

RESETTLEMENT PLAN

August 2013

VIE- Renewable Energy Development and Network Expansion and Rehabilitation for Remote Communes Sector Project.

Quang Tri province rural distribution power network rehabilitation and expansion subproject.

Prepared by Central Power Corporation for the Asian Development Bank

CURRENCY EQUIVALENTS

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ABBREVIATIONS

ADB	Asian Development Bank
CPC	Commune People's Committee
	Central Power Corporation
Quang Tri	Quang Tri Subproject
DCC	The District Compensation Committee
DIB	the District Indemnity Board
DMS	Detailed measurement survey
DPC	District People's Committee
EA	Environmental Assessment
EVN	Vietnam Electricity
GWh	Gigawatt hour
ha	Hectare
kV	Kilo Volt
kVA	Kilo Volt - Ampe
kWh	Kilo Walt hour
LURC	Land Use Rights Certificate
m2	Square metre
MW	Megawatt
NGO	Non-governmental organization
CPC	Central Power Company
ODA	Official development assistance
PMU	Project Management Unit
PPC	Provincial People's Committee
PPMU	Provincial project management unit
RP	Resettlement Plan
SES	Social Economic Survey
TA	Technical Assistance
USD	United States dollar
VND	Vietnam Dong
ROW	Right of way

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DEFINITION OF TERMS

Affected People	All the people affected by a project through land acquisition, loss of income and restriction of access either temporarily or permanently and partly or entirely. The effect could be on the following: (i) standard of living; (ii) right, title or interest in all or any part of a house, land, water resources or any other moveable or fixed assets; and (iii) business, occupation, place of work or residence, or habitat with or without displacement. They include; i) persons affected directly by the right-of-way or construction work area; (ii) persons whose agricultural land or other productive assets such as trees, standing crops are affected; (iii) persons whose businesses are affected and who might experience loss of income; (iv) persons who lose work/employment as a result of project impact; and (v) people who lose access to community resources/property
Census	The pre-appraisal population record of potentially affected people, which is prepared through a count based on village or other local population data
Compensation	Payment in cash or kind for an asset to be acquired or affected by a project at replacement cost
Cut-off-date	The date after which people will NOT be considered eligible for compensation i.e. they are not included in the list of APs as defined by the census. In Viet Nam executing agencies prefer to establish the cut-off date as the date of the detailed measurement survey after detailed design, at which stage they know exactly where the project boundaries are and can identify exactly who will be affected
Detailed Measurement Survey	The detailed inventory of losses that is completed after detailed design and marking of project boundaries on the ground
Encroachers	Those people who move into the project area after the cut-off date and are therefore not eligible for compensation or other rehabilitation measures provided by the project.
Entitlement	The range of measures comprising cash or in-kind compensation, relocation cost, and various assistance due to affected person depending on the type and degree of losses, to restore their social and economic base.
Ethnic Minority	The people with social or cultural identities distinct from that of the dominant or mainstream society
Income Restoration	The measures required to ensure that APs have the resources to at least restore, if not improve, their livelihoods. After resettlement, all of the affected persons should have incomes that are at least equivalent to their pre-project income levels or otherwise improvement.
Land acquisition	The process whereby a person is compelled by a public agency to alienate all or part of the land possessed to the agency for public purposes, in return for fair compensation
Legalizable	Those who do not have formal legal rights to land, but could claim rights to such land. Such claims may result from recognition of prescriptive rights from continued possession of public lands without eviction, through eligibility for a government land titling process, or from customary or traditional usage.
Non-titled APs	The people who have no recognizable rights or claims to land or

	structures that they are using and that are affected by the project
Replacement cost	The method of valuing assets to replace the loss at market value, or its nearest equivalent, and means the amount of cash or kind needed to replace an asset in its existing condition, at current market price without deduction of the costs of any transaction (administrative charges, taxes, registration or titling costs) or for any material salvaged
Resettlement	All social and economic impacts that are permanent or temporary and are (i) caused by acquisition of land and other fixed assets, (ii) by change in the use of land, or (iii) restrictions imposed on land, as a result of a project
Resettlement Plan	The time-bound action plan with budget setting out resettlement strategy, objectives, entitlements, actions, responsibilities, monitoring and evaluation
Significant impact	200 people or more will experience major impacts, which are defined as; (i) being physically displaced from housing, or (ii) losing ten per cent or more of their productive assets (income generating)
Vulnerable	Any people who might suffer disproportionately or face the risk of being marginalized from the effects of resettlement i.e.; (i) female-headed households with dependents; (ii) disabled household heads; (iii) poor households; (iv) landless elderly households with no means of support; (v) households without security of tenure; and (vi) ethnic minorities.

EXECUTIVE SUMMARY

1. Project Description.

The Renewable energy development and network expansion and rehabilitation for remote communes sector project consists of two investment components. Component 1 is construction of small hydropower plants in the areas with hydropower potential in Quang Nam, Thua Thien Hue, Dien Bien, Lai Chau provinces and some northern mountainous provinces to provide additional electric power for the national grid and for households in communes and neighboring areas. Component 2 includes both new construction and renovation of the rural grid in Soc Trang and Tra Vinh, Dien Bien, Lai Chau provinces and some other provinces to provide electricity for communes and households who have not been provided with electricity from the national grid and to improve the quality of electricity supply for households who have been using electricity.

The Quang Tri Rehabilitation and Expansion of Rural Networks is a sub-project of the Renewable Energy Development and Network Expansion and Rehabilitation for Remote Communes Sector Project. It will provide electricity to 9,373 households in Quang Tri Province most of whom are poor and ethnic minorities and increase their percentage of household connection from 85.6 to 96.2 percent. The subproject will entail the installation of 72.745 kilometers of a medium voltage (MV) transmission line; (ii) installation of 144,239 kilometers of low voltage (LV) transmission line and improvement to 124.128 kilometers of transmission line; (iii) construction 49 substations with a capacity of 2,930 kVA. The subproject will covers 22 communes in five districts in Quang Tri Province. The districts are as follows: Huong Hoa (07 communes), Cam Lo (01 commune), Gio Linh (07 communes), Vinh Linh (02 communes), Hai Lang (5 communes).

2. Scope of Resettlement Impacts.

The subproject will recover about 365,125 square meters of land in total for developing physical infrastructure, including substations, tower foundations, and access roads and/or for temporary use during project construction.

The Subproject will affect permanently 6,735 square meters; of which: 3,126 square meters of rice land, 1,453 square meters of Dry-land crops, 532 square meters wild land, 1,624 square meters of garden, however, no households will lose more than 10% of their total land holding and no household resettlement is required.

The income loss from land acquisition can be derived from the average land loss. The average affected area is 81.6 square meters per household or 6.8 percent of the 1200-square meter average land holding. The households with permanent land loss will give up only 9.5 meters on average or 0.8 percent of the average land holding. If this is planted to rice, the average loss is 31,832 VND per year at the average income of 1,667 VND per square meter and two harvest a year. For the average affected household, the loss of 81.6 square meter translates to income loss is 272,054 VND per year using the same assumption in the computation of income loss for the permanently acquired land.

There are 4,814 affected households but do not have any relocation household, and no households are affected by over 10% of the total agricultural land. The project will permanently impact 55,692 kinds of trees which belong to 4,814 households. Sub-projects do not affect buildings or properties when building community sub-projects.

3. Information disclosure and public consultation.

The objectives of the information disclosure and public consultation are to (i) Share adequate information on the subproject for the community and people affected by the subproject and the related agencies; (ii) collect suggestions and opinions of local authorities, the affected community and people on the issues such as the scale of land acquisition; the mitigation measures of land acquisition; the compensation, assistance, resettlement policies; the income restoration activities and the grievance redress mechanism; (iii) attract the co-operation and participation of the affected community,

people and the related agencies in the preparation and implementation of the resettlement plan; (iv) in order to ensure the transparency of the subproject information; all related activities such as land acquisition; compensation, support, resettlement, and income restoration are closely discussed, consultations on these matters are held with the affected community, people, and related agencies and Project Information Booklets are delivered directly to them through consultation meetings. Public consultation and information disclosure have been done in March, 2012. There were 5 consultation meetings held in affected communes. The consultation meetings attracted 273 participants, of which 47.25% is female. Through the consultation meetings, local people have understood the scope of land acquisition and agreed with the compensation policies as well as the compensation, assistance and resettlement plan.

4. Policy Framework, Entitlement Matrix and Grievance Redress Mechanism and Income Restoration Measures.

The main objective of the Resettlement Plan is to ensure fairness and maximize the benefits to the APs regardless of land tenure; special assistance for poor households, families in preferential social policy and severely affected households to stabilize their life to a level that is at least equal to or better than pre-project level. There are some differences between the policies of Vietnam and ADB on resettlement such as: compensation of non-titled users, compensation based on replacement cost and entitlement to rehabilitation assistance, etc. These differences are resolved in favour of ADB policy by granting compensation to all affected people regardless of tenure at replacement cost and rehabilitation assistance to those losing more than 10 percent of their land and/or those physically displaced. The resolution is reflected in the entitlement matrix.

5. Cost Estimate, Implementation Schedule, Institutional Arrangements and Monitoring.

RP implementation will cost VND 2,781,078,960, equal to US\$ 133,266. Around 89.13 percent of this amount will go to compensation and assistance. The funds will be from EVN-CPC and will be transferred to the District Compensation Board to pay the compensation and give assistance to the affected households with the commune and village providing the necessary support. The implementation will start on October, 2012 and is projected to be completed by May, 2013. As the Executing Agency, the Electricity Company of Vietnam will create a project management unit to oversee the overall implementation of the project. But it is the provincial, district and commune People's Committee who will implement the resettlement activities. An internal monitoring system will be installed within the PMU to track the progress and result of implementation.

I. INTRODUCTION

1.1. Project Background

1. The Renewable energy development and network expansion and rehabilitation for remote communes sector project (or the “Project”) consists of two investment components:

- Component 1 will develop about 5-10 grid connected run of the river mini hydropower plants (capacity less than 7.5 megawatt (MW) having a total capacity of 30 MW in Dien Bien and Lai Chau provinces in Northern Viet nam and in Central Viet Nam. This will also provide electricity connections to about 60-75 poor, remote ethnic minority villages in the Northern Vietnam and about 100 gigawatt hours (GWh) of renewable energy to the national grid. The project will provide a sustainable financing mechanism to remote mountainous provinces in the Northern Viet Nam to finance rural electrification through the revenues from sale of electricity to national grid.
- Component 2 of the Project will support the Government’s on-going special program of supporting rural electrification for poor provinces inhabited by ethnic minorities by which the Government provides 85% of the funding and EVN 15%. The Government is providing more than USD 70 million to regional power distribution companies of Viet Nam Electricity (EVN) to electrify more than 100,000 households in five provinces in the Central Highland. The Government intends to extend this program to five more provinces in the Northern mountainous areas (i.e. Dien Bien and Lai Chau provinces), and Mekong delta (Tra Vinh and Soc Trang provinces) and central Vietnam. This is estimated to require about USD90 million. The proceeds from component 2 will be allocated for financing the Government’s program in these additional five provinces. Approximately 100,000 poor households in about 1,000 villages are expected to receive electricity under this component.

2. The Project will also include an associated technical assistance grant for capacity building for renewable energy development.

3. The Project aims to promote pro-poor and balanced economic development of remote mountainous communes and poor communes in other parts of the sustainable use of electricity in an affordable manner. The outcomes of the sector Project are to (i) provide reliable and affordable supply of electricity to remote mountainous communes, (ii) improve living conditions and income

1.2. Location and Components of the Subproject

1. Quang Tri province rural distribution power network rehabilitation and expansion subproject will perform on 22 communes of 5 districts , scope of subproject as follows:

- + Medium voltage networks, length: 72.735 km.
- Erection of new lines, length: 72.735 km.
- + Total transformers: 49 transformers with total capacity 2,930 kVA.
- + Low voltage network: 268.367 km.
- + Watthourmeter: Total 9.373 units:
 - Erection of new Watthourmeter: 2,321 units.
 - Erection of Watthourmeter rehabilitated: 7,052 units.

2. Subproject when put into operation will improve power supply for 22 communes in the project area.

3. Total estimated post-tax investment of subproject (including loan interest during the construction phase) is 168.678.000.000VND. Total construction duration of the

subproject is estimated to be 12 months. The construction of Quang Tri subproject will be started in the first quarter of 2013 if it will be approved.

1.3. Mitigation Measures

4. Measures to minimize the impacts of the sub-project have been comprehensively calculated by the Owner, design consultants and local authorities. Furthermore, during the public consultations, the affected community proposed measures to minimize impact on land acquisition and on-land assets. The mitigation measures for land acquisition and on-land assets include:

- (i) Unused land will be made use of to build workers 'camp, construction machinery and materials gathering and storage area in order to avoid impacts on land and assets of households.
- (ii) Existing access existing road will be used to make the construction road and access road into power lines.
- (iii) The construction process will be strictly monitored to minimize spillage of rock and soil which affects fields, areas planted with fruit trees, and the road system of households within the subproject area.

1.4. Objectives of the Resettlement Plan

5. This Resettlement Plan (RP) is prepared to mitigate the adverse social impact of the project and ensure that the mitigation and compensation measures will enable the affected people to at least restore, if not enhance the living standards that they have before the project. To attain this, the resettlement plan will attain the following objectives:

- Identify the area to be affected by the project and the adverse impact on the people and the extent of losses on their economic and cultural assets;
- Determine the entitlement of the affected people for compensation and assistance based on the principle of replacement cost and the requirements of the national laws and ADB policies;
- Describe the procedures of delivering the compensation and assistance in accordance with project principles including the mechanism to address grievances; and
- Describe the institutional arrangement and financial requirements to implement the plan and to monitor its implementation and impact.

1.5. Basis of Project Description and Arrangement for Updating the Resettlement Plan

6. The project description is based on the sub-project investment report. Based on the area indicated in the report for acquisition. A DMS for the potentially affected assets and people will be conducted. The result of which will be the basis of this RP. The RP will be revised after the detailed engineering design when the land to be acquired will be demarcated on the ground. The District Site Clearance Committee, Commune People's Committee and the affected people will validate and update the result of the inventory.

II. SCOPE OF LAND ACQUISITION AND RESETTLEMENT

2.1. Affected on Land and people

2.1.1. Permanent impacts

7. According to the IOL results, Quang Tri subproject will acquire 298,773 m² (29.8 ha) of different types of land in 22 communes. The area includes both temporary and permanent affected area. Of permanently acquisition area, 3,126 square meters of rice land belong to 1,090 households; 1,453 square meters of crops land impacting on 473 households; 1,624 square meters of garden land impacting on 382 households; 532 square meters of wild land impacting on 595 households.

8. This subproject will affect 4,814 households of which there are 129 ethnic minorities' households, 436 poor households and 4 households having disabled members. All of ethnic minorities, poor households and disabled member households are vulnerable households. (Given the poverty line set by Ministry of Labour, Invalids and Social Affair for the period of 2011-2015).

2.1.2. Temporary impacts

9. The Subproject will require the temporary use of 6,735 m² of land for ROW.

Table 1. Total area of affected land by land use and type of impact

Land Use	Permanently Affected (in square meters)	Temporarily Affected (in square meters)	Total (in square meters)	Percent
Wild land	532	0	532	0.18
Rice land	3,126	139,906	143,032	47.87
Crops land	1,453	152,132	153,585	51.41
Garden land	1,624	0	1,624	0.54
Total	6,735	292,038	298,773	100

(Source: Result survey of Consulting Co., 07/2009)

Table 2: Scope of impacts of households

Type of impact	No. of AHs
Households who will lose agricultural land	4,814
Household who will lose less 10 percent of their land	4,814
Household who will lose more than 10 percent of their land	0

(Source: Result survey of Consulting Co., 07/2009, other consultant and PMU organized the meeting in all project area communes; Local authorities are inventorying all affected households and volume compensation).)

Table 3: Type of Impact of communes

No.	DISTRICT/COMMUNE	Number of households	Area of land affected (m2)	Rate of acquired land
I	Huong Hoa District	1,045	93,455	
1	Huong Phung commune	148	13,673	under 2%
2	Huong Son commune	130	12,336	under 2%
3	Huong Lap commune	166	14,989	under 2%
4	Huong Loc commune	154	14,186	under 2%
5	Huong Tan commune	137	12,872	under 2%
6	Thanh commune	156	14,264	under 2%
7	Huc commune	154	11,135	under 2%
II	Vinh Linh District	220	29,169	
8	Vinh O commune	72	15,456	under 2%
9	Vinh Ha commune	148	13,713	under 2%
III	Cam Lo District	240	13,100	
10	Can Thanh commune	240	13,100	under 2%
IV	Hai Lang District	1,603	70,288	
11	Hai Ba commune	352	14,023	under 2%
12	Hai Vinh commune	360	14,516	under 2%
13	Hai Truong commune	211	13,673	under 2%
14	Hai Thien commune	336	12,700	under 2%
15	Hai Thanh commune	344	15,376	under 2%
IV	Gio Linh District	1,706	92,761	
16	Gio Binh commune	268	15,246	under 2%
17	Gio Mai commune	372	15,416	under 2%
18	Linh Thuong commune	136	12,862	under 2%
19	Vinh Truong commune	120	11,593	under 2%
20	Trung Hai commune	226	12,070	under 2%
21	Trung Giang commune	236	12,792	under 2%
22	Trung Son commune	348	12,782	under 2%
	Total	4,814	298,773	

(Source: Result survey of Consulting Co., 07/2009)

2.2. Impacts on trees and crops

10. The subproject will not affect subsidiary crops. However, it will have impacts on 29,329 different types of trees (Jack-fruit, Acacia, Lansium domesticum, Banana) which belong to 4,814 households.

2.3. Impacts on on-land assets

11. Besides the impacts on trees and crops, the subproject will not affect any structures or on-land assets.

2.4. Impacts on public assets

12. There are no public assets affected by the implementation of the subproject.

2.5. Affected on livelihood and income

13. With a total affected agricultural area of 139,906 m², the average household will lose about 4.9 m². The agricultural area will be used for one-season of fielded paddy rice crops. The implementation of the subproject will affect household's average income generated from agricultural production about 419,718,000 VND per year.

III. SOCIO-ECONOMIC CONDITIONS OF THE AFFECTED COMMUNITY AND HOUSEHOLDS

20. Consultancy contractor survey data by means of direct dialogue to get the information society and economy recorded in the register at the local level: Commune People's Committee, cultural and other villages ... The designer also about 90 households surveyed by means of the table asked. In addition to deep consultation with the affected households and Commune People's Committee has led the project.

21. Consultation with the unions, the survey team conducted over 22 sites at 22 communes, focus group discussions with the village. Authority representatives, organizations such as farmer associations, societies the elderly, women's unions.... In addition, we also use the available statistical data at the commune and the socio-economic report every year in the locality.

22. The household survey covered all the 4,814 potentially affected households in 22 communes in five districts of Quang Tri Province. The result is presented below:

III.1. Population characteristics

23. The average affected household has 3.9 members (Table 4). Most of the household heads are men accounting for 77.4 percent. But the percentage of women-headed households is considerable at 22.7 percent. Among household members, there are slightly more women comprising 51.5 percent of the total. The gender ratio is 106 women per 100 men. The entry of construction workers into project site is expected to bring in more men but due to the short-term nature of the work, it is not expected to change the gender balance.

24. The members of the affected households are quite mature with 67.7 percent of the population aged from 18 to 60 years of age. The young populations who are aged below 18 years old constitute only 21.2 percent. Because the young and the old are supported by the working population or are considered dependents, the age distribution among the affected households indicates that one dependent is supported by two working adults. While the dependency burden of the affected households is not heavy, the project is not expected to affect the age distribution.

Table 4: Selected Data on the Population Characteristics of the Affected Households

Item	Data
Total number of affected households	4,814 households
Total number of affected people	17,200 persons
Average household size	3.9 members
Gender of household head:	
Male	77.4 percent
Female	22.6 percent
Total	100.0 percent
Gender distribution:	
Male	48.5 percent
Female	51.5 percent
Total	100.0 percent
Age distribution	
Under 18 years old	21.2 percent
18-60 years old	67.7 percent
Over 60 years	11.1 percent
Total	100.0 percent

III.2. Literacy and Education

25. The state of literacy and education of the affected households is seen among the household heads. Around 45 percent of them are non-literate. They can neither read nor write. This means that they are not likely to be reached by written information materials, such as communicate in their ethnic language, symbols. Around 60 percent of them have not spent any time in school and 37 percent have only a year of elementary education. The rest reached high school.

III.3. Economic Conditions

26. Farming is the main occupation of the working members of the affected households. Around 92.4 percent are employed in farming (Table 5). Farming also employs most women. Only 5.3 percent of women reported their occupation as full-time housekeepers. Very few are employed in non-farming occupation such as trading, state employment and wage labor.

27. The average income of the affected household is 4,374,960 VND per month. Given the poverty threshold of 4,000,000 VND set by the Ministry of Labour and Invalids, 74.3 percent of the affected households are considered poor. But income distribution is rather skewed. Around 18.7 percent of the household are earning less than one million VND per month and 75.2 percent are earning between 1 and 3 million VND a month. Only 6.1 percent of the households are earning more than 3 million VND a month.

Table 5. Selected Data on the Economic Conditions of the Affected Households

Item	Data
Occupation	
Farming	92.4 percent
Labourer	1.3 percent
State employees	0.7 percent
Traders	0.3 percent
Full-time Housekeeper	5.3 percent
Total	100 percent
Average Monthly Household Income	4,374,960 VND
Household Income	
Lower than 1 million VND per month	18.7 percent
1-3 million VND per month	75.2 percent
3-5 million VND per month	4.1 percent
Over 5 million per month	2 percent
Total	100 percent
Main Source of Household Income	
Farming	36.5 percent
Forestry	40.0 percent
Fishery and aquaculture	12.4 percent
Non-farm wage labour	0.7 percent
Farm wage labour	6.3 percent
Salary and allowances	0.1 percent
Support from relatives	0.9 percent
No income source	3.1 percent

Item	Data
Total	100 percent
Distribution of Annual Household Expenses	
Food and foodstuff:	51.0 percent
Funerals, death ceremonies, wedding:	9.6 percent
Travel expense:	8.1 percent
Food when away from home	4.6 percent
Clothes and footwear	3.4 percent
House repair	1.1 percent
Telephone	1.3 percent
Health and medical care	3.8 percent
Electricity	3.5 percent
Water	1.0 percent
Education	8.9 percent
Others	3.7 percent
Total	100 percent

28. There are about 1434 poor households, poor households mainly live in mountainous areas, due to lack of means of production, transportation difficulties, these people mainly live on open farm forests. Most poor people live in isolated circumstances - geographic, ethnic, linguistic, social and economic.

29. Farming and forestry are the main sources of income of the affected households. Those who earn an income from farming and farm labour comprise 36.5 and 6.3 percent, respectively. The households who earn from forestry compose 40.0 percent. Fishery and forestry provides income to 12.4 percent. Very few earn and income outside these primary industries. Around 51.0 percent of the household income goes to food. Considerable amount are also spent on ceremonies marking life cycle passages such as funerals and weddings. Its proportion to the total expenses is 9.6 percent. The households spend 3.5 percent of their income on electricity.

30. Given the dependence of the affected households on farming, forestry and fishery, the permanent acquisition of 24,729 square meters and the temporary impact on 331,396 square meters are bound to reduce their income. The project may diversify their sources of income or even increase the amount if the members of the affected household will be employed in the project. The effect of the project on the income will in turn affect the expenditure pattern. A reduction of income means that the proportion that will go to food will increase while reducing the amount allocated for such investments as education, medical care and utilities.

III.4. Housing

31. The affected households have a total of 7,196 housing structures or an average of one to two structures. While they only have one structure for abode, many households retain a farm house, barn, granary, animal sheds and outhouses for various purposes. Nonetheless, 67.5 percent of these are a one storey structure with tiled roofs (Table 6). Very few have a structure with two or more storeys. About 29.4 percent has a temporary house. This house is made of wood, bamboo with thatched roof. The house usually has a fish pond and garden. The project will not affect any housing structure.

Table 6: Housing Structures and Accessories of the Affected Households

Items	Types of houses	Quantity	Percent (%)
1	Tiled roof one storey house (class 4)	4,856	67.48
2	Temporary house	2,143	29.48
3	2 storey house (class 3)	9	0.13
4	3 storey house upward (class 2)	30	0.42
5	Other types of houses	158	2.2
	Total	7,196	100

III.5. Access to Household Utilities and Conveniences

32. Only 63.7 percent of the households have electricity for lighting (Table 7). The rest are mainly using oil. But only 20.0 percent of them draw their electricity from the regular electricity providers. The rest tap into connections of their neighbours. Only 6.4 percent use electricity for cooking. Around 86.2 percent still use wood. For drinking water, only 3.2 percent use tap water. Although 67.4 percent get their water from drilled wells, a substantial percentage still get their water from sources considered unsanitary (e.g., dug well, streams and ponds).

33. The ownership of electrical appliances is quite high among the affected households. About 48.9 percent have an electric fan and 42.6 percent have television. The ownership of a disk player or radio is at 21.3 percent but only 2.3 percent for refrigerator. For communication, 22.4 percent has a telephone. Bicycle and motor cycle are the main means of transport at the ownership rate of 57.1 and 34.9 percent respectively. If lost income from the loss of land will not be restored, the project may reduce the capability of the affected households to pay for electricity and maintain electrical appliances. But the greater availability of electricity may also increase the proportion of households with electrical connection and its use for water supply, cooking and operation of electrical appliances.

Table 7. Access to Utilities and Conveniences among the Affected Households

Item	Data
Source of lighting	
Electricity:	63.7 percent
Oil lamps:	31.9 percent
Battery	1.2 percent
Others	3.2 percent
Total	100.0 percent
Source of Water for Domestic Use	
Tap-water:	3.2 percent
Drilled wells	67.4 percent
Dug wells:	5.0 percent
Rain	3.9 percent
Pond, Lake and Streams	20.5 percent
Total	100 percent
Fuel for Cooking	
Electricity	6.4 percent
Gas	4.6 percent
Wood	86.2 percent

Item	Data
Coal	0.7 percent
Petroleum	0.6 percent
Others	7.9 Percent
Total	100 percent
Percentage of households with access to the following conveniences:	
Television	42.6 percent
Electrical fan	48.9 percent
Computer	0.4 percent
Disk player or radio	21.3 percent
Refrigerator	2.3 percent
Telephone (fix, mobile)	22.4 percent
Bicycle	57.1 percent
Motorcycle	34.9 percent
Car:	1.1 percent
Washing machine	0.1 percent
Gas stove	2.8 percent
Tractor pulled plough:	21.1 percent

III.6. Social Services

34. On health, most districts in the project area have one hospital located at the district centre and one health station in each commune. The Communal Health Station provides health check-ups, treatment of minor illness and child delivery services. The district hospital is for more serious illness. But these health facilities do not have the necessary equipment. For education, all districts in the project area have at least one High School, two or three secondary schools and three or four primary schools. All communes have at least one secondary school and one or two primary schools. The project will not adversely affect the social services or the affected people's access to these.

III.7. Farming Operation

35. The average land holding of the affected household is 1,200 square meters. The lower area is planted to rice and the upper and drier area is devoted to industrial trees (i.e., rubber tree and eucalyptus). The average rice land is 360 square meters with a yield of 100 kilogram per harvest or equivalent to 600,000 VND. The average industrial tree farm is 100 square meters with 20 to 30 trees being tended. The remaining 740 square meters are planted to various crops or left to fallow. Manual labor is still used in farming.

III.8. Gender Consideration

36. The women in the project area appears to have the same opportunities as the men in getting an education and new skills but slightly less in occupying political positions. Less women than men have no education and more women than men have been trained in the past two years (Table 8). But among village officials, there are more men than women. Although men and women generally work together in farming operation, there are tasks that are generally performed by women. These include planting and weeding (Table 9). Harvesting, drying and storing are performed more by men than women although in many instances they tend to work together. The land acquisition will not change the current gender relation among affected people and the current opportunities enjoyed by men.

Table 8: Data on Selected Indicators of the Conditions of Affected Men and Women

Item	Men	Women	Total
Persons without any education	57.7%	42.3%	100.0%
Village officials	58.1%	41.9%	100.0%
Persons who attended training in the past two years	47.1%	52.9%	100.0%

Table 9: Percentage of Households by Role Undertaken by Men and Women in Rice Farming

Rice Farming Tasks	Men Only	Women Only	Men and Women	Total
Preparing the soil	28.2%	7.3%	64.5%	100.0%
Planting	23.0%	47.8%	29.2%	100.0%
Weeding	19.8%	47.9%	32.3%	100.0%
Harvesting	34.8%	26.8%	38.4%	100.0%
Drying	35.4%	32.7%	31.9%	100.0%
Milling	39.2%	32.3%	28.5%	100.0%

III.9. Ethnic Minority Groups in the Project Area

37. The project area has five ethnic minority groups: Pa co and Van Kieu, Ta oi. They are affiliated to four ethno-linguistic branches (Table 10). The Pa co and Van Kieu, Ta oi belong to the Mon-Khmer. Each group speaks the language of their ethno-linguistic branch which is distinct from the Kinh, which is the language of the dominant group. They still commonly use their own language within their households.

38. All the ethnic groups in the project area are all heavily dependent on agriculture but the degree of commercialization of production varies depending on their connection with the market and degree of acculturation. The Van Kieu has the most commercialized production with a number of products geared for the market. To produce these products, they have also adopted a number of farming technology from the dominant group. The less commercial and most subsistence in production are the Ta oi. Although they are gradually adopting sedentary farming to reduce starvation, they still largely rely on swidden agriculture, hunting and forest product collection.

39. The cultural distinctness of the ethnic groups in the project site can be seen in their belief system. There is still widespread belief in all five groups on nature spirits. This belief is particularly strong among the Pa co and Van Kieu, Ta oi. Together with the Van Kieu, they also worship their ancestors.

40. The influence of the more complex religions on these groups indicates the continuing process of acculturation. This process is further hastened by public education, increasing interaction with the members of the dominant group and increasing penetration of the mass media. But the rate of acculturation is much among the groups with more simple social organization and more physically isolated as represented by the Pa co and Van Kieu, Ta oi. The land acquisition will slightly reduce the livelihood base of the affected ethnic groups considering their dependence on farming and other land-based production such as forest product collection. The increased access to electricity and other social services will further exposed them to outside influences and connection with the market.

Table 10 Selected Information on the Ethnic Minorities in the Project Site

Ethnic Group	Ethno-linguistic Affiliation	Degree of Acculturation	Economy	Spiritual Belief
Paco	Mon-Khmer	Very gradually adapting to sedentary life and wet-rice farming. Using the barter but gradually using money as medium of exchange	Swidden plots are planted to rice as staple together with corn, sweet potato, cassava, melon and bananas using rotation cropping. While they raise animals, they also hunt	Mainly animist with the belief in the soul of the rice as the center of religion
Van Kieu	Mon-Khmer	Although basically swidden farmers, they adopted the practices of Viet and Lao and have developed trading between the highlands and lowlands	Slash and burn cultivation with rice cultivated in wet areas. Hunting and fishing supplements farming income.	Ancestor worship, Belief in deity of rice. Some have converted to Buddhism
Ta oi	Mon-Khmer	Highly acculturated and well-connected to the market. Adopted a some farm technology from dominant group and have lived in areas with mixed population	Paddy rice farming; Upland farming with commercial crops (anise, soy beans, tea, cotton and timber); Fish farming, animal production and handicraft	Earth spirits, ancestor worship and deities of Buddhism, Taoism and Confucianism

Source: Dang Nghiem Van, Chu Thai Son and Luu Hung. 2010. Ethnic Minorities in Vietnam. Hanoi: The GIOI Publishers.

41. Around 98% of the communes where the ethnic minorities live are connected to the main commune by road links although connections are still being developed for many villages. These communes are also served by at least a primary school and most have health centres. Members of ethnic minorities are given free education and priority in entry to universities although illiteracy among them is still high.

42. Their average income is also lower by half of the average in the project area. It ranges from 2,500,000 to 2,800,000 VND per month. The average in the project area is 4,374,960 VND a month and the poverty threshold is 400,000,000 VND.

III.10. Vulnerability and Risk Analysis

43. Due to the small area that the subproject will acquire, the risk of income loss among affected households is also correspondingly small. The average land loss from permanent and temporary land acquisition is 81.6 square meters. This subproject just compensate for affected permanent land about 5.66 square meters. With an average income from rice land at 1,667 VND per square meter and two harvests per year, the total income loss per household is only 16,380 VND per year, this is only quarter of money per month to pay electric bill household . It is assuming that the acquired area is planted to rice. Among the permanently affected households, the potential income loss is only 31,832 VND per year. The land acquisition is not expected to pose a threat to the cultural integrity of the affected ethnic groups. But it may slightly threaten the food security of the poor who have very small land holding. The women-headed households may not have enough male members to offset the slight loss by working in the project during construction while the capacity of those households with disabled members to support their members may slightly decrease.

Table 11 Vulnerability and risk analysis for households affected by Quang Tri Expansion and Rehabilitation of Rural Networks

Type of Households	Number of Households	Percent	Risks Due to loss of Assets
Ethnic Minority	105	2.4	An average affected household will permanently lose 5.66 square meters. If this is planted to rice, the average loss is 16,380 VND per year at the average income of 1,667 VND per square meter and two harvest a year. For both permanently and temporary affected land, the average loss is 75.92 square meter. If this is planted to rice, the income loss is 253,116 VND per year using the same assumption in the computation of income loss for the permanently acquired land. The land acquisition will not drastically change any cultural element or reduce the integrity of ethnic culture.
Poor	436	9.9	The food security of households with smaller land holding and will lose a large proportion of it will be threatened to some extent given their dependence on farming. However, subproject affected households losing agricultural and crop land is negligible
Women-headed Households	0	0	Due to lack of men in the household who can earn from wage through labor employment and from collection of forest products and hunting, women-headed households may disproportionately suffer from farm land reduction.
Households with Disabled Members	4	0.1	The reduction of farm income can slightly increase the difficulty in supporting disabled members
Other households	3820	87.60	Nil

IV. INFORMATION DISSEMINATION, PUBLIC CONSULTATION

4.1. PUBLIC CONSULTATION

14. Information disclosure and consultation activities were done from 10th September to 06st, October 2009. Five consultation activities were done in 5 communes. These consultative meetings were conducted with participation of representatives of CPC, mass organizations, village leaders and householders of 22 communes. There were a total of 273 participants, 47.2 percent of them were women. Time, locations and number of participants are shown in Table 12.

15. Through these consultations the following information were disclosed: (i) subproject description and scope of preliminary impact on households in the subproject area (ii) scope of potential impacts and mitigation measures, (iii) policy on compensation, assistance and resettlement as per framework policy of “Renewable Energy Development and Network Expansion and Rehabilitation for Remote Communes Sector Project” and rights of affected households; (iv) Implementation schedule for compensation, assistance and resettlement activities of “Quang Tri subproject”; (v) grievance mechanism.

16. Besides the public consultative meetings, the focused group discussions and in-depth interviews were also conducted to clarify three issues: (i) Policies on compensation, assistance and resettlement of the Quang Tri subproject (ii) impacts of land acquisition on income and livelihoods of affected households, (iii) to discuss and propose activities to support the restoration of households’ income.

17. The focused group discussions were implemented with commune leaders, representatives of mass organizations, village leaders and representatives of households expected to be severely affected in the event of land acquisition and with female headed households as well. During the discussions the participants were mainly concerned about the following issues:

- (i) Detailed Measurement Survey: The process of the Detailed Measurement Survey (DMS) must be correct and accurate. Results of the DMS must be listed at public place so that affected people can know their level of impact and whether it is correct or not.
- (ii) Compensation price: The local people required that the compensation price must be at market price; the sub-project owner must set up the cost study unit to provide a reasonable compensation price .
- (iii) Compensation options: The compensation must be implemented publicly and paid once to the affected people.
- (iv) Assistance policy: There must be a specific program to assist the severely affected households, women headed households and disable people.
- (v) Grievance redress mechanism: There must be a mechanism to resolve grievances and complaints quickly and efficiently, to avoid the situation of all levels warding off settlement or take longer to resolve.

18. The following public consultations will be done right after the Resettlement Plan is approved by ADB and during the implementation of the compensation, assistance, resettlement and income restoration programs.

Table 12: Public consultation and information disclosure

<i>Date and location</i>	<i>Male participant</i>	<i>Female participant</i>	<i>Main issues</i>
12/9/2009: Authority consultation in Huong Loc CPC	23	19	Schedule of compensation and land acquisition
13//2009: Authority consultation in Huong Son CPC	17	31	Schedule of compensation and land acquisition. Entitlements of AHs
14/9/2009: Authority consultation in Huong Phung CPC	38	25	Schedule of compensation and land acquisition
21/9/2009: Authority consultation in Vinh Ha CPC	37	30	Schedule of compensation and land acquisition
6/10/2009: Authority consultation in Thanh CPC	29	24	Participation of local people in DMS; Compensation unit price for land and crops.
Total	144	129	

19. The meetings focussed on the agreement of the affected households and representatives of CPC on the entitlement matrix. Opinion and suggestion of the participants were in the minutes of consultative meetings. The participants agreed upon entitlements and compensation price of Quang Tri PPC. The minutes of these consultative meetings are presented in records of the consultation.

4.2. Information Dissemination and Local People's Participation

20. The subproject Information Booklet will be prepared and distributed to the affected households in the second public consultation. The following information is provided in the project information booklet: (i) a brief background of subproject, especially the main works to be undertaken and the scale of land acquisition; (ii) impacts on land and on-land assets; (iii) the entitlements due to affected land and assets; (iv) detailed plan of implementation of compensation, assistance and resettlement payments; (v) grievance redress mechanism; and (vi); contact list of persons of EA and local authorities to ensure the grievances to be resolved quickly and efficiently.

21. During the preparation of resettlement plan of Quang Tri subproject, households and communities have already participated in the following activities: (i) public consultative meetings at village level on the design of the subproject; (ii) public consultative meetings at village level on the impacts of the subproject; the policies on compensation, assistance and resettlement, the detailed implementation schedule of resettlement activities and the grievance redress mechanism; (iii) the IOL for affected households; (iv) the survey process for the replacement cost of affected land and assets.

22. The affected households and communities will participate in implementing and monitoring compensation, assistance and resettlement activities, as well as income restoration and livelihood development activities for affected households.

V. GRIEVANCE REDRESS MECHANISM

23. The resolution of complaints and disputes on land acquisition, compensation rates, and rehabilitation is the responsibility of the local authorities. Avenues and procedures are in place for the grievances of the affected people to be resolved in a timely and satisfactory manner. The affected people will be informed of their rights and the avenues and procedures through a public information booklet and the consultation meetings. A four-stage procedure of the grievance and redress mechanism is presented below:

- (i) Stage 1: An aggrieved affected household may bring its complaint before any member of the Commune People's Committee, either through the Village Chief or directly to the CPC, in writing or verbally. It is incumbent upon said member of CPC or the village chief to notify the CPC about the complaint. The CPC will meet personally with the aggrieved affected household and will have 15 days following the lodging of the complaint to resolve it. The CPC secretariat is responsible for documenting and keeping file of all complaints that it handles.
- (ii) Stage 2: If after 15 days the aggrieved affected household does not hear from the CPC, or if the affected household is not satisfied with the decision taken on its complaint, the affected household may bring the case, either in writing or verbally, to any member of the DPC or the DCC. The DPC in turn will have 15 days following the lodging of the complaint to resolve the case. The DCC is responsible for documenting and keeping file of all complaints that it handles.
- (iii) Stage 3: If after 15 days the aggrieved affected household does not hear from the DPC, or if the affected household is not satisfied with the decision taken on his/her complaint, the affected household may bring the case, either in writing or verbally, to any member of the PPC or the PCC. The PPC has 15 days within which to resolve the complaint to the satisfaction of all concerned. The PCC is responsible for documenting and keeping file of all complaints that reaches the same.
- (iv) Stage 4: If the complaint is not satisfied with the decision taken on the complaint at the provincial level, the case may be brought to the People's court for adjudication. Under no circumstance will the affected household be evicted from its property or for the Government to take over his/her property without the explicit permission of the court. Upon the settlement of their complaints, the complaint will abide by the decision of the People's Court.

VI. POLICY AND LEGAL FRAMEWORK

6.1. Relevant Policies of Vietnam

24. There are a number of Vietnamese laws, regulations, and decrees relevant to land acquisition and resettlement. But the more important ones are the following: (i) Land Law No. 13/2003/QH11 providing for land acquisition for national and public interest; (ii) Decree 197/2004/NĐ-CP, Decree 17/2006/NĐ-CP, Decree 84/2007/NĐ-CP, Decree No. 69/2009/ND-CP, dated on 13 August 2009, to provide additional regulations on land use planning, land price, land acquisition, compensation, assistance and resettlement. ; and (iii) Decrees No. 188/2004/ND-CP and 123/2007 specifying the methods for land pricing and land price frameworks for land recovery by the State.

25. Quang Tri Province laws supplement the national law. The provincial laws are the followings: Decision No 02/2010/QĐ-UBND, 01 January 2010, which regulates the compensation, assistance and resettlement when State acquires land in Quang Tri Province; Quang Tri province. The key provisions of national laws are in Table 13. Principles adopted in this Project will supplement the provisions of relevant decrees currently in force in Viet Nam wherever a gap exists, consistent with Decree No. 131/2006/ND-CP. This law provides that in case of “discrepancy between any provision in an international treaty on Official Development Assistance, to which the Socialist Republic of Viet Nam is a signatory and the Vietnamese Law, the provision in the international treaty on ODA shall take precedence” (Article 2, Item 5).

Table 13: Relevant Vietnamese Laws on Land Acquisition and Resettlement and Summary of Key Provisions

Law	Summary of Key Provisions
Land Law No 13/2003/QH11	<p>Persons with Land Use Rights Certificate (LURC) or have sufficient conditions to have LURC are entitled to compensation for their land acquired by the State.</p> <p>Persons whose land is acquired will be compensated with another land for the same use. If no land is available for compensation will be cash equivalent to the value of his land at the time of acquisition.</p> <p>The People's Committees of the provinces and cities will prepare and execute resettlement program before land acquisition and relocation of affected households.</p> <p>The condition of the resettlement site must be equal to or better than in old places of residence. If no resettlement site is available, the affected person will get cash compensation and priority to buy or lease from State-owned housing in urban areas. But in rural areas, they will be compensated with residential land. In case the value of the acquired residential land is higher than the value of resettlement site, the affected person will be compensated in cash for the difference.</p> <p>For production land where no land compensation is available, the affected person will get cash compensation, stabilization support, livelihood training and employment. Public information will be given at least 3 months prior to agricultural land acquisition and 6 months prior to non-agricultural land acquisition covering the reasons of land acquisition, time schedule, resettlement plan and plan for compensation and ground clearance.</p>
Decree No. 69/2009/ND-CP	The Provincial People's Committee will decide on other supporting measures to stabilize life and production of persons

Law	Summary of Key Provisions
	<p>whose land is recovered. Special cases will be submitted to the Prime Minister for decision.</p> <p>Houses and structures constructed prior to land use plans or the right of way announcements will be assisted at 80% of replacement cost. Houses and structures constructed after land use plans or the right of way announcements will be provided assistance on case-by-case basis.</p> <p>Affected people losing more than 30% of productive land will be entitled to living stabilization and training/job creation assistance. Decree 17/2006 strengthens this provision and provides for the long term assistance to poor households. Affected people losing productive land will be entitled to job change assistance equal to 1.5 to 5 times the value of the affected land.</p>
<p>Decrees No. 188/2004/ ND-CP and 123/2007</p>	<p>Sets price limits of land and authorizes Provincial People's Committees to set local land prices by establishing ranges for all categories of land and land prices in each category. The price limit would not be allowed to exceed a benchmark price by more than 20 per cent nor undercut the benchmark price by more than 20 per cent. But in remote, isolated areas, or an area with difficult socio- economic conditions, poor infrastructure where the actual price of land in the market is lower than minimum price limit in the Decree, the Provincial People's Committee will adjust the specific price to be applied locally and report it to the Ministry of Finance.</p>
<p>Decree No. 131/2006/ND-CP</p>	<p>Precedence of international treaty or Official Development Assistance of which Vietnam is a signatory over national laws in case of discrepancy.</p>

6.2. ADB Policies

26. The ADB's Policy on Involuntary Resettlement aims to avoid or minimize the impacts on people affected by a project, and to provide support and assistance for those who lose their land and property, as well as for others whose livelihood is affected by the acquisition of land or temporary construction activities. Resettlement planning has the objectives of providing APs with a standard of living equal to, if not better than, that which they had before the project.

The three important elements of the policy are (i) compensation for lost assets, livelihood and income; (ii) assistance for relocation; and (iii) assistance for rehabilitation, to achieve at least the pre-project level of well-being.

The policy treats involuntary resettlement as a "development opportunity" and allows planners to manage impoverishment risks and turn dispossessed or displaced people into project beneficiaries, particularly the poor and vulnerable, who may be disproportionately affected by resettlement losses. To this end, the main objectives and principles of ADB's policy are as follows:

- Involuntary resettlement should be avoided where feasible;
- Where population displacement is unavoidable, it should be minimized by exploring all viable project options;
- People unavoidably displaced should be compensated and assisted, so that their economic and social future would be generally as favourable as it would have been in the absence of the project;

- People affected should be informed fully and consulted in resettlement and compensation options;
- Existing social and cultural institutions of resettles and their hosts should be supported and used to the greatest extent possible, and resettles should be integrated economically and socially into host communities;
- The absence of legal title to land by APs will not be a bar to compensation; particular attention should be paid to households headed by women and other vulnerable groups, such as indigenous peoples and ethnic minorities, and appropriate assistance provided To help them improve their living standard;
- As far as possible, involuntary resettlement should be conceived and executed as part of the project; and
- The full costs of resettlement and compensation should be included in the presentation of project costs and benefits.

6.3. Reconciliation of Vietnam Government and ADB Policies

27. Reconciliation of Vietnam Government and ADB Policies are shown in Table 14:

Table 14: Reconciliation of Vietnam Government and ADB Policies

Key Issues	National Laws	ADB Policy	Project Policy
Non-titled users	<p>Decree 69: Article 14, Item 1: Person who has land acquired by the State meets conditions specified in items 1, 2, 4, 5, 7, 9 and 11 of Article 8 of Decree 197 shall be compensated. With respect of person who is not eligible for compensation, the People's Committees of the provinces and cities under the Central Government will consider for assistance.</p> <p>Article 24, Item 4 of Decree 69/2009/ND-CP: The on-land assets in one of the cases specified in items 4, 6, 7 and 10, Article 38 of Land Law will not be compensated.</p>	Non-titled APs, including displaced tenants, sharecroppers and squatters, are not entitled to compensation for land but are entitled to payment for non-land assets and assistance to restore their pre-project living standards. If they are poor and vulnerable, appropriate assistance must be provided to help them improve their socio-economic status.	No compensation for land but for non-land assets at replacement cost. If affected HHs is poor and vulnerable, appropriate assistance must be provided to help them improve their socio-economic status.
Compensation of land at replacement cost	<p>Decree 69, Article 14, Item 2: The land acquired by the State while being used for any purpose, will be compensated by new land with same use purpose, if there is no land for compensation, the affected land will be compensated at the value of land use rights as per land price at the time of land acquisition decision.</p> <p>Decree 197: Article 9 (Section 1): Compensation price is calculated based on land use purpose at the time of land acquisition decision regulated by the PPC in accordance with Government regulation ; no compensation at price of land which will be change use purpose.</p> <p>Decree 17/2006 (Article 4, Section 1): compensation price is based on market price; in case where the price is not equal to land use right transfer price at</p>	All compensation is based on the principle of replacement cost, which is the method of valuing assets to replace the loss at current market value, plus any transaction costs such as administrative charges, taxes, registration and titling costs. In the absence of functional markets, a compensation structure is required that enables affected people to restore their livelihoods to level at least equivalent to those maintained at the time of dispossession, displacement or restricted access	Payment for land will be based on principle of replacement cost which covers current market value, cost for transaction and restoration of livelihood.

Key Issues	National Laws	ADB Policy	Project Policy
	the time of land acquisition decision cost transfer price in the market in normal conditions at the time of land acquisition, the People's Committees of the provinces and cities under the Central Government will consider for suitable compensation price.		
Life stabilization assistance	Households losing more than 30% of their existing agricultural land will be provided life stabilization assistance. The amount of assistance will be higher if they have to relocate. They will be provided assistance equivalent to 30 kg of rice/person/month if they have to move to the place with poor economic conditions. The detailed decision is shown in Article 20, 21 of Decree ND-CP 69/2009.	Livelihood restoration assistance will be provided for those who lose 10% or more of agricultural land. The Project will focus on program to reduce poverty and improve status of poor and vulnerable households; focus on improve social infrastructure and community services and create new job opportunities to affected people.	Life stabilization and livelihood restoration assistance will be provided for those who lose 10% or more of agricultural land. The Project will focus on strategies to avoid further impoverishment and create new opportunities to improve status of the poor and vulnerable households.
Income restoration programs	Training/job generating assistance will be provided for those who lose more than 30% of agricultural land; households who have business register will be provided cash assistance equivalent to 30% of income of a year after tax. The detailed decision is shown in Article 20, 22 of Decree ND-CP 69/2009.	Severely affected households who lose 10% or more than 10% of agricultural land or source of income or those who have to relocate will be entitled to income and livelihood restoration to ensure their income and livelihood at least equal to pre-project level.	No households are severely affected by the subproject.

6.4. Quang Tri subproject Principles

28. The basic principles of compensation, assistance and resettlement of the subproject are the followings

- (i) Acquisition of land and other assets, and resettlement of people will be avoided or minimized as much as possible by identifying possible alternative project designs and appropriate social, economic, operation and engineering solutions that have the least impact on the populations in the project area.
- (ii) No land acquisition or site clearing will be done in anticipation or before being considered for inclusion in the Project.
- (iii) Affected households residing, working, doing business and/or cultivating land within the project impacted areas during the conduct of the census and in the DMS, are entitled to be compensated for their lost assets, incomes and businesses at replacement cost, and will be provided with rehabilitation measures to improve or at least maintain their pre-project living standards, income-earning capacity and production levels.
- (iv) Affected households will be eligible for compensation and rehabilitation assistance, irrespective of tenure status, social or economic standing and any such factors that may discriminate against the achievement of the resettlement objectives. Lack of legal rights to lost assets or tenure status and social or economic status will not bar the affected households from entitlements to compensation and rehabilitation measures to meet resettlement objectives.
- (v) Affected households will be fully consulted and given the opportunity to participate in matters that will severely affect their lives during the design, implementation and operation of the Project. Moreover, plans for the acquisition of land and other assets will be carried out in consultation with the affected households who will receive prior information of the compensation, relocation and other assistance available to them.
- (vi) Any acquisition of, or restriction on access to, resources owned or managed by the affected households as a common property, e.g., communal forest, communal farm, will be mitigated by arrangements that will ensure access of those affected households to equivalent resources on a continuing basis.
- (vii) There will be no deductions in compensation payments for land, structures or other affected assets for salvage value, depreciation, taxes, stamp duties, fees or other payments.
- (viii) If ownership over any affected asset is under dispute the case will be handled in accordance with the grievance redress mechanism in this RP.
- (ix) Affected households 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 between Project authorities and the affected households during the resettlement planning process.
- (x) Temporarily affected land and communal infrastructure will be restored to pre-project conditions.
- (xi) There will be effective mechanisms for hearing and resolving grievances during the planning and implementation of the RP.
- (xii) Existing cultural and religious practices will be respected and, to the maximum extent possible, preserved.
- (xiii) Special measures will be incorporated in the RP to complement mitigation and enhancement activities to protect socially and economically vulnerable groups at high risk of impoverishment/hardship, such as ethnic minorities, female-

headed families, disabled-headed households, landless households, children and elderly people without support structures, and people living in poverty. Appropriate assistance will be provided to help them improve their socio-economic status.

- (xiv) Adequate resources will be identified and committed during the preparation of this RP. This includes adequate budgetary support fully committed and made available to cover the costs of land acquisition, compensation, resettlement and rehabilitation within the agreed implementation period for the project; and, adequate human resources for supervision, liaison and monitoring of land acquisition, resettlement and rehabilitation activities.
- (xv) Appropriate reporting, monitoring and evaluation mechanisms will be identified and set in place as part of the resettlement management system.
- (xvi) The RP or its summary will be translated into local language (if required) and placed in commune offices for the reference of affected households as well as other interested groups. For illiterate people, they will be said directly to again this content.
- (xvii) Civil works contractors will not be issued a notice of possession for any given geographic location in accordance with the approved RP until (a) compensation payment and relocation to new sites have been satisfactorily completed for that area; (b) agreed rehabilitation program is in place; and (c) the area is free from all encumbrances.
- (xviii) Cash compensation or replacement land for affected households losing entire residential land will be made available well ahead of civil works to allow the affected households sufficient lead time to reconstruct their houses. No demolition of assets and/or entry to properties will be done until the affected household is fully compensated and relocated.

VII. ENTITLEMENTS

29. The entitlement matrix in Table 15 provides the main types of losses identified and the corresponding nature and scope of entitlements. During RP updating, the census and DMS will be the basis for determining the final entitlements based on actual impacts and losses including appropriate income restoration and rehabilitation assistance and special assistance to poor and vulnerable groups. Replacement cost surveys will be carried out to determine actual replacement costs and rates. Standards described will not be lowered but can be enhanced in the updated RP as required.

Table 15: Entitlement Matrix

Impacts	Entitled Persons	Entitlements
Permanent acquisition of productive land, less than 10% of their land	For legal and legalizable owners of land and those who have customary rights	Cash compensation will be based on replacement cost Allowances for job trainings and changes by 1.5 to 3 times of the values of the affected land.
Permanent acquisition of productive land, more than 10% of their land	NA	No HH who lost more than 10% by the subproject
Crops, and trees	All owners regardless of tenure status	(a) Annual standing crops (e.g. paddy) that cannot be harvested will be paid based on current market value; (b) Perennial crops and trees will be paid based on current market value given the type, age, and productive value (future production) (c) Timber trees based on diameter at breast height at current market value.
Temporary impacts (during construction) on land	For legal and legalizable owners of land and those who have customary rights	Payment of rent for land during temporary use will not be less than the unrealized income that could be generated by the property during the period of temporary use and will be restored after temporarily use within 1 month after the removal of contractor's equipment and materials.

30. The compensation for lost assets and the assistance to the affected households aims to restore their living standards equal to the pre-project level. The cut-off date will be on the start of the census and the DMS. People who occupy the project area after the cut-off date will not be entitled to any compensation and allowance.

VIII. INCOME RESTORATION STRATEGY

31. In addition to compensation and assistance, severely-affected household's vulnerable households will benefit from the income restoration program. However, no household will be lose more than 10% of their land holding, so the income restoration program will not be applied for the subproject

IX. RESETTLEMENT BUDGET AND FINANCING

32. All compensation is based on the principle of replacement cost. Replacement cost is determined during RP preparation and reviews without the deduction of tax and other administrative costs as follows:

- Agricultural land (agricultural land, aquaculture area) will be compensated based at replacement cost;
- Houses and other structures will be compensated at market price of building materials and labor without deduction and depreciation of salvage materials.
- Annual crops will be compensated equivalent to market price at the time of compensation.
- Perennial trees will be compensated in cash at replacement cost equivalent to market price of trees based on type, age and production value of each tree at the time of compensation.

33. Quang Tri PPC has regulations on compensation for land, structures, trees, crops and other assets in the event of land acquisition by the State that is applied in Quang Tri province as per following documents:

- Decision No. 02/2010/QĐ-UBND Quang Tri PPC, dated on 25 January 2010 providing on promulgating detailed provisions on compensation, assistance and resettlement in the event of land acquisition by the State in Quang Tri province;

34. The consultancy specialists for the RP of the Quang Tri subproject has conducted the replacement cost survey for affected land and assets in the subproject area (in 22 communes) to compare the price stipulated by Quang Tri People's Committee with market price, and propose a reasonable compensation and assistance price. The replacement cost survey activity aims to ensure compliance with the provisions of the Resettlement Framework of the project that compensation will be paid at market price and replacement cost for affected land and assets.

35. Result of the replacement cost assessment showed no significant difference between the market price / replacement cost and the compensation price regulated by Quang Tri PPC. The assessment result was publicized in consultative meetings in villages. All the affected households agreed on the result of the assessment. As the result was consistent with the price of Quang Tri PPC at the time of assessment, affected households agreed to use the price of Quang Tri PPC a basis for compensation and assistance. The agreement was confirmed in the minutes of consultative meeting. While updating the RP based on detailed design, RP consultants will conduct replacement cost assessment at the time of RP updating as a basis for compensation and assistance.

36. The budget for the implementation of the RP is VND **2,781,078,960** equal to US\$ 133,066 (Table 17). The amount for compensation and assistance rate composes 89.13 percent of the total resettlement budget. The compensation is 3,000 VND per square meter for agricultural land and 3,000 per square meter for production forest land. The compensation of the affected assets is generally based on the prices of Quang Tri PPC.

Table 17: Cost Estimate for Resettlement Activities

Item Code	Item	Units	Price	Amount (VND)
I	Compensation			1,833,920,000
1	Compensation for Land:			59,936,000
	Compensation for rice Land (6,000 VND /sq m x 3,126 sq m)	3,126	6,000	18,756,000

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	Compensation for crops Land (12,000 VND /sq m x 1,453 sq m)	1,453	12,000	17,436,000
	Compensation for garden Land (12,000 VND /sq m x 1,624 sq m)	1,624	12,000	19,488,000
	Compensation for wild Land (8,000 VND /sq m x 532 sq m)	532	8,000	4,256,000
2	Compensation for Crops :			1,755,984,000
	Compensation for rice (3,000 VND /sq m x 139,906 sq m)	139,906	3,000	419,718,000
	Compensation for crops (3,000 VND /sq m x 152,132 sq m)	152,132	3,000	456,396,000
	Compensation for Trees (30,000 /tree x 29,329 trees)	29,329	30,000	879,870,000
3	Compensation for structures :			18,000,000
	Compensation for structures (150,000 VND /sq m x 120 sq m)			18,000,000
II	Supporting for affected household			644,760,000
	Change their occupations	597	1.080.000	644,760,000
III	Management (2%*[I+II])			49,573,600
IV	Contingencies (10%*[I+II+III])			252,825,360
	TOTAL (I+II+III+IV)			2,781,078,960

X. IMPLEMENTATION SCHEDULE

37. The implementation schedule for compensation and assistance activities is presented in the table 18 below.

Table 18: Implementation Schedule

Activities	Time											
	2009			2013								
	5-10	11	12	2-3	4	5-6	7	8	9	10	11	12
1 ST Community consultation on Project description and potential impacts												
Conduct information dissemination with stakeholders												
Prepare the RP												
Revise RP and submit the RP to TA consultant												
Revise RP based on ADB's comments												
Conduct information disclosure on the RP approved by ADB												
Conduct DMS and update RP based on detailed engineering design												
Disclosure of the updated RP to stakeholders												
Submit updated RP to ADB												
Pay compensation and provide assistance for affected people												
Implement assistance and income restoration program												
Monitor resettlement activities and result												

XI. INSTITUTIONAL ARRANGEMENT FOR RP IMPLEMENTATION

38. The project's EA is EVN. It created a project management unit (PMU) to carry out the work to coordinate and oversee the implementation of the project. The PPMU will be assisted by project experts in implementation. CPC will pay all costs for compensation and assistance.

39. The Provincial People's Committee (PPC) will be responsible for resettlement activities within its administrative jurisdiction. It supervises the District People's Committee who in turn works with the Commune People's Committee. The District People's Committee undertakes a number of resettlement activities through the District Indemnity Board (DIB). The DIB are headed by the Vice-Chairman of District People's Committee and the members are the Departments of Finance, Natural Resources and Environment, Transport and Agriculture as well as the Farmers' Association, Women's Union, and representative of the affected households. The PMU will collaborate with the DIB in the conduct resettlement activities. The detailed responsibilities of each organization in resettlement are in Table 19.

Table 19: Matrix of Responsibilities of Government Agencies and Other Organizations involved in Resettlement Planning and Implementation

Agency	Specific Activities to be Undertaken
CPC	As the project owner, it is responsible for managing and organizing the investigation, design, budget arrangement, funding and supervision of all resettlement activities.
PMU and PPMU	Carry out the coordination and supervision of project implementation
Provincial People's Committee (PPC)	Demarcate the responsibilities for their relevant provincial institutions and direct them in implementing RP. Approve the compensation rate, allowances, establish compensation committee at all different administrative levels and approve lands for compensation. Settle complaints and grievances if settlement is not attained at the district level
District People's Committee	Guide the compensation and resettlement activities in the district level; Direct the relevant institutions for carrying out impact survey, public consultation, information dissemination and RP implementation. Establish DCC. Solve complaints if settlement fails at the commune level.
District Indemnity Board	Organize the survey team to carry out the DMS and administer the DMS and entitlement forms to the affected household. Check the unit prices of compensation and suggest adjustment to ensure consistency with the market price and replacement costs if required. In co-ordination with commune people's committee, organize meetings with affected households and disseminate the RIB. Prepare the detailed implementation plan (quarterly, semi-annual, annual plans) based on the RP and then together with commune people's committee pay entitlements to affected households in a timely manner.

Agency	Specific Activities to be Undertaken
	Settle the complaints and grievances of affected households and any difficulty during implementation.
Commune People's Committee	<p>Assist in the conduct of the census and inventory survey.</p> <p>Coordinate with DIB in conducting public meetings, information dissemination and paying the affected people with compensation and allowances:</p> <p>Feedback the preference and opinions of the affected people to DCC</p> <p>Settle the complaints of the affected people at the commune level.</p> <p>Suggest solutions for any outstanding issues ;</p> <p>Assist local people in overcoming the difficulties during construction period;</p> <p>Assist the affected people in repairing of affected houses.</p>
Affected People	<p>Prepare and make ready their necessary papers such as their LURC and certificate of ownership of other assets;</p> <p>Confirm the accuracy of lost assets and entitlements;</p> <p>Clear land in a timely manner after receipt of full entitlements.</p>

XII.MONITORING AND EVALUATION

40. Monitoring and evaluation aims to ensure (i) compliance of various groups with the resettlement plan and compensation rates and procedures; (ii) availability of resources and the effectiveness of implementing organizations; and (iii) ensure the well-being of the affected persons and the restoration of their standard of living to the pre-project level.

Internal Monitoring

41. The EVN-CPC will set up the internal monitoring and reporting system. As part of the internal monitoring, monthly progress reports on resettlement will be prepared. The report will contain the following: (i) receipt of compensation payment and assistance by the affected persons as defined in the approved RP; (ii) completion of the land acquisition, compensation, resettlement of displaced households and other resettlement activities; (iii) conduct of information dissemination and disclosure and consultations; (iv) complaints filed and their settlement; (v) status of income and living conditions of the affected people particularly the severely affected ones; (vi) suggestions of the affected people; (vii) expenses and budget performance.

42. The monitoring reports will track the performance of resettlement activities against the schedule. It will also facilitate, if there are any delays and mistakes, the identification of the reasons and solutions. The PPMU will review the monthly progress reports and submit its review to PMU. The report will be subsequently submitted to ADB.

There is no requirement on external monitoring for implementation of compensation and assistance in project because the project does not severely affect local people.

Table 20: Indicators and methods of Monitoring

Aspect	Indicators	Methodology	Time Frequency
RP implementation	Status of the following: Compensation payment Land acquisition Disbursement fund Consultation and public disclosure Information dissemination Replacement equivalence of compensation	Review and validate internal supervision reports; Review bidding plan and activities; Interview implementing agency personnel at all levels Interview the affected people	Annual
	Exclusion of fees and taxes in compensation Signature of wife and husband in compensation payment Protection of rights for affected people ;	Review and validate compensation and management expenses Interview Province Department of Land on land documents	Annual supervision
Restoration of living standards	Income generation capacity Income amount and source of affected people; Access to public services and benefits ; Participation in public affairs; Participation in project activities ; Income restoration of severely affected people	Review socio-economic survey result Conduct sample survey and compare the result with the baseline Conduct focused group discussion including women groups; Interview severely affected people	First year of resettlement and on its completion on the second year
Satisfaction of affected people	Knowledge of affected people on resettlement procedures and their rights. Understanding and knowledge of affected individuals on grievance mechanism	Review the claim documents and settlement; Random interview of affected people Conduct of public meetings Focused group discussion with different	Annual

Aspect	Indicators	Methodology	Time Frequency
		types of affected people	
Compliance with the RP	Accuracy of DMS result recorded in the RP; Accuracy of the budget for resettlement; Accuracy of the amount of compensation Accuracy of performance institutional responsibilities Unexpected problems;	Review claim documents and settlement ; Interview of affected individuals Interview of involved agencies at all levels	Annual
Impact of resettlement	Appropriation and use of vacated land Movement of people from the project area	Meeting with hamlet leaders Interview of affected people On-site observation	Annual

APPENDICIES

Appendix 1. Map of subproject location (file attachments).

APPENDIX 2 - Participants of public consultation meetings (file attachments).