materials. For poor and vulnerable APs who have no other land the Project will encourage local authorities to allocate land and provide temporary or lease land rights to APs. These APs will be entitled to allowances and rehabilitation measures while relocating to a new site.</p> | <p>The 2003 Land Law and Articles 7 and 16 of Decree 22 allow for the denial of compensation for lost land and crops or provision of a minimum standard of land to APs without legal or legalizable land use rights.</p> |

| ISSUE | GOVERNMENT LEGISLATION | POLICY FRAMEWORK | DISCREPANCY |
|-------------------------------|--|---|---|
| Compensation pricing for land | <p>2003 Land Law</p> <p>Article 42: Cash compensation for land will be equivalent to the land use rights value of the recovered land.</p> <p>Article 56: The land use rights value is established as the value of similar land under normal market conditions, with adjustments if there are large differences with the actual prices in the market. Land prices will be updated annually by the People's Committee of the province or city, as per methods determined by the Government.</p> <p>Decree 22</p> <p>Article 8: The price of land for compensation shall be decided by the People's Committee of the province or city for each project, subject to proposals by the Finance-Price Service with the participation of related branches.</p> <p>The price of land shall be determined on the basis of the local price of land issued according to provisions of the Government, multiplied by coefficient K in order to ensure compatibility with the profitability and the price of assignment of land use right in the locality.</p> <p>The Ministry of Finance shall guide the method of determining coefficient K after consulting the Ministry of Construction, the Ministry of Transportation, the General Land Administration and the Government Price Committee.</p> <p>Decree 87</p> <p>Article 4: Based on the Government's price list, the Provincial People's Committee will determine prices for each type of land as a basis for calculating compensation, etc. Compensation for recovered land is determined according to the regulations of a different decree of the Government. Local prices cannot be lower than the Government's minimum or higher than the Government's maximum figures.</p> | <p>Agricultural land:</p> <p>For APs with legal or legalizable land use rights, and i) marginally affected, cash compensation at full replacement cost; or, ii) severely affected, as a priority, land-for-land of equivalent productive capacity <u>or</u> cash compensation at full replacement cost.</p> <p>For APs with temporary or lease rights, cash compensation corresponding to 30% of replacement cost of the affected land <u>or</u> cash compensation for loss of net income for the remaining leased or assigned period, whichever is higher.</p> <p>Residential land:</p> <p>For APs with legal or legalizable land use rights, i) if no structures on land, as a priority, land-for-land of equivalent size at a location satisfactory to APs <u>or</u> cash compensation at full replacement cost; ii) if structures on land, cash compensation at full replacement cost.</p> <p>For APs with temporary or lease rights, cash compensation at 30% of replacement cost of the affected land.</p> <p>If the remaining land is not viable, i) Project will acquire entire landholding at full replacement costs; and, ii) local authorities and/or RCs will provide assistance to identify possible plots for relocation. Relocating AP will receive rehabilitation assistance.</p> | <p>If the decrees regulating the implementation of the 2003 Land Law support compensation prices according to the provisions of the Law, there will be no discrepancy. Land will be compensated at 100% of replacement cost, subject to significant inflation.</p> <p>Article 8 of Decree 22 and Article 4 of Decree 87 potentially allow for the establishment land compensation prices at less than 100% of replacement cost.</p> |

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| Compensation pricing for houses and structures | <p>Decree 22 Article 17: For houses and other fixed assets associated with land, compensation will be paid according to the level of actual damage. However, the total maximum level of compensation shall not exceed 100% and the minimum level shall not be lower than 60% of the house or construction price for new buildings with technical standards equivalent to those of the house or structure that has been dismantled.</p> <p>The existing value of the house or construction shall be priced at a percentage of the value of the house or construction priced after the construction price of the new building. This price is the standard price issued by the People's Committee of the province or city, according to State regulations.</p> <p>The actual additional sum shall be decided by the People's Committee of the province or city as proposed by the Board of Compensation in ground clearing. In particular, with regard to Grade 4 houses, temporary houses and independent auxiliary constructions, the compensation shall be equal to a newly built house or construction with equivalent technical standard under the standard price issued by the People's Committee of the province or city, according to State regulations.</p> | <p>For all owners of houses and structures, whether or not he/she owns the land:</p> <p>For totally affected houses or structures, compensation at full replacement cost in materials, cash or a combination of both.</p> <p>For partially affected houses or structures, compensation at full replacement cost in materials, cash or a combination according to actual loss <u>or</u> repair of the property to equivalent or better condition.</p> <p>All compensation for affected structures calculated without deduction for depreciation or salvageable materials.</p> <p>APs that relocate are entitled to rehabilitation assistance consisting of materials transport allowance and 6-month transition subsistence allowance.</p> | <p>Article 17 of Decree 22 allows for compensation at less than 100% of replacement cost for houses of Grades 1, 2 and 3.</p> |

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| <p>Compensation pricing for houses and structures for non-legal APs</p> | <p>2003 Land Law Article 43: Houses and other structures will not be compensated when the land is recovered if the structures were built without legal construction permit, are in contravention of existing land use or zoning plans or are constructed on illegally encroached land.</p> <p>Decree 22 Article 18: If the structure was constructed without legal permit, the owner shall, depending on the level and character of the legality of land and construction on the land, receive compensation or allowances as the following levels: In rural areas, i) houses or constructions built on land of the category eligible for compensation according to Article 6 of the Decree shall receive compensation as provided in Article 17 of the Decree; ii) houses or structures built on land that falls under the category eligible for compensation as provided for in Article 7 of the Decree, where there is no zoning program of the State, or not built in conformity with the zoning program, and which do not encroach on the construction protection corridor, shall receive allowances representing 80% of the compensation provided in Article 17 of the Decree. The owners shall receive no compensation if they violate the zoning program already announced or encroach on the construction protection corridor. The People's Committee of the province or city shall consider each individual case for assistance.</p> <p>Houses and structures built on land in the category not eligible for compensation as provided in Article 7 of the Decree and where the person has been informed of this non-eligibility by the competent State authority at the time of construction, or that are built after 15 October 1993, shall receive no compensation nor allowances. The person who has this illegal construction shall be forced to dismantle it.</p> | <p>For all owners of house or structures, whether or not he/she owns the land:</p> <p>For totally affected houses or structures, compensation at full replacement cost in materials, cash or a combination of both.</p> <p>For partially affected houses or structures, compensation at full replacement cost in materials, cash or a combination according to actual loss <u>or</u> repair of the property to equivalent or better condition.</p> <p>All compensation for affected structures calculated without deduction for depreciation or salvageable materials.</p> <p>APs that relocate are entitled to rehabilitation assistance consisting of materials transport allowance and 6-month transition subsistence allowance.</p> | <p>The 2003 Land Law denies compensation for houses and structures of APs without legal or legalizable land use rights or otherwise considered as illegal users. Article 18 of Decree 22 allows for compensation at less than 100% of replacement cost, or denial of compensation.</p> |

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| Rental allowances | <p>Decree 22</p> <p>Article 25: The user of a dwelling house under State ownership and houses that lie in the area where land is to be recovered shall be granted support in cash to establish a new dwelling place. The level of support represents 60% of the land value and 60% of the house rent he/she is paying.</p> <p>The value of land shall be calculated at the rate of land issued by the People's Committee of the province or city as provided by the Government, multiplied by the area of the house he/she is renting.</p> <p>If the land user wants to ask the State for assignment to a new dwelling area, he/she shall have to pay and use in the level currently prescribed and shall receive allowance provided for above. The level of land to be assigned shall conform to Articles 10 and 11 of the Decree.</p> | <p>Tenants in totally affected private houses or structures or in Government houses, a 6-month rental allowance and assistance to find new, affordable accommodation.</p> <p>Tenants in partially affected houses or structures have the option to remain with the owner's permission <u>or</u> if the AP decides to move, a 6-month rental allowance and assistance to find new, affordable accommodation.</p> <p>APs that relocate are entitled to rehabilitation assistance consisting of materials transport allowance and 6-month transition subsistence allowance.</p> | <p>Article 25 of Decree 22 allows for rental allowances of less than 100% of the AP's current rental rate</p> |

3. Compensation and Entitlement Policy

The Vietnamese legislation governing resettlement, compensation and rehabilitation of affected people and the ADB policy on involuntary resettlement have been adapted for the preparation of the Viet Nam Central Region Transport Network Project. As per Decree 17/2001/ND-CP, 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.

The summary of the compensation and entitlement policy for the Project is presented in the Entitlement Matrix in Annex 2.

3.1 Objective

The overall objective of the compensation and entitlement policy for the Project is to ensure that all people affected by the Project and its sub-projects 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.

3.2 Principles

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 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.

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 socio-economic status.

- (iv) 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.
- (v) 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 Policy Framework.
- (vi) 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.

- (vii) 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.
- (viii) 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.
- (ix) 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.
- (x) Efforts shall be made to maintain, to the extent possible, the existing social and cultural institutions of the resettled people and host communities.
- (xi) APs will be fully consulted and will participate in the preparation and implementation of RPs for each sub-project. The comments and suggestions of affected people and communities will be taken into account during the design and implementation phases of resettlement activities.
- (xii) Adequate resources will be identified and committed during resettlement planning for each sub-project and the overall Project. This includes adequate budgetary support fully committed for each sub-project and made available to cover the costs of land acquisition, compensation, resettlement and rehabilitation within the agreed implementation period for the sub-project; and, adequate human resources for supervision, liaison and monitoring of land acquisition, resettlement and rehabilitation activities.
- (xiii) 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.
- (xiv) Detailed 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.
- (xv) ADB shall not approve of any civil works contract for any sub-project 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 sub-project. Rehabilitation measures must also be in place but not necessarily completed, as these may be ongoing activities.

3.3 Eligibility

For the Project, the cut-off-date for eligibility for entitlement is defined as the completion of the Detailed Measurement Survey (DMS). A DMS will be conducted following completion of detailed engineering design for each sub-project, and the cut-off date will be established for that sub-project.

People who move into the sub-project area and/or who construct assets after the sub-project cut-off date are not entitled to compensation or any other form of resettlement assistance. 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

pay any fine or sanction. Forced eviction will only be considered after all other efforts are exhausted.

3.4 Project Affected People (AP)

As per ADB policy, affected people (AP) include any person, household, firm or private institution who, on account of changes resulting from the Project, or any of its phases or sub-projects, will have its:

- (i) standard of living adversely affected;
- (ii) right, title or interest in any house, land (including residential, commercial, agricultural, forest, salt mining and/or grazing land), water resources or any other moveable or fixed assets acquired, possessed, restricted or otherwise adversely affected, in full or in part, permanently or temporarily; and/or
- (iii) business, occupation, place of work, residence or habitat adversely affected, with or without displacement.

In Viet Nam, the types of land users who may be APs include:

- (i) Legal and legalizable APs are those land users or occupants who possess a Land Use Right Certificate (LURC) issued by competent State authorities, or are eligible to obtain a LURC. The status of land use or occupancy will be demonstrated by means of the LURC or application for LURC; or, by one or more means of evidence as stipulated in the regulations to the Land Law. In the absence of these, the status of land use or occupancy may be established simply by being listed in the DMS.
- (ii) APs with temporary or lease rights are persons, households, firms or organizations that occupy agricultural, residential and/or other non-agricultural land temporarily allocated to them by local authorities, for which they possess written permission or a signed contract.
- (iii) Non-titled APs are those land users or occupants who are unable to prove legal or legalizable status prior to the cut-off date. They will be provided with economic rehabilitation assistance in lieu of compensation for land. They will also be compensated at full replacement cost for affected structures, crops, trees and other affected assets.

Resettlement assistance to non-titled affected people may also include replacement land although there is no entitlement to this for such APs. The resettlement package may include measures to ensure that such APs are able to find alternative sites or income sources, depending on their losses.

- (iv) Organizations that have paid land use or land transfer charges for land allocated by the State, and the funds for the charges were not from the State budget; and/or, that have investments on State-allocated land and the investments were not paid from the State budget.

Other organizations that do not pay land use or transfer charges, or that use State funds to pay these fees are not eligible for land compensation. They are, however, eligible for compensation for investments made on affected land, if those investments are not paid from State funds. In addition, following acquisition of affected land, they may request the State to allocate or lease alternate land to meet their needs.

As a result of the Project, APs will be affected by the loss in part or in total of the following types of assets:

- (i) agricultural land, including cultivated land (paddy and upland/perennial crops), forest land, aquaculture land and salt-making land;
- (ii) residential land (including gardens and pools);
- (iii) other non-agricultural land, e.g., commercial land;
- (iv) crops (annual and perennial) and trees;
- (v) houses, shops and other structures, including gravesites; and,
- (vi) businesses, sources of income and other productive assets.

3.5 Compensation for Loss of Agricultural Land

The compensation policy for loss of agricultural land includes entitlements for the following land users: i) users with permanent land use rights (legal and “legalizable” users); ii) users with temporary or lease land use rights; iii) eligible organizations; as well as iv) non-titled users.

A- Temporary loss of agricultural land (i.e. loss of use of land for a period of less than one year, e.g. during construction).

- (i) If land temporarily acquired by the Project is returned to APs, a) eligible APs receive no compensation; but the Project will b) pay rent to APs during the period of temporary use and c) restore the land to its previous or better quality by providing measures to improve land quality in cases of land being adversely affected or acidified. Eligible APs include users with permanent legal/legalizable or temporary/lease rights and organizations eligible for land compensation.
- (ii) If the disruption is more than one year, APs can opt a) to continue the temporary use arrangement or b) sell the land to the Project. In the latter case, APs can sell at the following rates: legal/legalizable users and eligible organizations, at full replacement cost; and, temporary/lease rights users, at 30 percent of replacement cost.
- (iii) APs will receive cash compensation at market prices for the loss of standing crops and trees that they cultivate. Eligible APs include non-titled land users as well as those with permanent legal/legalizable or temporary/lease rights and eligible organizations.
- (iv) Cash compensation will be paid for loss of net income from subsequent crops that cannot be planted for the duration of the lease, for users with permanent legal/legalizable or temporary/lease rights and eligible organizations.

B- Permanent loss of agricultural land

- (i) As a priority, compensation for affected agricultural land will be replacement land, for legal/legalizable users and eligible organizations. The replacement land will be a) equal in area to the affected land, up to a maximum of the applicable land quota in the province of the sub-project; b) of the same category (or productive capacity) as the affected land; c) at a location satisfactory to APs; and, d) with full legal title. If the head of household is married, title will be issued in the names of both the husband and wife. APs will not be charged for taxes, registration and land transfer costs. *If replacement land is not available, the project will pay cash compensation equivalent to the replacement value at current market prices for agricultural land of the same category(or productive capacity).*
- (ii) If the affected land is larger than the area of the applicable land quota in the province of the sub-project, APs will be paid in cash for the replacement value of

the excess affected area. The replacement value will be determined at current market prices for agricultural land of the same category (or productive capacity) as the affected land.

- (iii) *If the affected agricultural land is located in an urban, peri-urban or rural residential area, the affected will receive not only compensation based on the land price with similar use but also receiving assistance in cash, the price calculating for assistance is equal from 20% to 50% of the price of adjacent land. Provincial Peoples' Committee basing on the practical situation will decide the level of assistance.*
- (iv) If the affected land is less than 10 percent of the total productive assets (e.g., agricultural land, fish pond, etc.) or if no suitable replacement land is available, legal/legalizable users and eligible organizations may opt for cash compensation, as follows:
 - a) If the remaining land is still a viable economic holding, the Project will acquire the affected portion of the landholding and pay cash compensation equivalent to the replacement value at current market prices for agricultural land of the same category (or productive capacity), for the affected portion of the landholding.
 - b) If the remaining land is not viable, the Project will acquire the entire landholding and pay cash compensation equivalent to the replacement value at current market prices for agricultural land of the same category (or productive capacity).
- (v) Users with temporary or lease rights will receive cash assistance equivalent to 30 percent of replacement value at current market prices for the affected portion of the landholding or cash compensation for loss of net income for the remaining lease or assigned period, whichever is higher.
- (vi) If affected agricultural land is co-owned by two or more households, compensation at replacement value will be shared among all co-owners in the absence of legal documents certifying the shares of individual co-owners, that is, that demonstrate who is affected by land acquisition.
- (vii) If land use rights for affected land are under dispute, APs will not receive compensation until the dispute is resolved. In the interim, the compensation amount will be deposited in an escrow account.
- (viii) Severely affected APs and very poor APs losing agricultural land are entitled to an economic rehabilitation package (see 3.11, below). Severely affected APs are households that lose 10 percent or more of their productive assets. Very poor APs are households with monthly household incomes less than VND 100,000 per capita, as defined by MOLISA.
- (ix) Non-titled APs encroaching illegally on agricultural land must remove without compensation for the affected land, but they are entitled to compensation for assets on that land including structures (see 3.8, below) and crops and trees (see 3.6, below), and an economic rehabilitation package in lieu of land compensation (see 3.11, below).
- (x) In the case of non-titled APs left with no other agricultural land, local authorities will allocate replacement land and provide temporary or lease land rights to APs; or, if land is not available, the economic rehabilitation package will provide measures to assist landless non-titled APs to improve their socio-economic status. If replacement land is allocated, landless APs will not be displaced until local authorities allocate the land.

3.6 Compensation for Loss of Crops, Plants and Trees

The compensation policy provides entitlements to all owners of crops, plants and trees regardless of whether or not they possess land use rights to the cultivated land.

- (i) Annual crops: APs will be given two months notice that the land on which their crops are planted will be recovered and that they must harvest their crops in time. If standing crops cannot be harvested within the timeframe of the notice, APs will be compensated at replacement value for the loss of the unharvested crops. Replacement value is based on the average production over the last three years multiplied by the current market prices for agricultural products.
- (ii) Perennial crops and trees: APs will be compensated at full replacement value for the loss of perennial plants (e.g., coffee, pineapple, sugarcane) and fruit and timber trees. Replacement value is equal to current market prices given the type, age and productive value of the affected crops or trees. APs will receive cash compensation at current market prices for any unharvested crops that are near or ready to harvest at the time of land acquisition. **APs will also receive assistance to plant new trees.**

3.7 Compensation for Loss of Residential and Other Non-Agricultural Land

The compensation policy for loss of residential and other non-agricultural (e.g., commercial) land provides entitlements to: i) users with permanent land use rights (legal and legalizable users); ii) users with temporary or lease land use rights; iii) non-titled users; iv) tenants and v) eligible organizations.

A- Temporary loss of residential and other non-agricultural land (i.e. loss of use of land for a period less than one year e.g. during construction)

- (i) If the land temporarily acquired by the Project is returned to APs, eligible APs a) receive no compensation; but the Project will b) pay rent to APs during the period of temporary use of the land and c) restore the conditions of the temporarily acquired land to its pre-project conditions. Eligible APs include users with permanent legal/legalizable or temporary/lease rights, and eligible organizations.
- (ii) If the disruption is more than one year, APs can opt a) to continue the temporary use arrangements or b) sell the affected land to the Project. In the latter case, APs can sell at the following rates: legal/legalizable users and eligible organizations, at full replacement cost; and, temporary/lease rights users, at 30 percent of replacement cost.

B- Permanent loss of residential and other non-agricultural land

- (i) As a priority, compensation for affected rural residential and other non-agricultural land will be in the form of replacement land, for legal/legalizable users and eligible organizations. The replacement land will be a) of the same type (e.g., residential, commercial, etc.); b) equal in area to the affected land, up to a maximum of the applicable land quota in the province of the sub-project; c) at a location satisfactory to the APs; and, d) will be provided with full legal title. If the head of household is married, title will be issued in the names of both the husband and wife. APs will not be charged for taxes, registration and land transfer costs.
- (ii) If the affected land is greater in area than the land quota applicable in the province of the sub-project, local authorities will a) allocate additional land to

provide a total land allocation equal in area to the affected land; or, b) pay cash compensation equal to the replacement value of the excess affected land. The replacement value will be determined at current market prices for land of similar type and location.

- (iii) If the residential or other non-agricultural land is partially affected and the remaining landholding is not sufficient to rebuild affected structures, the Project will acquire the entire landholding (and structures). APs may opt for a) cash compensation equal to the replacement value of the land and structures, and relocate themselves; or, b) a combination of replacement residential land allocated by local authorities and cash compensation at full replacement value for structures.
- (iv) If rural residential land is affected and the remaining holding is less than 100 m², at the informed request of legal/legalizable APs, the Project will acquire the entire landholding (and structures). APs may opt for a) cash compensation equal to the replacement value of the land and structures, and relocate themselves; or, b) a combination of replacement residential land allocated by local authorities and cash compensation at full replacement value for structures.
- (v) If legal/legalizable APs and eligible organizations opt for cash compensation for affected residential or other non-agricultural land, the amount will be equivalent to the replacement value at current market prices for land of similar type and location.
- (vi) If land use rights are under dispute for affected land, APs will not receive compensation until the dispute is resolved. In the interim, the compensation amount will be deposited in an escrow account.
- (vii) Users with temporary/lease rights for affected rural residential or other non-agricultural land will receive cash compensation at 30 percent of replacement value at current market prices for land of similar type and location.
- (viii) All users with permanent and temporary/lease rights and eligible organizations that relocate themselves will receive assistance from local authorities and RCs to locate alternate residential or non-agricultural land.
- (ix) Organizations that are not eligible for compensation for affected non-agricultural land will, nonetheless, receive cash compensation equal to replacement value at current market prices for any investments made on the land if those investments were not funded by the State budget. They may also request local authorities or the State to allocate alternative land to meet their needs.
- (x) Non-titled APs encroaching illegally on residential land must remove without compensation for the affected land, but they are entitled to compensation for affected structures (see 3.8, below). In the case that they have no other residential land, the local authorities will allocate replacement land or housing with temporary or lease rights to APs.
- (xi) Non-titled APs encroaching illegally on other non-agricultural (e.g., commercial) land must remove without compensation for the affected land, but they are entitled to compensation for affected structures (see 3.8, below) and an economic rehabilitation package in lieu of land compensation (see 3.11, below). For non-titled APs with no other non-agricultural (e.g., commercial) land, local authorities will allocate replacement land and provide temporary or lease land rights to APs.

3.8 Compensation for Structures (Houses, Shops and Other Structures)

The compensation policy provides entitlements for owners of totally and partially affected houses, shops and other structures regardless of whether or not a) they possess land use rights for the land and/or b) the structures have been built with construction permits. Tenants are also entitled to assistance.

- (i) In the case of partially affected structures where the remaining portion is viable, compensation will be equivalent to a) the replacement value of the affected portion based on current market prices to enable the construction of an equivalent area and quality of structure; and, b) an allowance to make repairs to the structure due to the dismantlement of a portion of the structure (see 3.11, below). Compensation will be made in the form of cash, materials or a combination of both, without deduction for depreciation or salvageable materials.
- (ii) In the case of totally affected structures or partially affected structures where the remaining portion is not viable, compensation will be paid for the entire structure at replacement value for materials and labor based on current market prices. Payment will be in the form of cash, materials or a combination of both, without deduction for depreciation or salvageable materials.
- (iii) Tenants who occupy affected residential and/or commercial structures have the option to remain with the owner's agreement if the remaining structure is viable. If tenants move, owners will give APs minimum notice of two months. Relocating tenants are entitled to a) six months' rent allowance; and, b) assistance to identify new, affordable rental accommodation (see 3.11, below).
- (iv) Owners and/or tenants of residential and/or commercial structures who relocate because the structure is totally affected or partially affected where the remaining portion is not viable will receive a relocation allowance (see 3.11, below). Owners of residential structures who relocate will also receive a transition subsistence allowance due to temporary loss of income while they rebuild on new land (see 3.11, below).
- (v) For other partially or totally affected structures (e.g., kitchens, toilets, animal sheds, fences, walls, etc.), compensation will be equivalent to a) the replacement value of the affected portion (part or whole) based on current market prices; or b) the costs to relocate the property; or c) the costs of repair of the property to its original or better condition (see 3.11, below). Compensation will be made in the form of cash, materials or a combination of both, without deduction for depreciation or salvageable materials.
- (vi) Compensation for removal of a grave will cover the costs of construction of a new grave of a similar type at a location acceptable to the AP, as well as the costs of exhumation and transport of the remains, reburial and all other reasonable costs. Compensation in cash will be paid directly to each AP.
- (vii) *People who move into the sub-project area and/or who construct assets after the sub-project cut-off date are not entitled to compensation or any other form of resettlement assistance. 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 pay any fine or sanction. Forced eviction will only be considered after all other efforts are exhausted.*

3.9 Loss of Businesses and Income Sources

Under the compensation policy, entitlements extend to i) owners of registered and non-registered businesses and ii) employees of affected businesses. The purpose of these entitlements is to compensate APs for the loss of income caused by temporary or permanent disruption of business and income-generation activities.

A- Businesses that must relocate and/or rebuild structures

- (i) If households that have businesses without tax declarations (e.g., small shops) must relocate shops and/or rebuild shop structures, they will receive cash compensation based on the minimum wage in the respective province for the duration that the business/income-generation activity is disrupted.
- (ii) If registered businesses must relocate and/or rebuild shop structures, they will receive cash compensation for lost income equal to monthly after-tax revenues, for a period of six months. Monthly after-tax revenues will be determined on the basis of the average of monthly after-tax revenues over the previous 12 months, as verified by financial documents and statements of the business.
- (iii) All affected businesses will be notified 3-4 months in advance to relocate and/or rebuild new business structures. This will allow businesses to continue operating their businesses while they rebuild structures.

B- Income of Employees and Hired Labor

- (i) Business or enterprise employees and hired agricultural and non-agricultural labor will receive cash compensation for temporary loss of salary/wages while their employers reorganize, relocate and/or rebuild. The amount will be equal to their current wages or salary for each day (or month) they cannot work.
- (ii) Business or enterprise employees and hired agricultural and non-agricultural labor who permanently lose their employment due to acquisition of agricultural or non-agricultural land or due to the relocation of businesses owned by their employers will receive a) cash assistance equal to six months wages or salary or the value of a remaining contract, whichever is higher; b) severance pay for employees and, c) assistance in securing new employment including relevant skills training expenses if required.

3.10 Compensation for Loss of Community and Public Resources

The compensation policy provides entitlements to villages, wards and government units for the damage to or loss of community and public resources. Compensation will take one of the following forms:

- (i) Repair and restoration to original or better condition of affected community buildings and infrastructure such as schools, factories, water sources, roads or sewage systems, etc., at no cost to the community; or
- (ii) Replacement, if necessary, of community buildings and infrastructure at locations identified in consultation with affected communities and relevant authorities at no cost to the community; or
- (iii) Cash compensation at full replacement value for affected community assets.

If income loss is expected (e.g. irrigation, community forest, community grazing land), the affected village, ward or government unit will be entitled to compensation for the total production loss (over three years). This compensation should be used collectively for income restoration measures and/or new infrastructure.

Compensation for publicly owned utilities will take one of the following forms:

- (i) Relocation and/or rehabilitation of affected public utilities at no cost to the utility company; or
- (ii) Cash compensation at full replacement value for affected public utilities.

3.11 Rehabilitation Assistance

The Project provides various rehabilitation packages to assist eligible APs to relocate, reorganize and rebuild structures and/or to restore livelihoods. The following outlines these packages and eligible APs. At the time of compensation payments, the provisions of all allowances and rehabilitation packages discussed below will be adjusted to account for inflation.

A- Relocation Allowance

All owners and/or tenants that relocate because of totally affected structures or partially affected structures where the remaining portion is not viable are entitled to a relocation allowance. Eligible APs include owners of residential structures that are totally affected or partially affected and remaining portion is not viable; non-titled APs allocated alternative residential land or housing; tenants; and, businesses and eligible organizations that relocate.

The relocation allowance provides cash assistance for the costs of transport of personal and/or business effects, as well as salvaged and new building materials to new sites. The amount will be determined for each sub-project based on local conditions, up to a maximum of:

- i) VND 3,000,000 for APs moving within the same province; or
- ii) VND 5,000,000 for APs moving to another province.

B- Transition subsistence allowance

A transition subsistence allowance is provided to assist eligible APs during a period of reduced income while they rebuild and re-establish on new residential land. Eligible APs include: owners of residential structures that relocate and non-titled APs that are allocated replacement residential land.

The value of the transition subsistence allowance is equivalent to:

- (i) 30 kg of rice per month for each household member, for six months.

C- Infrastructure development allowance

All APs that relocate themselves to new residential land are entitled to an infrastructure development allowance. This allowance is in addition to compensation for structures on affected land, e.g., toilets, wells, etc., and is intended to assist APs to re-establish on new residential land with adequate basic infrastructure such as water supply, toilet, access and drainage. The amount of the allowance is equal to:

- (i) 5 percent of the value of compensation for affected structures; or
- (ii) the actual costs of materials and labor to provide a “package” of basic infrastructure, whichever is higher.

The “package” of basic infrastructure will be decided in consultation with APs in each sub-project, along with estimates of the costs.

D- Repair allowance

APs that rebuild partially affected house and/or shop structures are entitled to an allowance to permit them to repair the damage caused by dismantling the affected portion of the structure. APs that need to repair other structures (e.g., kitchens, sheds, etc.) are entitled to this allowance to pay for repair costs. The amount of this allowance will be based on actual costs up to a maximum of:

- (i) VND 1,000,000 per affected structure for Category 1, 2 and 3 structures;
- (ii) VND 500,000 per structure for Category 4 and temporary structures.

The detailed amount of this allowance will be decided in consultation with APs in each sub-project.

E- Economic rehabilitation package

In order to assist APs to restore livelihoods and income levels, the Project will provide an economic rehabilitation package to several types of APs. These include: a) severely affected APs that lose 10 or more percent of their agricultural holding, income or other productive assets; b) other very poor APs that lose productive assets; and, c) non-titled APs displaced from productive land. Very poor APs are households with monthly incomes less than VND 100,000 per capita. Non-titled APs receive this package in lieu of compensation for affected productive land.

The scope of the economic rehabilitation package includes a transition subsistence allowance to cover living costs during a period of reduced income while APs restore current livelihood and income-generating activities or make a transition to new income-generating activities; and, in-kind assistance to strengthen or initiate income-generating activities.

The value of the transition subsistence allowance is equivalent to:

- (i) 30 kg of rice per month for each household member, for six months.

In-kind assistance to strengthen or initiate income-generating activities will be decided in consultation with local authorities and APs eligible for the economic rehabilitation package, and will be fully developed in the resettlement plans for each sub-project. Forms of assistance may include, but are not limited to:

- (i) **Agricultural extension assistance**, e.g., IPM, farmer field schools, etc., to improve the productivity of remaining or newly allocated agricultural land and fishponds.
- (ii) **Assistance to restore or replace affected tree plantations**, provision of seedlings and technical assistance to help severely affected APs to restore income from cash-crop tree plantations.
- (iii) **Support for income-generating activities** including appropriate technical support, assistance to access and utilize credit, and other measures to promote existing or new income-generating activities.
- (iv) **Project-related employment**, whereby priority will be given to severely affected and vulnerable APs for work on the construction and/or maintenance of Project roads.

F- Progress bonus to households who move on time.

Legal and legalizable APs that relocate will receive a bonus award up to a maximum of VND 5,000,000 per household payable immediately upon removal, if they carry out the dismantling of their structures in a timely fashion.

G- Special assistance for socially and economically vulnerable households

Socially and economically vulnerable households including very poor households such as those receiving social assistance from the Government; households headed by women, ethnic minority peoples, and disabled persons or war invalids; households headed by the elderly without means of support; and those without legal title to land or other assets, will be assisted to improve their socio-economic conditions on a case-by-case basis.

4. Consultation, Public Disclosure and Grievance Resolution

PMU-1 will coordinate closely with provincial and district authorities and implementing agencies to ensure that APs are consulted and able to participate actively in all stages of RP planning and implementation. 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, 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 to fit the needs and priorities of APs.

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

4.1 Consultation during RP Preparation

During RP preparation, socio-economic and perception surveys, focus group discussions, key informant interviews and informal meetings with APs and various stakeholders are the key methods of the consultative process. These and other means will be used to ensure that APs properly understand and accept the Project proposals for land acquisition, eligibility and compensation for affected assets, as well as the Project objectives and implementation schedule. Specific measures carried out during preparation of RPs include:

- (i) PMU-1 informs the PRC and PDOT in the province of a sub-project regarding land acquisition and the requirements for resettlement, including the roles and responsibilities of local authorities for preparation and implementation of a Resettlement Plan (RP).
- (ii) PRC and PDOT work with district authorities to distribute letters to people living on sub-project roads, to inform them of the Project, the need to acquire land and provisions for compensation. The letter also outlines the procedures for fieldwork

for the Inventory of Losses (IOL) or Detailed Measurement Survey (DMS)¹ and the Socio-Economic Survey (SES), and requests AP cooperation during these activities.

- (iii) Training sessions are held with provincial, district and commune authorities prior to the fieldwork, providing them with information on the Project; GOV and ADB requirements and procedures for land acquisition and resettlement; the Project's Resettlement Policy Framework and entitlements; and, procedures for IOL/DMS and SES.
- (iv) Under the direction of the PRC and PDOT, district and commune officials conduct the data collection for the IOL/DMS and the SES. During interviews with APs, the following information is explained and/or clarified for APs: Project description; objectives and contents of IOL/DMS and SES; documents required to establish legal status of land; and, compensation and resettlement options. APs are requested to indicate their preferences for compensation and resettlement options.
- (v) In conjunction with focus groups and individual household interviews to prepare the social/poverty and ethnic minority components of the Project, data related to land acquisition and resettlement is collected: vulnerable groups that may be adversely affected by the Project, resettlement preferences of affected households, measures to reduce impacts and adequacy of compensation prices.

4.2 Public Disclosure

In accordance with ADB requirements for public disclosure, PMU-1 in collaboration with the PRC and RCs at lower levels will prepare and disseminate information on approved RPs for each sub-project². The public disclosure may take the form of a Public Information Brochure (PIB) or leaflet, or a summary RP, ensuring that information is provided in a form and language that APs can understand and at a place that is accessible to APs and their representatives³. The scope of the public disclosure information is:

- (i) the Project, its objectives and implementation schedule;
- (ii) a summary of the Project and sub-project impacts, particularly the types of land acquisition and resettlement impacts;
- (iii) policies regarding entitlements, compensation and rehabilitation strategies;
- (iv) resettlement implementation schedule and implementing organizations; and,
- (v) public consultation mechanisms and grievance procedures.

For Phase 1 sub-projects, the full RP including all attachments will be made available in Vietnamese and English at commune offices or the local Project office prior to the first Management Review Meeting. For updated Phase 1, Phase 2 and Phase 3 sub-projects, the full RP including all attachments will be made available in Vietnamese and English at commune offices of the local Project office prior to and during RP implementation.

¹ The IOL collects data on affected assets based on land acquisition requirements determined by preliminary engineering design. The DMS collects similar data based on the land acquisition requirements determined by detailed engineering design. See also, Section 6.2 below for further discussion of the IOL and DMS.

² For Phase 1 sub-projects, the initial public disclosure will occur prior to the first Management Review Meeting. For updated Phase 1, Phase 2 and Phase 3 sub-projects, public disclosure of the RP will occur following acceptance by GOV and ADB of the RP, and prior to RP implementation.

³ A draft PIB for the Project is attached in Annex 3.

Upon ADB Board approval, the RPF, RPs and, as appropriate, updated RPs will be disclosed on the ADB Involuntary Resettlement Website.

4.3 Consultation during RP Implementation

During RP implementation, PMU-1 will work closely with PRCs and RCs at lower levels to carry out a comprehensive consultation process including regular meetings with APs, their representatives and local authorities. Specific key activities will include a public information meeting with APs, consultations with severely affected and vulnerable APs and notification to APs about compensation payments.

A- Public Information Meeting

Following the DMS, 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. The CPC/CRC will be tasked to send an invitation letter to all APs two weeks prior to the meeting date, after the PCP/PRC have approved the outcomes of the DMS. Other means of notification will be used, such as radio, television and newspaper announcements. The invitation letter and notices will advise the time and location of the meeting, and who can attend. Both men and women from affected households will be encouraged to attend, as well as other interested community members.

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 sub-project area. Adequate opportunities will be provided during the meeting for APs to respond with questions and comments. The DRC will compile a complete 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 and PMU-1.

The scope of information provided to APs during the meeting includes:

- (i) Description of the Project and sub-projects, including where APs can obtain further information.
- (ii) Sub-project impacts (e.g., during construction) and impacts related to land acquisition.
- (iii) APs rights and entitlements, including the process to determine AP eligibility and rights to compensation; information on legalization of APs without official documentation; rights and entitlements for different categories of APs, including the entitlements of those losing businesses, jobs and income; options for land-for-land and cash compensation; options regarding reorganizing and individual resettlement, and provisions and entitlements for each; entitlement to rehabilitation assistance; and, opportunities for project-related employment.
- (iv) Grievance mechanism and appeal process, including assurance that Project policies and procedures are designed to ensure that APs restore their pre-project living standards; information about the responsibilities of the PRC and RCs at lower levels to help to resolve confusion, misunderstandings or problems about land acquisition, compensation rates, rehabilitation and relocation; and, information about procedures for filing complaints and the appeal process.

- (v) Rights to participate and be consulted, including AP rights to participate in all aspects of resettlement planning and implementation, particularly with reference to their preferences for resettlement according to their entitlement and rehabilitation measures for relocating and vulnerable APs; and, requirements for APs or their representatives to attend public meetings organized by PRC and RCs at lower levels regarding land acquisition and resettlement for the sub-project.
- (vi) Resettlement activities, including explanations of compensation calculations and payments; monitoring procedures, including interviews with a sample of APs; reorganization; relocation to individual sites and self-relocation; and, preliminary information about physical works procedures.
- (vii) Organizational responsibilities, including information about the organizations and levels of government involved in resettlement, and their responsibilities; and, the names and positions of government officials with phone numbers, office locations and office hours if available.
- (viii) Implementation schedule, including information about the proposed schedules of major resettlement activities; assurance that APs will not be required to relocate until they have received full compensation; assurance that construction of sub-projects will only start after completion of all resettlement activities and clearance from the sub-project area; and, presentation of implementation schedules and charts for RCs at all levels.

B- Consultations with severely affected and vulnerable APs

The PRC and RCs at lower levels 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. To facilitate these consultations:

- (i) Separate consultations will be held with women, ethnic minorities or other vulnerable groups to encourage their participation in resettlement planning and implementation.
- (ii) Consultations with women, ethnic minorities and other vulnerable groups will take into consideration the following issues: a) timing of consultations to accord with people's daily and seasonal responsibilities and availability; b) communications methods appropriate to people's literacy levels and/or ethnic minority languages; and, c) other special circumstances such as mobility and access to transport.

C- Notification to APs about compensation payment

The PRC will issue a letter to each AP, informing the household about the time, location and procedures for compensation payments.

4.4 Grievance Redress and Resolution Mechanism

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 will be publicized through an effective public information campaign. The grievance redress mechanism and appeal procedures will also be explained in the PIB that will be distributed to all APs.

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 to the CPC, DPC or PCP will be exempt from all administrative fees incurred. In addition, APs who lodge complaints and appeals to district courts will be provided with free legal representation.

For the purposes of grievance redress and resolution, the RCs at commune, district and provincial levels will also serve as the Grievance Redress Committees. The Commune Grievance Redress Committee will make all reasonable attempts to settle AP issues at the commune level through community consultation; and, as required, the involvement of NGOs, mediators and facilitators, as well as social and resettlement experts. Moreover, to avoid a redress process, grievances will be prevented to the extent possible through careful sub-project design and implementation. Effective strategies include full and frank participation and consultation with APs; establishing a rapport between the affected communities and the implementing agencies; and, frequent interactions, transparency and monitoring.

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's People's Committee (CPC). The complaint will be discussed in an informal meeting with the AP and the CPC. It will be the responsibility of the CPC to resolve the issue within 15 days from the date the complaint is received.
- (ii) Stage 2: If no understanding or amicable solution can be reached or if no response is received from CPC within 15 days of registering the complaint, the AP can appeal to the District People's Committee (DPC) in the presence of the District Resettlement Committee (DRC). The AP must lodge the complaint within 30 days of registering the original complaint and must produce documents that support his/her claim. The DPC will provide a decision within 1 month of receiving the appeal.
- (iii) Stage 3: If the AP is not satisfied with the decision of the DPC or in the absence of any response, the AP can appeal to the Provincial People's Committee (PPC). The PPC together with the Provincial Resettlement Committee (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.

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 Project internal monitoring and evaluation, each PPC and PMU-1 will keep a written record of all grievances and complaints brought forward by APs, as well as their final resolution. The independent agency contracted for external monitoring and evaluation will be responsible for checking the procedures for and resolutions of grievances and complaints, as described in Chapter 7. The

independent agency may recommend further measures to be taken to redress unresolved grievances.

The PMU-1 and the PPC will be responsible to ensure that the grievance redress procedures and timeframes are explained clearly to each level of People's Committees.

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5. Institutional Arrangements

The implementation of resettlement activities requires the involvement of agencies at the national, provincial, district and commune levels. Under the Ministry of Transport (MOT), resettlement committees will be established at the provincial, district and commune levels. The provisions of the Policy Framework and RP for sub-projects will form the legal basis for implementation of resettlement activities of the Project.

5.1 Ministry of Transport (MOT)

The MOT is the Executing Agency, responsible for approving project documents, providing funds and guidance to PMU-1 and for the overall implementation and coordination of the Project, including land acquisition and resettlement activities.

5.2 Project Management Unit No. 1 (PMU-1)

PMU-1 is the acting representative of the MOT for the Project. Within PMU-1, the Project Management Division 1 is responsible for implementation and ongoing management of Project activities, including land acquisition and resettlement. Many of the Project activities will be delegated to a project management team at PMU-Middle that will report back to PMU-1 and its Project Management Division 1. The project management teams at Project Management Division 1 and PMU-Middle will include Resettlement Specialists with previous experience in the planning and implementation of land acquisition and resettlement activities for road projects.

Under the instruction and guidance of MOT, the main responsibilities of project management teams at PMU-1 include:

- (i) Oversee, in collaboration with the Provincial People's Committees (PPC) in each province, the establishment of Provincial Resettlement Committees (PRC) and resettlement committees (RCs) at the district and commune levels.
- (ii) Guide, assist and supervise PDOT, PRC and resettlement committees (RCs) in the preparation and implementation of RPs as required by any sub-project.
- (iii) Guide and assist PDOT, PRC and RCs at lower levels to establish, implement and maintain public information campaigns and stakeholder consultation programs with affected households and communities, ensuring that all APs are fully informed about their rights and entitlements, timeframes and procedures for land acquisition and resettlement in accordance with established Project guidelines.
- (iv) Guide, assist and supervise PDOT, PRC and RCs at lower levels to carry out the AP census, IOL and, following detailed engineering design, DMS to identify precisely the number of AP and the types and extent of losses to be compensated, to ensure that all eligible AP have been identified with their respective entitlements according to the RP and Policy Framework.
- (v) Establish project-wide procedures for the establishment and maintenance of AP databases for all sub-projects at PDOTs, and ensure that PRCs and PDOTs provide regular reports to PMU-1 and make all data available to the external monitoring organization.
- (vi) Review and approve RPs prepared by the PDOTs and PRCs, including review and allocation of the necessary RP budget.

- (vii) Review and endorse the Sub-Project Compensation Chart and submit it to MOT for final approval; disburse compensation funds to PPC; and, supervise the compensation payment process.
- (viii) Guide and supervise PDOTs, PRCs and RCs at all levels to implement the approved RPs, including following compensation entitlements and procedures as defined in the approved RP. Ensure proper implementation of rehabilitation measures.
- (ix) Regularly liaise with PDOTs and PRCs regarding the list of eligible APs, compensation payments and compensation/assistance costs.
- (x) Assist PRC and RCs at lower levels to redress grievances concerning RP activities, including implementation of prompt corrective actions to ensure the resolution of grievances.
- (xi) Implement established procedures for internal monitoring. If any mistakes or shortcomings are identified through internal and/or external monitoring of RP implementation, PMU-1 will formulate appropriate measures to ensure the objectives of the RP are met, and submit them to MOT for review and approval.
- (xii) Approve, if necessary, contracts for research institutes, consultants and/or NGOs to carry out preparation, implementation and monitoring of land acquisition, resettlement and ethnic minority development components of the RP.
- (xiii) Establish and implement project procedures to coordinate land acquisition, resettlement and ethnic minority development components of the RP with construction activities; and, supervise the coordination between contractors and local communities to ensure prompt identification and compensation of impacts to public and private assets during construction.
- (xiv) Coordinate with other ministries and government agencies to ensure delivery of mitigation and support measures.
- (xv) Consolidate all RPs submitted by PDOTs and PRCs and submit them to ADB for review.

5.3 Provincial Project Management Unit (PPMU) of PDOT

The responsibilities of the PPMUs under PDOTs are to:

- (i) Prepare sub-project RPs in collaboration with PRCs.
- (ii) Guide, supervise and participate with the RCs, to carry out the APs census and DMS following detailed engineering design, including establishment and maintenance of AP databases and entry of DMS data into AP databases; and, reporting to PMU-1.
- (iii) Collaborate with PRC and RCs to establish and maintain public information campaigns and stakeholder consultation programs with affected households and communities, ensuring that all APs are fully informed about their rights and entitlements, timeframes and procedures for resettlement. Ensure that all disclosure activities are carried out according to the Resettlement Policy Framework, including distribution of the Public Information Brochures (PIB) to all APs and the placement of Resettlement Plans in commune offices.
- (iv) Monitor and participate with the PRC and RCs at lower levels in the implementation of the land acquisition, resettlement components of the RP, ensuring that all eligible APs have been identified with sufficient information from the RCs; and, that they have been provided with their respective entitlements according to the RP and Resettlement Policy Framework.

- (v) Coordinate with PPC to prepare the Sub-Project Compensation Chart, and submit it to PMU-1 for review.
- (vi) Liaise with PRC regarding the list of eligible APs, compensation payments and compensation/assistance costs, and report regularly to PMU-1.
- (vii) Liaise with PRC and RCs at lower levels regarding redress of grievances concerning RP activities, including implementation of prompt corrective actions to ensure the resolution of grievances.
- (viii) Coordinate with Provincial/District Land Administration Departments on matters related to land allocation and land use rights issues.
- (ix) Coordinate with Provincial/District Agricultural and Rural Department and other local authorities, bilateral agencies and other organizations regarding agricultural extension programs and support.
- (x) Ensure proper implementation of rehabilitation measures and rural development support activities.
- (xi) Contract out, with approval from PMU-1, to research institutes, companies or NGOs to carry out preparation, implementation and monitoring of land acquisition, resettlement and ethnic minority development components of the RP.
- (xii) Ensure the coordination of the land acquisition, resettlement and ethnic minority development components of the RP with construction activities.
- (xiii) Submit regular progress reports to PMU-1 on civil works, construction and RP activities.

5.4 Project Supervision Consultants (PSC)

PMU-1 will recruit Project Supervision Consultants (PSC) for the Project, in accordance with ADB requirements for consultant procurement and ADB approval of TOR and candidate experience and qualifications⁴. The PSC will ensure that land acquisition, resettlement and ethnic minority development components of the Project are effectively and efficiently implemented. Together with PMU-1, PRCs and RCs at lower levels, the PSC will a) establish and implement a centralized resettlement/social management system; and, b) carry out formal and on-the-job training on resettlement, social preparation, social impact assessment, gender, ethnic minorities and social development.

A- Centralized Resettlement/Social Management System

In establishing the centralized resettlement/social management system, the PSC will guide and assist the Project Management Division of PMU-1 and its Resettlement Specialist, Resettlement Committees and organizations such as the Women's Union and/or Farmer's Association, based on the approved Resettlement Policy Framework and RPs. Specific areas of assistance include:

- (i) Prepare, implement and monitor RPs for sub-projects.
- (ii) Implement information campaigns and stakeholder participation (e.g., distribution of Vietnamese copies of the approved Entitlement Matrix).
- (iii) Establish and implement procedures to minimize adverse social impacts from land acquisition and loss of other assets through the planning, design and

⁴ TOR for the PSC form part of the TOR for Consulting Services for Detailed Design of Phase 1 Roads and the TOR for Consulting Services for Project Coordination and Construction Supervision. These are, respectively, Appendices 11 and 12 of Volume 1 of the Draft Final Report for the Project.

implementation phases (e.g., validation of drainage designs to ensure they are appropriate for local conditions).

- (iv) Establish and implement procedures for undertaking and completing the AP census, DMS and SES.
- (v) Establish and implement procedures for the coordination of resettlement and compensation activities for the various sub-projects.
- (vi) Design and implement detailed income restoration programs for APs severely affected by loss of income (i.e., by loss of 10% or more of agricultural land, income or other productive assets) and very poor APs.
- (vii) Supervise the implementation of rehabilitation measures and rural development support activities by PRCs, RCs and agencies responsible for implementation, such as the Women's Union.
- (viii) Establish and implement procedures for tracking compliance to Project policies.
- (ix) Establish and implement procedures for the prompt implementation of corrective actions and resolution of grievances.
- (x) Establish and implement liaison mechanisms to ensure proper technical and logistical support to PMU-1, Project Management Division teams, PRCs and RCs at lower levels.
- (xi) Establish and implement procedures for ongoing internal monitoring.
- (xii) Supervise the external monitoring agency activities and ensure that the Terms of Reference are properly and effectively achieved.

B- Formal and On-the-Job Training

The PSC will conduct training to ensure that the PMU-1 and its Resettlement Specialists, PRCs and RCs at lower levels, and other implementing agencies acquire and strengthen knowledge and expertise on resettlement and social-related issues, including:

- (i) Organize a Resettlement Workshop with provincial authorities and all agencies involved in resettlement implementation. The workshop will present information on the Project components; ADB requirements prior to appraisal and loan negotiation, e.g., detailed design, procurement and bidding process, environmental evaluation and RP preparation; GOV legal framework and procedures for land acquisition; ADB resettlement policies; the Project's Resettlement Policy Framework, including entitlements and compensation; proposed resettlement strategies; and, RP preparation.
- (ii) Provide formal and on-the-job training for all provinces (PRC and RCs at lower levels), the external monitoring agency and members of the PMU-1 Project Management Division team related to resettlement, social preparation, social impact assessment, gender, ethnic minorities and social development.
- (iii) Provide training sessions on policies, procedures and best practices related to resettlement, social preparation, social impact assessment, gender, ethnic minorities and social development; social assessment methodologies; stakeholder analysis; Participatory Rapid Appraisal; Participatory Monitoring and Evaluation; and, basic social research methodologies.
- (iv) Develop and implement capacity building strategies for PMU-1, PRCs and RCs to sustain and coordinate all resettlement, social impact assessment, gender, ethnic minority and social development-related activities.

- (v) Familiarize, orient and prepare PMU-1, PRCs and RCs to perform various tasks and responsibilities related to resettlement, social preparation, social impact assessment, gender, ethnic minorities and social development.
- (vi) Prepare resettlement, social impact assessment, gender, ethnic minorities and social development manuals.

5.5 Provincial Level

The **Provincial People's Committee (PPC)** is the principal authority at the provincial level for preparation and implementation of RPs for the Project. The responsibilities of the PPC include:

- (i) Establish, appoint members and direct the activities of the Provincial Resettlement Committee (PRC); and, appoint the head of the District Resettlement Committee (DRC).
- (ii) Review and approve the RP, following consultation with PDOT and PMU-1; and, direct resettlement and ethnic minority development component activities in accordance with the RP.
- (iii) Approve and issue the compensation unit costs, subsidies, allowances and supporting policies for APs and vulnerable affected groups, in accordance with the RP.
- (iv) Oversee preparation of and review the Sub-Project Compensation Chart, and submit it to PMU-1 for review.
- (v) Resolve grievances and complaints at provincial level.
- (vi) Guide and instruct coordination between the related institutions and provincial departments for the implementation of the RP.

The **Provincial Resettlement Committee (PRC)** is responsible to:

- (i) Prepare RP for sub-project in collaboration with PDOT, ensuring that all eligible APs have been identified and provided with entitlements according to the Resettlement Policy Framework.
- (ii) Collaborate with PDOT to direct, supervise and monitor the work of RCs at lower levels to carry out AP census, IOL and/or DMS process; finalize compensation forms and prepare compensation charts; and, submit them to the PPC for approval.
- (iii) Draft compensation unit prices for land and structures and establish procedures for land acquisition and allocation, and submit them to the PPC for approval.
- (iv) Review and approve compensation rates for each type of loss, as submitted by the independent monitoring agency, and submit it to PPC for final approval.
- (v) In collaboration with PDOT, coordinate, schedule and monitor all resettlement activities; direct and supervise the work of RCs at lower levels to implement the RP according to the Resettlement Policy Framework for the Project.
- (vi) Manage budgets and disbursement of compensation funds to RCs at lower levels, and in collaboration with PDOT supervise compensation payments and delivery of entitlements.
- (vii) In collaboration with PDOT, direct and monitor the allocation of land to vulnerable APs who have no other land and have to be relocated; and, the implementation of rehabilitation measures for severely affected and very poor APs.

- (viii) In collaboration with PDOT, establish and maintain public information campaigns and stakeholder consultation programs with affected households and communities, ensuring that all APs are fully informed about their rights and entitlements and procedures for resettlement. Ensure that all disclosure activities are carried out according to the Resettlement Policy Framework, including distribution of the Public Information Brochures (PIB) to all APs and the placement of Resettlement Plans in commune offices.
- (ix) Assist PPC to resolve grievances and complaints at provincial level.
- (x) In collaboration with PDOT, prepare all required documents regarding land acquisition and resettlement, and submit them to PPC and PMU-1 for review.
- (xi) In collaboration with PDOT, coordinate with land administration, agriculture and rural development and other relevant provincial departments, other organizations and NGOs regarding rehabilitation measures and rural development support activities.
- (xii) In collaboration with PDOT, ensure the coordination of land acquisition, resettlement and, as necessary, ethnic minority development components of the Project with construction activities.
- (xiii) In collaboration with PDOT, submit regular progress reports to PMU-1 for review and referral to PPC, on civil works, construction and RP activities.
- (xiv) The membership of the PRC will include: Vice-President of PPC who will be the Head of the PRC; Director or Vice-Director of the Provincial Department of Transport (PDOT); senior representatives of other relevant departments such as land management, agricultural and rural development, finance, etc.; and; representatives of the Viet Nam Women's Union and/or Farmer's Association who will actively participate in all meetings and activities of the PRC.

5.6 District Level

The **District People's Committee (DPC)** has the responsibility to:

- (i) Appoint members to the District Resettlement Committee (DRC), ensuring that the Viet Nam Women's Union and/or Farmer's Association are represented on the DRC.
- (ii) Direct the DRC to carry out resettlement activities and involve the district/communal departments to identify the legality of affected assets.
- (iii) Certify the list of APs prepared by the DRC.
- (iv) Resolve grievances and complaints at district level, or refer them to the provincial level.

The **District Resettlement Committee (DRC)** has the responsibility to:

- (i) Plan, organize and implement resettlement activities in the district on behalf of the DPC, and under the guidance of the PRC and PDOT.
- (ii) Plan, implement and/or supervise and monitor CRC for all activities related to public information campaigns and stakeholder consultations, to ensure that all APs are informed fully and in a timely manner about their rights and entitlements, timeframes and procedures for resettlement, and that the PIB has been distributed to all APs.
- (iii) Conduct the AP census and IOL and/or DMS; prepare compensation forms and charts; and, submit all relevant documentation to the PDOT and PRC for review

and approval. As relevant, regularly update the list of eligible APs and their entitlements, and report to PRC/PPC and PDOT.

- (iv) Manage budgets for compensation in the district. Following allocation of funds by PRC/PPC, oversee and participate in the payment of compensation to APs, and submit regular progress reports to PRC/PPC and PDOT.
- (v) Guide, direct and monitor the CRC to identify and allocate land to vulnerable APs that do not have other land and have to be relocated.
- (vi) Plan, implement and monitor rehabilitation measures for severely affected, vulnerable and very poor APs, ensuring that APs are fully consulted about appropriate measures and coordinating with relevant district and, as necessary, provincial authorities.
- (vii) Hear and resolve AP grievances regarding resettlement policies and entitlements that have been appealed from CRC, appointing inspectors to review the circumstances of specific complaints.
- (viii) Cooperate fully with the independent monitoring agency, participating as required in the data collection from APs.
- (ix) Prepare regular progress reports on all aspects of land acquisition and resettlement in the district, and submit to PRC and PDOT.
- (x) The membership of the DRC will include: Vice-President of DPC who will be the Head of the DRC; the head of the district Transport Division; qualified experts from relevant district divisions such as transport, land management, agricultural and rural development, etc.; and, district representatives of the Viet Nam Women's Union and/or Farmer's Association who will actively participate in all meetings and activities of the DRC.

5.7 Commune Level

The **Commune People's Committee (CPC)** has the responsibility to:

- (i) Appoint the chair and members of the Commune Resettlement Committee (CRC), and assign functional tasks for the CRC.
- (ii) Sign compensation documents of APs.
- (iii) Ensure that grievances of APs are properly addressed.
- (iv) Participate actively in all activities related to land acquisition, resettlement, rehabilitation assistance and social development support.
- (v) Carry out other tasks to empower CRC, as necessary.

The **Commune Resettlement Committee (CRC)** has responsibility to:

- (i) Coordinate with DRC to plan, organize and implement all land acquisition and resettlement activities in the commune.
- (ii) Consult with and inform APs on their rights and compensation entitlements and, as relevant, consult with other stakeholders in the commune affected by land acquisition and resettlement activities.
- (iii) Coordinate with DRC to carry out AP census, IOL and/or DMS and other resettlement-related activities.
- (iv) Participate with DRC and others to pay compensation to APs, ensuring that all compensation documents are prepared and submitted to CPC for signing.

- (v) Coordinate with DRC to identify and allocate land to vulnerable APs that have no other land and have to relocate.
- (xi) Coordinate with DRC to plan, implement and monitor rehabilitation measures for severely affected, vulnerable and very poor APs, ensuring that APs are fully consulted about appropriate measures.
- (xii) Hear and resolve AP grievances regarding resettlement policies and entitlements; prepare documentation of issues and results; and, submit to DRC and PRC/PPC.
- (vi) The membership of the CRC will include: President or Vice-President of CPC who will be the Head of the CRC; representatives of the commune land management administration; AP representatives; and, commune representatives of the Viet Nam Women's Union and/or Farmers' Association.

6. Preparation and Implementation of Sub-Project Resettlement Plans

A Resettlement Plan (RP) will be prepared for each sub-project of Phases 1-3 of the Project where the sub-project requires land acquisition and resettlement. RPs for Phase 1 sub-projects prepared prior loan appraisal of the Project will be updated following detailed engineering. RPs for Phase 2 and 3 sub-projects will be prepared following detailed engineering design for each sub-project. This section reviews procedures for screening sub-projects to determine the RP requirements, and the preparation and implementation of the RPs.

6.1 Resettlement Screening Procedures

Based on initial sub-project design, the PMU-1 and PDOT will determine the requirements for preparation of a RP. The initial sub-project design should, to the extent feasible, explore all viable options to reduce the requirements for land acquisition and resettlement. The screening criteria based on the degree of resettlement impacts are:

- (i) Significant: As a result of the sub-project, 200 or more people will experience major impacts, that is, being physically displaced from housing, or losing 10 percent or more of their productive, income-generating assets. A full resettlement plan will be required.
- (ii) Not significant: As a result of the sub-project, fewer than 200 people will be physically displaced from housing or lose 10 percent or more of their productive, income-generating assets. A short resettlement will be required.
- (iii) No resettlement effect: The sub-project does not require temporary or permanent land acquisition, and there are no impacts involving the loss of land, structures, crops and trees, businesses or income.

When an RP is required, the PRC under the direction of PMU-1 and with cooperation from RCs at lower levels will carry out RP preparation based on a census and inventory of affected assets for 100 percent of the affected people (AP), as well as socio-economic baseline surveys of APs:

- (i) For Phase 1 sub-projects where the RP is prepared prior to loan appraisal, a census and Inventory of Losses (IOL) will identify APs and their affected assets based on land acquisition requirements determined through preliminary engineering design. Following detailed engineering design, the RP will be updated based on a Detailed Measurement Survey (DMS) to collect detailed data on affected assets.
- (ii) For Phase 2 and 3 sub-projects where the RP is prepared following detailed engineering design, a census and the DMS will be conducted to identify APs and their affected assets.
- (iii) The Socio-Economic Survey (SES) will be carried out concurrently with the IOL and/or DMS.

6.2 Inventory of Losses (IOL) and Detailed Measurement Survey (DMS)

The IOL and DMS collect data on the affected assets from 100 percent of APs following, respectively, preliminary and detailed engineering design for sub-project roads. For each AP, the scope of the data includes:

- (i) Total and affected areas of land, by type of land assets;
- (ii) Total and affected areas of structures;
- (iii) Legal status of affected land and structure assets, and duration of ownership;
- (iv) Quantity and types of affected crops and trees;
- (v) Quantity of other losses, e.g., business or other income, jobs or other productive assets;
- (vi) Quantity/area of affected common property, community or public assets, by type;
- (vii) Summary data on AP households;
- (viii) AP knowledge of the sub-project and preferences for compensation and, as required, relocation.

The data collected during the DMS constitute the formal basis for determining AP entitlements and levels of compensation. Prior to the initiation of DMS activities, the PRC will establish a Joint DMS team composed of representatives of the PDOT, PRC and RCs at lower levels, the internal monitoring agency and the Women's Union and/or Farmer's Association.

The DMS process is a participatory process involving the APs, with the following procedures established for the Project:

- (i) The Joint DMS Team informs the APs in advance of the DMS schedule, and provides them with clear information about the Project, the rights and entitlements of APs and the procedures for the DMS and payment of compensation.
- (ii) In cases where APs are unavailable for the DMS, the Joint DMS Team will make three callbacks to collect data from APs.
- (iii) Once the DMS survey has been completed in the presence of APs, the APs and the members of the Joint DMS Team will sign the DMS Form containing information on the rate and nature of the compensation.
- (iv) The Joint DMS Team will attach the callback reports to the DMS Form. If an AP disagrees with the results or compensation rates and the matter cannot be settled during the DMS survey, he/she can address his/her grievances through the grievance redress committees established by the Project. The established Grievance mechanism is discussed in Section 4.4.
- (v) Representatives from the People's Committee and/or the Women's Union or Farmer's Association will also sign as witness to the activity.
- (vi) The Sub-Project Compensation Chart or summary/list of all APs will be prepared by the PRC, and submitted to the PPC and PMU-1.

6.3 Socio-Economic Survey (SES)

The PDOT and PRC with support from RCs at lower levels will also conduct a Socio-Economic Survey (SES) of APs. At minimum, the SES will collect data from a sample of 10 percent of affected people and 20 percent of severely affected people, disaggregated by gender and type of loss. Alternately, the SES can be combined with the IOL and/or DMS. The purpose of the SES is to provide baseline data on APs to assess resettlement impacts and to be used for resettlement monitoring. The scope of data to be collected includes:

- (i) Household head: name, sex, age, occupation, income, education and ethnicity;
- (ii) Household members: number, employment status, school age children and school attendance, and literacy, disaggregated by gender;
- (iii) Living conditions: access to water, sanitation and energy for cooking and lighting; ownership of durable goods; and, other residences;
- (iv) Sources of household income: primary and secondary sources of household income; household member(s) responsible for primary source of income; total household income; and, whether affected land is primary source of income.

6.4 Preparation of RP

In parallel with the preparation of the short or full resettlement plan, the PDOT, PRC and RCs at lower levels will continue consultations with APs to identify their preferences and special needs, and incorporate provisions in the RP. In addition, information on market prices for land, crops, structures and other assets will be collected to enable resettlement cost estimates.

The RP will be prepared in accordance with the Project Resettlement Policy Framework. The requirements for a full RP are:

- (i) Executive summary
- (ii) Scope of land acquisition and resettlement
- (iii) Socio-economic information on APs
- (iv) Objectives and compensation and entitlement policy
- (v) Gender impacts and mitigation measures
- (vi) Information dissemination, consultation, participation and disclosure requirements, including a Consultation and Disclosure Plan⁵
- (vii) Grievance Redress Mechanisms
- (viii) Relocation of housing and settlements
- (ix) Income restoration strategies
- (x) Institutional framework
- (xi) Resettlement budget and financing
- (xii) Implementation schedule, including Resettlement Supervision Milestones⁶
- (xiii) Monitoring and evaluation

⁵ A format for the Consultation and Disclosure Plan is included in Annex 4.

⁶ A format for Resettlement Supervision Milestones is included in Annex 5.

A short RP would, as necessary, contain much of the same information as a full RP, but with a brief presentation of the information.

6.5 RP Disclosure

For RPs that have been prepared for Phase 1, the following are requirements prior to the ADB Management Review Meeting (MRM) include:

- (i) the distribution of a Public Information Brochure (PIB) in Vietnamese and, as required, ethnic minority language(s);
- (ii) placement of copies of the RP in Vietnamese and English in provincial, district and commune offices; and
- (iii) disclosure of the RPs on the ADB resettlement website.

During loan implementation, the (i) RPs will be updated for Phase 1 and (ii) RPs will be prepared for Phase 2 and 3 following detailed design. Copies of the RPs in Vietnamese, as required, ethnic minority language(s), will be placed in provincial, district and commune offices prior to ADB approval. All RPs submitted to ADB for review will be disclosed on the ADB resettlement website immediately upon ADB approval.

6.6 Sub-Project Appraisal

PDOT and PRC will submit the completed RP to PMU-1 as part of the sub-project preparation, together with other sub-project studies. PMU-1 will forward an English version of the RP to ADB for review in accordance with ADB policies. If the AP census and DMS for the sub-project RP identify new categories of APs or types of losses that are not included in the Entitlement Matrix (Annex 2), such new categories and types will be included in the RP. PMU-1 will revise the Project Resettlement Policy Framework accordingly.

6.7 Valuation of Assets

For each sub-project, the PRC will prepare compensation rates for all types of losses, and submit them to PPC for approval. To ensure that the rates reflect current replacement values at the time of land acquisition, the Project will employ two approaches:

- (i) The compensation rates will be continuously evaluated and updated on an annual basis by the PRC, based on annual PPC rates; and
- (ii) PMU-1 will engage an independent monitoring agency to carry out a replacement cost study and recommend to PMU-1 appropriate replacement costs based on current market prices to establish compensation rates for each sub-project.

If the compensation rates submitted by PRC/PPC are not equivalent to replacement costs determined by the independent monitoring agency, PMU-1 will recommend the Province to issue necessary revisions. If the Province and the PMU-1 do not agree on the advised changes, an inter-ministerial committee will be called upon to intervene. The committee will be composed of representatives of the Pricing Commission, General Cadastral Department, Ministry of Finance and Ministry of Construction. The PPC/PRC and PMU-1 will abide by the recommendations of the committee.

Compensation rates for land and other assets will be established for each sub-project during preparation of the RP, and used to calculate the compensation costs and

budget. Prior to implementation of the RP, these rates will be adjusted for inflation and, as relevant, reviewed and updated on an annual basis during the course of sub-project implementation.

6.8 Mechanism for Judging the Adequacy of Compensation

The methodologies for verifying the replacement value for each type of loss include, but are not limited to, the following:

- (i) Land: Recent land use rights transfers for land in urban and rural areas of the province; and, evaluate whether the established rates are sufficient or not to purchase the same quality and quantity of land.
- (ii) Structures:
 - Evaluate whether the compensation for structures will enable APs to rebuild their affected structures by consulting owners about a) where they bought materials, types of shops (private or state-owned), distance of transport, sources (local or foreign) and cost of various materials; and, b) who built the structures (owner or contractor) and whether they used hired labor or their own labor.
 - Obtain cost estimates by meeting at least three contractors/suppliers in order to identify the costs of materials and labor; identify the costs of different categories of structures; and, compare these prices with provincial rates. The price per square meter for different categories of structures will be based on the total affected area of a structure, and not the useable area.
- (iii) Crops, plants and trees: Prevalent market prices in the sub-project province and adjacent provinces will be evaluated for different types of crops, in order to establish an average market price (AMP) and assess whether the proposed compensation is less or greater than AMP. All compensation should be equivalent to or higher than the prevalent market prices.

6.9 Compensation Payment Process

For each sub-project, based on the DMS survey form signed by the APs, and the Sub-Project Compensation Chart submitted by the PRC/PPC to the PMU-1, the procedures for payment of compensation are as follows:

- (i) PRC will submit Sub-Project Compensation Chart to PPC.
- (ii) PPC will review and submit Sub-Project Compensation Chart to PMU-1.
- (iii) PMU-1 will review and endorse the Chart and submit it to MOT for approval.
- (iv) MOT will approve Sub-Project Compensation Chart and will prepare and provide budget.
- (v) Once the budget is allocated, PMU-1 will inform the PRC about the dates for compensation payment.
- (vi) PRC will inform commune officials and District/Commune Resettlement Committees.
- (vii) PMU-1 will ensure that all representatives from PMU-1, PDOT, PRC and RCs at lower levels are present during payment to APs.
- (viii) PRC will submit all necessary documents such as Sub-Project Compensation Chart, and acknowledge receipt by PMU-1.

The responsibilities of the PDOT, PRC and RCs at lower levels for payment to APs include

- (i) Inform APs regarding payment schedule at least two weeks in advance.
- (ii) Prepare list of APs and their corresponding entitlements and payment.
- (iii) Prepare 4 copies of all compensation forms and documents (copies for APs, PRC, PDOT and PMU-1).
- (iv) Prepare and regularly update the list of APs, including date of payment made, to the computerized database maintained at PDOT.
- (v) Submit weekly progress report to PMU-1 attaching the list of APs and signed compensation forms documents for proper monitoring.

The responsibilities of APs include:

- (i) Bring necessary documents (land titles, ID, certifications, etc.).
- (ii) If the AP will not be available to claim compensation payment on the scheduled date, he/she will inform DRC/CRC immediately or send his/her representative, through a written authorization, to claim on his/her behalf. Alternately, the AP may request DRC/CRC to reschedule the date of payment.
- (iii) Review carefully all compensation documents and ask DRC/CRC for clarification or explanation if necessary.
- (iv) If the AP is not satisfied with the compensation payment or if there is disagreement between the AP and DRC/CRC, he/she can resort to grievance redress committee for assistance.
- (v) If the AP finds the compensation documents in order, he/she will sign the said documents and acknowledge receipt of compensation payment. APs will receive 1 copy of all compensation forms.
- (vi) The AP will clear the area within the specified time provided by the Project in order for construction works to begin.

The responsibilities of PMU-1 Project Management Division and its Resettlement Specialist include:

- (i) Witness payment process based on the schedule made by PDOT, PRC and DRC/CRC.
- (ii) Encourage various representatives (Women's Union and/or Farmer's Association) to witness the compensation payment process.
- (iii) Ensure that the AP is aware of his/her rights and entitlements.
- (iv) Document any grievances.
- (v) Sign as witness to the compensation activity.
- (vi) Obtain copies of all compensation forms.
- (vii) Assist PDOT, PRC and RCs at lower levels in updating the computerized database maintained at PDOT.
- (viii) Prepare status report and update database in the centralized RP management system in PMU-1 based on the documents received from the PRC and PDOT.

7. Monitoring and Evaluation Program

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 and the Policy Framework; and, as relevant, the provisions of the EMDP are implemented properly. 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.

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.

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

The range of activities and issues that would therefore have to be recorded and checked, include:

- (i) land acquisition and transfer procedures;
- (ii) compensation payments;
- (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.

Table 7-1 (overleaf) summarizes a range of indicators established to ensure the attainment of the RP and Policy Framework objectives.

The various indicators and benchmarks will be monitored by means of two monitoring mechanisms:

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

Table 7-1 - Monitoring and Evaluation Indicators

| Type | Indicator | Examples of Variables |
|--------------------------|--|--|
| Process Indicator | Staffing | Number of PDOT staff on Project, by road and job function Number of PMU-1 staff on Project, by road and job function Number of other line agency officials available for tasks |
| | Consultation, Participation and Grievance Resolution | Number of consultation and participation programs held with various stakeholders Grievances by type and resolution Number of field visits by PMU-1 staff Number of NGOs/CBOs participating in project |
| | Procedures in Operation | Joint DMS and asset verification/quantification procedures in place Effectiveness of compensation delivery system Number of land transfers effected Coordination between PMU-1, PDOT and other line agencies |
| Output Indicator | Acquisition of Land | Area of cultivation land acquired by road section and sub-project Area of other private land acquired Area of communal/government land acquired |
| | Structures | Number, type and size of private structures acquired Number, type and size of community structures acquired Number, type and size of government structures acquired |
| | Trees and Crops | Number and type of private crops and trees acquired Number and type of government/community crops and trees acquired Crops destroyed by area, type and number of owners |
| | Compensation and Rehabilitation | Number of households affected (land, buildings, trees, crops) Number of owners compensated by type of loss Amount compensated by type and owner Number and amount of allowances paid Number of replacement houses constructed by concerned owners Number of replacement businesses constructed by concerned owners Number of owners requesting assistance to purchase replacement land Number of replacement land purchases effected Number of entitlements delivered Number of entitlements used by APs Suitability of entitlements to APs as per RP objectives Number of non-titled APs receiving replacement land with lease/temporary rights Number of severely affected, very poor or other vulnerable APs receiving economic rehabilitation packages or other assistance |
| Impact Indicator | Household Earning Capacity | Employment status of economically active members Landholding size, area cultivated and production volume, by crop Selling of cultivation land Changes to livestock ownership – pre- and post disturbance Changes to income-earning activities (agriculture and non-farm) – pre- and post disturbance Amount and balance of income and expenditures |
| | Changes to Status of Women | Use of credit facilities Participation in road construction Participation in commercial enterprises |
| | Changes to Status of Children | School attendance rates (male/female) Participation in road construction |
| | Settlement and Population | Growth in number and size of settlements Growth in market areas Influx of illegal settlers/encroachers |

7.1 Internal Monitoring

The Project Management Division 1 of PMU-1 and its delegates at PMU-Middle are responsible for internal monitoring of RP implementation. In particular, the Resettlement Specialists in the project management teams at PMU-1 and PMU-Middle, with assistance from the PSC and in collaboration with PRCs, will supervise and monitor the implementation of RP; and, prepare and submit quarterly monitoring reports to PMU-1.

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. PMU-1 will submit recommendations for change to MOT for review and approval.

PMU-1 will submit quarterly internal monitoring reports to ADB. These reports will summarize progress on land acquisition and resettlement for all sub-projects, and will notify ADB of MOT approval of changes to implementation of the RPs.

7.2 External Monitoring

PMU-1 will recruit an independent monitoring agency (IMA) to conduct external monitoring for the Project. If the costs for external monitoring are included in the loan, recruitment of the IMA 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 of the IMA, ADB must approve the TOR and candidate experience and qualifications⁷.

The external monitoring agency will be specialized in social sciences and experienced in resettlement monitoring. The monitoring agency will start their work as soon as the updated RP has been approved, and will carry out independent bi-annual reviews of RP and, as relevant, EMDP implementation to determine whether intended goals are being achieved, and if not, what corrective actions are needed.

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

- (i) The DMS and the SES carried out during RP preparation provide a database on APs in terms of their social and economic status, the nature and extent of losses, entitlements, compensation, etc. 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 sample survey will be conducted twice a year using the same or similar questionnaire as that used for the SES. The sample size will include 100 percent of relocating households and severely affected APs, and at least 20 percent of all other affected households. The survey will explicitly survey women, ethnic minorities and other vulnerable target groups. For example, the sample will include equal representation of male and female respondents; and, certain set questions in the interview will be addressed specifically to female members of households.
- (iii) Periodic participatory rapid appraisals (PRA) will permit the external monitoring agency to consult with various stakeholders such as local government, resettlement committees, PMU-1, implementing agencies, NGOs, community

⁷ Sample TOR for the independent monitoring agency are included in Annex 5.

leaders, ethnic minority communities and APs. PRA will involve obtaining information, identifying problems and finding solutions through participatory means.

A Post-Resettlement Evaluation will be carried out 6-12 months after completion of all resettlement activities, using the same survey questionnaire and sample as used during monitoring activities.

The external monitoring agency will maintain databases of resettlement and, as relevant, ethnic minority monitoring information that will be updated every six months. All monitoring databases will be fully accessible to implementing agencies and PMU-1.

The independent monitoring agency will carry out a replacement cost survey to verify and update the PPC compensation rates and ensure that the current market rates are applied and are acceptable as replacement values to both APs and PPC/PRC.

Every six months or any other agreed period, the independent monitoring agency will submit external monitoring reports summarizing its findings to the respective PRCs and PMU-1, as well as directly to ADB. The reports should contain (i) a summary of the progress of RP implementation; (ii) identification of problem issues and recommended solutions so that implementing agencies are informed about the ongoing situation and can resolve problems in a timely manner; (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, PMU-1 and implementing agencies held after submission of the reports. Necessary remedial actions will be taken and documented.

8. Implementation Schedule

The following summarizes procedures for implementation of resettlement activities for the Project and its sub-projects.

- (i) Approval of the Policy Framework. The Asian Development Bank and the Government of Viet Nam shall approve this Policy Framework prior to appraisal.
- (ii) Information dissemination prior to detailed design. Prior to the commencement of detailed design, PMU-1 will implement an information campaign throughout each sub-project area. A public information meeting will be held in each affected commune, as per Section 4.3 of the Policy Framework. The PIB or other information will be prepared and distributed to all affected communities during the meetings.
- (iii) Establishment of Resettlement Committees. All provinces will establish their resettlement committees as soon as the Project has been approved. Subsequently, resettlement committees will be established at district and commune levels.
- (iv) Training for resettlement staff: Within two months of mobilization of the PSC, all local resettlement staff at national, provincial and district levels will be trained by the PMU-1 assisted by the PSC. Training subjects will include procedures for preparing the RPs; consultation and information disclosure methods; principles, policies, and entitlements of the RP; implementation steps, procedures and schedules; grievance redress mechanisms; and roles and responsibility of APs and implementation agencies involved in the process of resettlement programs.
- (v) Updating and issuance of replacement cost unit rates: During the detailed design process, the PPC will establish unit rates at replacement cost for all categories of loss and adjust allowances to account for inflation. Prior to formal issuance of the project compensation unit rates, with the assistance of the PSC, the implementing agencies and PRC will validate the unit rates through consultation with APs and local governments.
- (vi) Detailed Measurement Survey (DMS): The DMS will be conducted after completion of the detailed design and marking of project boundaries for land acquisition for each sub-project. The DMS provides information to prepare the sub-project RP, and will establish the cut-off date for compensation eligibility.
- (vii) Information dissemination and consultation program: This will be implemented as described in Chapter 4.
- (viii) Pricing application and compensation of APs: PRCs and RCs at lower levels will be responsible for pricing application and preparing compensation charts for each affected commune/district. These will be subject to verification by PPC and PMU-1 for unit prices, quantity of affected assets, AP entitlements, etc. before posting them at each commune for the people to review and comment. All compensation forms must be checked and signed by the APs to indicate their agreement.

Compensation and allowances will be handled at commune level under the supervision of representatives of PRC, DRCs, PCS and PMU-1. Guidance will be given by PCS to aid PRCs and RCs at lower levels in making payments to APs.
- (ix) Relocation of APs: People's committees and resettlement committees will assist APs who opt for individual relocation to seek and purchase replacement land

satisfactory to APs. Assistance from DRCs is also required to assist APs during the movement of houses and during the construction period.

- (x) Secondary APs: Secondary APs will be affected mainly by the location of borrow areas, construction sites and, if required, relocation sites. Once these locations are known, surveys to identify secondary APs will start.
- (xi) Award of civil works contract: After all APs have been compensated and relocated in accordance with the approved RP, approval can be given for award of civil works contract for the sub-project.
- (xii) Income restoration and social support assistance: In order to provide adequate economic rehabilitation measures, APs entitled to rehabilitation assistance will be consulted on rehabilitation options and assisted to participate in the relevant activities.
- (xiii) Monitoring: Internal and external monitoring will start as soon as the RP has been approved for each sub-project. Monitoring will continue throughout the construction period. A post-resettlement evaluation will be undertaken by the external monitoring organization 6-12 months after completion of all resettlement activities.

A resume of activities and schedule for each sub-project is presented in the implementation schedule for the sub-project RP.

Annex 1 – Phase 1 and 2 Sub-Projects

Table 1 – Phase 1 and 2 Sub-Projects

| | Sub-Project | Road Name | Project Code | Station | Station |
|---|--------------------|------------------|---------------------|----------------|----------------|
| 1 | Nghe An | TL33 | 0204 | 11+000 | 45+000 |
| | | TL598 | 0208 | 0+000 | 34+000 |
| | | TL598 | 0207 | 34+000 | 57+800 |
| 2 | Ha Tinh | TL12 | 0304 | 0+000 | 10+600 |
| | | | | 11+200 | 17+300 |
| | | TL9 | 0305 | 1+020 | 4+720 |
| | | | | 5+520 | 14+620 |
| | | DR1 | 0307 | 0+800 | 12+600 |
| | | TL7 | 0308 | 0+000 | 11+600 |
| | | TL8B | 0310 | 0+000 | 11+000 |
| | | DR2 | 0318 | 0+000 | 8+150 |
| 3 | Quang Tri | TL70 | 0501 | 0+000 | 8+700 |
| | | DR3 | 0502 | 0+000 | 8+200 |
| | | TL76 | 0503 | 0+000 | 8+800 |
| | | DR4 | 0504 | 0+000 | 11+300 |
| | | | | 12+000 | 17+200 |
| 4 | Thua Thien Hue | TL9 | 0601 | 1+000 | 2+500 |
| | | | | 7+000 | 12+100 |
| | | TL2 | 0604 | 4+000 | 9+800 |
| | | DR5 | 0606 | 0+000 | 11+600 |
| | | TL4 | 0607 | 17+500 | 41+700 |
| 5 | Ninh Thuan | TL702 | 1301 | 2+000 | 5+700 |
| | | | | 7+500 | 19+700 |
| | | TL705 | 1303 | 0+000 | 24+100 |
| | | TL708 | 1307 | 0+000 | 15+000 |
| | | DR6 | 1310 | 0+000 | 7+100 |
| | | | | 7+800 | 11+300 |
| 6 | Binh Thuan | TL715 | 1401 | 26+000 | 48+800 |
| | | DR7 | 1403 | 0+000 | 30+200 |
| | | TL706 | 1405 | 0+000 | 11+200 |
| 7 | Dak Nong | TL684 | 1701 | 27+000 | 109+700 |
| 8 | Dak Lak | TL685 | 1702 | 3+000 | 19+500 |
| | | TL682 | 1703 | 24+500 | 34+800 |
| 9 | Lam Dong | TL725 | 1801 | 0+000 | 28+600 |
| | | | | 37+600 | 59+100 |

Annex 2 – Entitlement Matrix – Viet Nam Central Region Transport Network Project

| ENTITLED PERSONS | TYPE & 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 | <ul style="list-style-type: none"> - No compensation for land if returned to original user; however, - The Project will pay rent to APs during temporary use; AND - Cash compensation for loss of crops and trees at market prices (see D, below); AND, - Compensation for loss of net income from subsequent crops that cannot be planted for the duration of the lease; AND, - Restoration 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. | <ul style="list-style-type: none"> 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 | <ul style="list-style-type: none"> - No compensation for land if returned to original user; however, - The Project will pay rent to APs during the temporary use; AND - Cash compensation for loss of crops and trees at market prices (see D, below); AND, - Compensation for loss of net income from subsequent crops that cannot be planted for the duration of the lease; AND, - Restoration 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. | <ul style="list-style-type: none"> 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. | |

| ENTITLED PERSONS | TYPE & LEVEL OF IMPACT | COMPENSATION POLICY | IMPLEMENTATION ISSUES |
|---|--|---|-----------------------|
| Non-titled user | | <ul style="list-style-type: none"> - No compensation for land; however, - Cash compensation for loss of standing crops and trees at market prices (see D, below). | |
| A.2 Permanently affected agricultural land | | | |
| User with permanent right (legal and legalizable) | More than 10% 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 sub-project; b) of same category (or productive capacity), c) at a location satisfactory to AP, d) with full title in the names of both the household head and his/her spouse and e) without charge for taxes, registration and land transfer charges; AND - Economic rehabilitation package (see G, below); OR, if AP opts, b) Cash compensation at 100% replacement value at current market prices; AND, - Economic rehabilitation package (see G, below). | |
| | Affected landholding exceeds area of land quota | - Cash compensation for the replacement value 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 | 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. | |

| ENTITLED PERSONS | TYPE & LEVEL OF IMPACT | COMPENSATION POLICY | IMPLEMENTATION ISSUES |
|-------------------------------------|--|---|--|
| | Affected landholding located in urban, peri-urban or rural residential area, as per approved land use plan | - Cash compensation equal to 30% of the difference in replacement values at current market prices of agricultural and non-agricultural land. | |
| | Affected land co-owned by two or more households | - Compensation shared by all co-owners in the absence of legal documents certifying the share of co-owners and identifying APs affected by land acquisition. | |
| | Affected landholding is under dispute. | - Compensation held in escrow account until land dispute is resolved. | |
| User with lease or temporary rights | | a) Cash compensation equivalent to 30% replacement value for affected land; OR, b) Cash compensation for loss of net income for the remaining leased or assigned period, whichever is higher. | |
| Non-titled user | | - 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 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 sub-project; 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. | |
| | Affected landholding exceeds area of land quota | - Cash compensation for the replacement value for the area of affected land that exceeds the land quota. | |

| ENTITLED PERSONS | TYPE & LEVEL OF IMPACT | COMPENSATION POLICY | IMPLEMENTATION ISSUES |
|---|--|---|-----------------------|
| | 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 | - Cash compensation equal to 30% of the difference in replacement values at current market prices of agricultural and non-agricultural land. | |
| B. RESIDENTIAL AND/OR NON-AGRICULTURAL LAND (e.g., commercial) | | | |
| <i>B.1. Temporarily Affected Residential and/or Non-Agricultural Land</i> | | | |
| User with permanent rights (legal and legalizable) AND Eligible organizations | Loss of use of the land for a period less than 1 year | - No compensation for land if returned to original user; however, - The Project will pay rent to APs during temporary use; AND - Restore land to its previous or better quality. | |
| | Loss of use of land exceeds 1 year. | a) AP to continue temporary use arrangements; OR b) 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 rent to APs during the temporary use; AND - Restore land to its previous or better quality. | |
| | Loss of use of land exceeds 1 year. | a) AP to continue temporary use arrangements; OR b) AP to sell landholding to Project at 30% of replacement value based on current market prices. | |
| <i>B.2. Permanently Affected Residential and/or Non-Agricultural Land</i> | | | |

| ENTITLED PERSONS | TYPE & LEVEL OF IMPACT | COMPENSATION POLICY | IMPLEMENTATION ISSUES |
|--|--|---|-----------------------|
| User with permanent rights (legal and legalizable) | Loss of residential and/or non-agricultural landholding | <ul style="list-style-type: none"> 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 sub-project; 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 | <ul style="list-style-type: none"> 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 | <ul style="list-style-type: none"> - 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 | <ul style="list-style-type: none"> - 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. | |

| ENTITLED PERSONS | TYPE & LEVEL OF IMPACT | COMPENSATION POLICY | IMPLEMENTATION ISSUES |
|-------------------------------------|--|---|--|
| | 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 may 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 sub-project; 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 |

| ENTITLED PERSONS | TYPE & LEVEL OF IMPACT | COMPENSATION POLICY | IMPLEMENTATION ISSUES |
|---|--|--|--|
| | 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. | land to meet their needs. |
| | 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 | - Cash compensation at 100% replacement cost for materials and labour for affected portion, to be paid in materials, cash or a combination of both, and with no deduction for depreciation or salvageable materials; AND - Repair allowance (see G, below). | Owners of structures are entitled to compensation regardless of whether or not they possess a) land use rights to the land OR b) construction permits for the structures |
| Owners of residential or combined house/shop structures | Structure totally affected OR Structure partially affected and remaining portion no longer viable | - Cash compensation at 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). | |

| ENTITLED PERSONS | TYPE & LEVEL OF IMPACT | COMPENSATION POLICY | IMPLEMENTATION ISSUES |
|--|---|---|--|
| 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 labour, 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 | <ul style="list-style-type: none"> - 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 |

| ENTITLED PERSONS | TYPE & LEVEL OF IMPACT | COMPENSATION POLICY | IMPLEMENTATION ISSUES |
|--|---|--|---|
| | 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 | Cash compensation at current market prices given the type, age and productive value of the affected crops and/or trees; | |
| 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 should be used collectively for income restoration measures and/or new infrastructure. |

| ENTITLED PERSONS | TYPE & LEVEL OF IMPACT | COMPENSATION POLICY | IMPLEMENTATION ISSUES |
|--|---|---|--|
| | Publicly owned utilities | a) Relocation and/or rehabilitation to original or better conditions of affected public utilities, at no cost to public utility; OR b) Cash compensation at 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 labourers | 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 labourers. |
| | 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. - Severance pay for employees. - Assistance to secure new employment including relevant skills training expenses if required. | |

| ENTITLED PERSONS | TYPE & LEVEL OF IMPACT | COMPENSATION POLICY | IMPLEMENTATION ISSUES |
|--|---|--|---|
| 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 the same province, depending on local conditions; OR b) Cash assistance up to VND 5,000,000 for APs that relocate to another province, depending on local conditions. | Eligible APs include owners of residential structures that are totally affected 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 relocate | Loss of income during period to rebuild on new residential land | - Cash assistance equal to 30 kg of rice per month per household member for 6 months. | 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 | | | |

| ENTITLED PERSONS | TYPE & LEVEL OF IMPACT | COMPENSATION POLICY | IMPLEMENTATION ISSUES |
|---|---|--|--|
| Owners of structures that relocate themselves | Provision of basic infrastructure, e.g., water supply, toilet, access, drainage | <ul style="list-style-type: none"> - “Package” of basic infrastructure requirements to be determined in consultation with APs for each sub-project. - Cash assistance equal to <ul style="list-style-type: none"> a) 5% of compensation paid for AP’s affected structure; OR b) actual costs of infrastructure “package”, whichever is higher. | The objective is to ensure that, in addition to compensation for other affected structures including, e.g., toilets, wells, etc., 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; AND other Very poor APs | Assistance to restore livelihoods and incomes following acquisition of agricultural land or other productive assets | <ul style="list-style-type: none"> - Transition subsistence allowance equal to 30 kg of rice per month per household member for 6 months; AND - In-kind assistance to strengthen or initiate income-generating activities, to be decided in consultation with eligible APs. Forms of assistance may include, but are not limited to, agricultural extension assistance, technical and other assistance to develop existing or new income-generating activities and project-related employment. | <p>Severely affected APs include households that lose 10% or more of their total productive assets. Very poor households are those with monthly household income of less than VND 100,000 per capita.</p> <p>At time of compensation, transition subsistence allowance will be adjusted for inflation.</p> |
| Non-titled APs | Assistance to restore livelihoods and incomes, in lieu of compensation for affected agricultural land | <ul style="list-style-type: none"> - Transition subsistence allowance equal to 30 kg of rice per month per household member for 6 months; AND - In-kind assistance to strengthen or initiate income-generating activities, to be decided in consultation with eligible APs. Forms of assistance may include, but are not limited to, agricultural extension assistance, technical and other assistance to develop existing or new income-generating activities and project-related employment. | <p>Non-titled APs are entitled to an economic rehabilitation package regardless of whether or not local authorities allocate replacement agricultural land.</p> <p>At time of compensation, transition subsistence allowance will be adjusted for inflation.</p> |
| G.6. Special allowance for social and economically vulnerable households | | | |

| ENTITLED PERSONS | TYPE & LEVEL OF IMPACT | COMPENSATION POLICY | IMPLEMENTATION ISSUES |
|--|------------------------|--|---|
| Disadvantaged APs | | <p>Socially and economically vulnerable households will be assisted to improve their socio-economic conditions on a case-by-case basis.</p> <p>-</p> | Eligible APs include those receiving social assistance from the Government; households headed by women, ethnic minority peoples and disabled persons or war invalids; households headed by the elderly without means of support; and those without legal title to land or other assets. |
| <i>G.7 Bonus to APs that relocate on time</i> | | | |
| All APs that relocate | | <p>- 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.</p> | <p>Bonus amount to be decided in consultation with local authorities for each sub-project.</p> <p>Payment to be made directly to APs immediately upon removal.</p> |

Annex 3 – Public Information Brochure

QUESTION 1: WHAT IS THE CENTRAL REGION TRANSPORT NETWORK PROJECT?

Answer: The Central Region Transport Network Project is financed by the Asian Development Bank (ADB) and the Government of Viet Nam to upgrade provincial and district roads in 11 provinces in the Central Region. The overall objective of the Project is to assist the Government to implement its poverty reduction strategy and to stimulate economic development in poor provinces. The Ministry of Transport (MOT) is the Executing Agency for the Project, with delegated responsibility to Project Management Unit No. 1 (PMU-1).

QUESTION 2: HOW WILL THE CENTRAL REGION TRANSPORT NETWORK PROJECT AFFECT THE LOCAL POPULATION ?

Answer: The upgrading of provincial and district roads will require some land acquisition along these roads. However, the road design will attempt to avoid or at least to minimize the negative impacts on households and communities. The final road alignments will be selected after public consultations have been carried out.

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

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

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

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

Answer: If land is available, your affected land will be replaced with land of equal area and productive capacity and at a location suitable and acceptable to you; or if, after being fully informed about your options, you prefer cash, compensation can be paid in cash at replacement value at current market prices, or a compensation partly in cash and partly in land might be possible.

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/legalizable or temporary/lease rights for land will still be compensated for the assets on the land, such as any structures, crops and trees.

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

Answer: Yes. Compensation will be applied for all affected assets including houses, shops and other structures as well as other fixed assets at replacement 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.

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 current market prices. Compensation for trees will be based on the type, age and productivity of trees. A Replacement Cost Survey will be conducted during detailed design of the Project to establish market prices for compensation. If there are delays in paying compensation, prices will be updated to take inflation into consideration.

QUESTION 8: 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 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.
- **Very poor households:** Households that are not severely affected but whose monthly income is less than VND 100,000 per capita will receive an economic rehabilitation package consisting of a transition subsistence allowance equivalent to 30kg of rice per person per month for six months, and income restoration assistance.

QUESTION 9: DOES THAT MEAN THAT ANYBODY IN OUR COMMUNITY CAN CLAIM FOR COMPENSATION?

Answer: No. Entitled APs are those persons or households that are surveyed during the detailed measurement survey (DMS) activities. The APs and local authorities will be informed of the cut-off date (the date of DMS) for the sub-project. Anyone moving

into the Project area after cut-off date will not be entitled to compensation and assistance under the Project.

QUESTION 10: WHAT IF I HAVE BEEN TOLD TO MOVE BUT WAS NOT INCLUDED IN THE SURVEY?

Answer: During the detailed design of the Project, some minor changes may occur. This could affect the results of original inventory of losses. These APs will be entitled to the same compensation as all other APs. Once the actual position and alignment of the road are known, a detailed measurement survey (DMS) will be conducted in the presence of APs to inventory the losses for compensation and rehabilitation.

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. APs will participate in resettlement planning and implementation and they will also be consulted on the following issues: a) resettlement options according to their entitlement, b) training and training preferences in current or new occupations, c) other project aspects.

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

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

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

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

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

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

Answer: PMU-1 will ensure internal monitoring all Project activities. In addition, PMU-1 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-1 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.

NGHE AN SUB-PROJECT DESCRIPTION:

In Nghe An Province, the Project will upgrade 92 km of provincial roads. The sub-project roads include TL 33 in Thanh Chuong and Nam Dan districts (km 11+000-km 45+000); and TL 598 in Quynh Luu, Nghia Dan and Quy Hop districts (km 0+000-km 57+700). The sub-project will improve roads to Grade V standards, with an embankment width of 6.5 m with sealed pavement of 3.5 m and shoulders of 1.5 m. The total right-of-way including side drainage will generally be 13 m.

LAND ACQUISITION IMPACTS IN NGHE AN:

The upgrading of roads in Nghe An will require some land acquisition. However, the road design will attempt to avoid or at least to minimize the negative impacts on households and communities. Based on the initial inventory of losses (IOL) conducted in April 2004, it is estimated that 72 households (375 people) will be affected by the acquisition of land, structures or crops. Twenty-three households will lose productive land assets, including agricultural land (709 m²), productive forest (120 m²) and fishpond (630 m²). Nine households (55-60 people) will be severely affected by the loss of more than 10 percent of their productive land. The acquisition of residential land (1,137 m²) will affect 42 households, but no one will have to relocate. Some households will lose secondary structures, trees and crops; and, community assets such as utility poles will need to be moved in some areas.

SCHEDULE FOR NGHE AN SUB-PROJECT:

The detailed design is expected to start in January 2005. 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 May 2005. Construction is most likely to begin in October or November 2005 and be completed in ____.

FOR FURTHER INFORMATION AND SUGGESTIONS –

Please contact the DPC or CPC where you live, or one of the following:

Nghe An Provincial People's Committee

Tel:

Fax:

Address:

Nghe An Provincial Department of Transport

Tel:

Fax:

Address:

Project Management Unit No. 1

Tel:

Fax:

Address:

Annex 4 – Format for Consultation and Disclosure Plan

| Activity | Task | Timing | No of People | Agencies | Feedback/Issues/Concerns Raised | Remarks |
|--|--|--------------------------------|--------------------------------------|-----------------------------------|---------------------------------|---------|
| Project Information Dissemination | Distribution of letter about project to APs | PPTA Stage – prior to IOL/ SES | 8 AP households | PMU-1, PDOT, district authorities | None | |
| Socio-Economic Survey (SES) | Collect socio-economic info on APs as well as AP's perception on the project. Discuss entitlements and other provisions of RPF. | PPTA Stage – during IOL | 8 AP households | PMU-1, PDOT, district authorities | None | |
| Publicize Resettlement Plan (RP) | Distribute PIB to APs in local language | PPTA Stage – prior to MRM | 8 AP households | PRC and/or PDOT | | |
| Disclosure of the RP to APs | Copies of RP in local language placed in commune offices | PPTA Stage – prior to MRM | All commune residents | PRC, PDOT, CRC | | |
| Web Disclosure of the RP | RP posted on ADB website | Upon Project Approval | - | ADB | | |
| Consultative Meetings during DMS | Face to face meetings with APs | During DMS | All APs | PDOT, DRC, CRC | | |
| Public Notification | Publish list of affected households/assets; establish eligibility cut-off date | Following DMS | All commune residents | PMU-1, PDOT, PRC | | |
| Public Information Meeting in each commune | Discuss RP provisions (entitlements, compensation rates, income restoration, grievance redress mechanisms) and implementation procedures | Following DMS | All commune residents | | | |
| Consultations with severely affected and/or vulnerable APs | Individual and/or small group consultations to identify appropriate rehabilitation measures. Separate consultations with women, if relevant. | Following DMS | Severely affected and vulnerable APs | DRC, CRC | | |
| Disclosure after Detailed Measurement Survey (DMS) | Disclose updated RP to APs: revised PIB, full RPs in commune offices | Following DMS | AP households and commune residents | PRC, DRC, CRC | | |
| Notification about compensation payments | Letter to APs informing about time, location and procedures for compensation payments | Prior to compensation payment | All APs | PRC, DRC, CRC | | |
| Web Disclosure of Updated RP | Updated RP posted on ADB website | After ADB Approval of RP | - | ADB | | |

Appendix 5 – Format for Resettlement Supervision Milestones

| No | Resettlement Tasks | Target | Responsible Agencies | Completion Deadline | Status |
|-----------|--|---------------------|----------------------|---------------------|--------|
| 1. | Disclosure (PPTA Stage) | | | | |
| 1.1 | Information booklet distributed to APs | # of copies | PMU-1/PRC | 31 Oct 2004 | |
| 1.2 | RP placed in commune offices | # of copies | PMU-1/PRC | 31 Oct 2004 | |
| 1.3 | RP posted on ADB website | | ADB | 31 Oct 2004 | |
| 2. | Updated Resettlement Plan (RP) | | | | |
| 2.1 | Establish PRC and RCs at district/ commune levels | | PPC | Feb 2005 | |
| 2.2 | Demarcation of road ROW | | PPMU | April 2005 | |
| 2.3 | Detailed Measurement Survey (DMS) | # of APs | PRC, RCs | May 2005 | |
| 2.4 | Approval of compensation rates | | PPC | June 2005 | |
| 2.5 | Approval of RP & budget | | PMU-1/MOT | Aug 2005 | |
| 3. | Notification and Consultations | | | | |
| 3.1 | Published list of eligible APs | | PRC, RCs | July 2005 | |
| 3.2 | Public Information Meeting | # of APs | RCs | July 2005 | |
| 3.3 | Consultations with severely affected APs, women, vulnerable APs | # of APs | RCs | July 2005 | |
| 3.4 | Notification to APs about compensation payment | # of APs | RCs | Sept 2005 | |
| 4. | Detailed Rehabilitation Measures | | | | |
| 4.1 | Rehabilitation measures for severely affected people (SAPs), if applicable | # of APs | RCs | July 2005 | |
| 4.2 | Rehabilitation measures for very poor APs, if applicable | # of APs | RCs | July 2005 | |
| 4.3 | Assistance for other vulnerable APs, if applicable | # of APs | RCs | July 2005 | |
| 5. | Disclosure of Updated RP | | | | |
| 5.1 | Information booklet distributed to APs | # of copies | PPMU/PRC | Aug 2005 | |
| 5.2 | Updated RP placed in commune offices | # of copies | PPMU/PRC | Aug 2005 | |
| 5.3 | Updated RP posted on ADB website | | ADB | Aug 2005 | |
| 6. | Implementation Capacity | | | | |
| 6.1 | PMU-1 & PPMU resettlement staff | # of staff | PMU-1/PPMU | Feb 2005 | |
| 6.2 | Training of PMU-1 & PPMU staff | # of staff | PSC | March 2005 | |
| 6.3 | Setting up grievance redress committees | # of staff | PRC, RCs | March 2005 | |
| 6.4 | Documentation as grievances | As required | PRC, RCs | | |
| 7. | Monitoring & Evaluation | | | | |
| 7.1 | Baseline survey | Sample | IMA | April 2005 | |
| 7.2 | Set-up internal supervision | As per RP | PMU-1/PPMU | Feb 2005 | |
| 7.3 | Contract external monitor | As per RP | PMU-1 | March 2005 | |
| 7.4 | Internal monitoring reports | Quarterly | PMU-1/PPMU | | |
| 7.5 | External monitoring reports | Semi-annual | IMA | | |
| 7.6 | Post-resettlement evaluation | | IMA | April 2006 | |
| 8. | Flow of Funds / Compensation / Land Acquisition | | | | |
| 8.1 | Disbursement of funds to PRC | | PMU-1/PPMU | Sept 2005 | |
| 8.2 | Compensation payments | # of APs | PRC, RCs | Oct 2005 | |
| 8.3 | Rehabilitation allowances, if applicable | # of APs | PRC, RCs | Dec 2005 | |
| 8.4 | Land acquisition | # of m ² | PRC, RCs | Dec 2005 | |

Annex 6 – Sample TOR, Independent Monitoring Agency

1. Objectives

The general objective for external monitoring is to provide an independent periodic review and assessment of i) the achievement of resettlement objectives, ii) changes in living standards and livelihoods, iii) restoration of the economic and social base of the affected people, d) the effectiveness, impact and sustainability of entitlements, e) the need for further mitigation measures if any, and f) to identify strategic lessons for future policy formulation and planning.

2. Hiring, Qualifications and Timing

In accordance with ADB requirements for consultant procurement, PMU-1 will engage an individual or organization for the independent monitoring and evaluation of RP implementation. The individual or organization, to be called the Independent Monitoring Agency (IMA), will be a) a specialist and/or specialized in social sciences and b) experienced in resettlement monitoring for international agencies. All candidates will be academically trained as social anthropologists and/or sociologists. The IMA should start its work as soon as the updated RP has been approved.

3. Monitoring and Evaluation Indicators

The following indicators will be monitored and evaluated by the IMA:

- (i) Payment of compensation:
 - a) Payment of compensation: (i) Full payment to be made to all APs sufficiently before land acquisition; adequacy of payment to replace affected assets; and (ii) Compensation for affected structures should be equivalent to the replacement cost at current market value of materials and labor based on standards and special features of constructions with no deductions made for depreciation or the value of salvageable materials;
 - b) Co-ordination of resettlement activities with construction schedule: The completion of land acquisition and resettlement activities for any sub-project to be completed prior to the approval to award of the civil works contract for that sub-project;
 - c) Provision for technical assistance for house construction: For APs who rebuild their structures on their remaining land, or build their own structures in new places as arranged by the Project, or on newly assigned plots;
 - d) Process of providing allowances to all entitled APs according to Vietnamese Law and the Project policies;
 - e) Facilitation of access to economic and income restoration assistance, according to the policies of the Project;
 - f) Public consultation and awareness of compensation policy: (i) APs should be fully informed and consulted about land acquisition and relocation activities. (ii) The monitoring team should attend at least one public consultation meeting each month to monitor public consultation procedures, problems and issues that arise during the meetings, and solutions that are proposed. (iii) Public awareness of the compensation policy and entitlements will be assessed among APs. (iv) Assessment of awareness of various options available to APs as provided for by the RP;
 - g) Restoration of productive activities: Affected persons should be monitored regarding restoration of productive activities so as to ensure the process is satisfactory for the APs;

- h) The level of satisfaction of APs with various aspects of the RP: This will be assessed, reviewed and recorded, and the operation of the mechanisms for grievance redress and the speed of grievance redress will be monitored;
- i) Trends in living standards: Throughout the implementation process, this will be observed and surveyed, with special attention being paid to any differences according to gender or ethnicity. Any potential problems in the restoration of living standards will be reported.

A list of potential monitoring indicators is attached at the end of these TOR.

D. Methodology

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

1. Detailed Measurement Survey

The detailed measurement survey (DMS) is to provide data on 100 percent of APs. The census will help to create a database for each AP in terms of his/her social-economic status, the nature and extent of losses suffered, compensation and entitlements etc. Data will be disaggregated according to gender where appropriate. This database will become the basis for compensation and for monitoring the benefits as well as entitlements the PAP receives during the process of implementation.

As soon as the detailed design is finalized and marked on the ground and the cut-off date is established, the PRC and implementing agencies will carry out the DMS for all APs. The data must be made available to the external monitor (IMA) to enable them to create their initial database.

2. Sample Socio-Economic Survey

A SES will be required before, during and after resettlement implementation so as to provide a clear comparison of success/failure of the resettlement action plan. The sample size should be 100 percent of severely affected APs, and 10 percent of marginally affected APs. A baseline SES should be conducted and then every year a follow up should be conducted. The survey instrument should be different from that used for the detailed measurement survey, (which is the basis for compensation). The same 10 percent of marginally affected APs and 100 percent of severely APs should be sampled. Rapid appraisals (please see 3 below) can be used in between the SES, so as to ensure rapid feedback to PMU-1 and ADB on issues that require immediate attention.

Special attention should be paid so that women, elderly persons and other vulnerable target groups are not omitted and/or overlooked. The sample should have, as far as possible, equal representation of male and female respondents. Certain set questions in the interview should be specifically marked and answered only by female members of the household and/or those who are vulnerable (such as the lonely elderly, people with disabilities etc). Data should be disaggregated according to gender, age and socio-economic status where appropriate.

A post-resettlement evaluation will be carried out 6-12 months after completion of all resettlement activities.

3. Participatory Rapid Appraisals

Periodic participatory rapid appraisals will allow the IMA to consult with the various stakeholders (local government, resettlement committees, implementing

agencies, social organizations, community leaders and APs). Participatory rapid appraisals will involve obtaining information, identifying problems and finding solutions through participatory means, which will include the following:

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

4. Database Management and Storage

The IMA will maintain a database of resettlement monitoring information that will be updated every 3 months. It will contain certain files on each affected household and will be updated based on information collected on successive rounds of data collection. All databases compiled will be fully accessible by all implementing agencies and those involved in the management of the resettlement component.

5. Reporting

The IMA will be required to submit the findings of the periodic monitoring at intervals to be agreed (but between three and four times a year). These monitoring reports shall be directly submitted at the end of each quarter of monitoring activity to PMU-1 and the ADB.

The report should contain the following topics:

- a) Progress of RP implementation;
- b) Deviations, if any, from the provisions and principles of the RP and an explanation thereof;
- c) 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; and
- d) Progress of the follow-up of problems and issues identified in the previous report.

6. Monitoring Report Follow-up

The monitoring reports will be discussed in a meeting between the IMA, PMU-1 and the other implementing agencies held immediately after submission of the report. Necessary follow-up action will be taken based on the problems and issues identified in the reports and follow-up discussions.

E. Evaluation

The external monitor will conduct an evaluation of the resettlement process and impact 6-12 MONTHS after completion of all resettlement activities, using the same survey questionnaire and sample as used during the monitoring activities

LIST OF POTENTIAL INDICATORS FOR MONITORING AND EVALUATION

| Monitoring Indicators | Basis for Indicators |
|------------------------------------|---|
| Basic information on AP households | <ul style="list-style-type: none"> • Location • Composition and structure, ages, educational and skill levels • Gender of household head • Ethnic group • Access to health, education, utilities and other social services • Housing type • Land and other resource owning and using patterns • Occupations and employment patterns • Income sources and levels • Agricultural production data (for rural households) • Participation in neighborhood or community groups • Access to cultural sites and events • Value of all assets forming entitlements and resettlement entitlements |
| Restoration of living standards | <ul style="list-style-type: none"> • Were house compensation payments made free of depreciation, fees or transfer costs to the AP? • Have APs adopted the housing options developed? • Have perceptions of community been restored? • Have APs achieved replacement of key social and cultural elements? |
| Restoration of Livelihoods | <ul style="list-style-type: none"> • Were compensation payments free of deductions for depreciation, fees or transfer costs to the AP? • Was compensation payment sufficient to replace lost assets? • Was sufficient replacement land available of suitable standard? • Did transfer and relocation payments cover these costs? • Did income substitution allow for re-establishment of enterprises and production? • Have enterprises affected received sufficient assistance to |

| | |
|--|---|
| | <p>re-establish themselves?</p> <ul style="list-style-type: none"> • 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 do 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? |

