

GREATER MEKONG SUBREGION: MEKONG TOURISM DEVELOPMENT PROJECT

SUMMARY RESETTLEMENT FRAMEWORK LAO PEOPLE'S DEMOCRATIC REPUBLIC

1. A Resettlement Plan has been prepared for each core subproject that will be implemented during the first year of the loan and for which there is a sufficient level of design to identify land acquisition impacts. A resettlement framework has also been prepared because some subprojects have an insufficient level of design to be able to identify land acquisition impacts now, and for which the selection and design will entail a community participation process. The framework is based on *Policy on Involuntary Resettlement* and *Handbook on Resettlement: A Guide to Good Practice* of the Asian Development Bank (ADB) and includes the specific policies and guidelines for the process of land acquisition and resettlement. For each remaining subproject that will entail land acquisition and resettlement, a resettlement plan will be prepared by the National Tourism Authority of Lao (NTAL) after detailed design of each subproject, together with the project management units (PMUs).

2. **Scope and Scale of Resettlement.** A full resettlement plan has been prepared for the Louang Namtha airport improvement subproject, which will cause 109 families and one temple to be relocated to a fully serviced site within 1 kilometer (km) of the present site due to extension of the runway.

3. The pro-poor community-based tourism development subproject may require some minor land acquisition impacts for construction of small-scale community tourism-related infrastructure such as community lodges, guesthouses, river piers, viewing points, and upgrading of walking trails. The selection of infrastructure and identification of zones of impact cannot be done before appraisal due to lack of design and the need for a community participation process. The resettlement framework will guide resettlement planning and preparation of a subproject resettlement plan for ADB approval during project implementation.

4. A short resettlement plan may be required for the Konglor Cave access road improvement subproject, as the road passes through several villages; however, the impacts will be minimal, as the road will not be widened. The zone of impact cannot be identified before appraisal because the area is not accessible during the rainy season. The detailed design will be undertaken during the first year of the Project and construction in the second year. The resettlement framework will guide resettlement planning and preparation of a subproject resettlement plan for ADB approval after detailed design.

5. No resettlement plan is necessary for the Kwangsi Water Falls access road improvement subproject, as it will not cause any land acquisition impact. In the unlikely event that land must be acquired, any impacts will be addressed in accordance with the framework.

6. **Principles of Land Acquisition and Resettlement.** The resettlement policy framework for the Project has been built upon the laws of the Government of the Lao People's Democratic Republic, ADB's *Policy on Involuntary Resettlement* (1995), and the draft national resettlement policy.¹ This Project will be bound by the principles and

¹ A draft national resettlement policy was prepared by the Lao PDR Government in 1995 and presented by the Science, Technology and Environment Agency to the ADB Regional Workshop on National Resettlement Policy Enhancement and

conditions stated in the resettlement framework that will be approved by ADB and NTAL. If there are any gaps between ADB and Government policy, ADB policy supersedes. The principles and objectives are to ensure that all affected persons (APs) will be compensated for their losses at replacement cost and provided with rehabilitation measures in order to assist them to improve on, or at least maintain, their pre-project living standards and income earning capacity.

7. Absence of formal legal title is not seen as a barrier to inclusion in compensation measures and no distinction will be made between legal and illegal APs. People who are to be resettled will be assisted in at least reestablishing, if not improving their former living standards, income-earning capacity, and livelihood production levels. Positive steps will be taken to ensure that poor and disadvantaged groups receive special consideration. The parameters addressed, and the manner in which they have been addressed, are summarized in Table A5.2.

Table A5.1: Resettlement Principles and Approach Applicable to the Project

Principle	Approach
1. Land acquisition and involuntary resettlement should be minimized.	This will be achieved through the examination of alternative alignments or variations in road and right-of-way widths to ensure that only individuals whose movement is vital to the successful implementation of the Project are affected.
2. Plans should be prepared for compensation, resettlement, and rehabilitation of affected persons.	Socioeconomic surveys of 20% of affected persons (APs) and inventory of lost assets survey of 100% of APs will be completed. APs will be identified, and their land, buildings and other assets enumerated. A resettlement plan will be prepared and will be revised if necessary after completion of the detailed design and detailed measurement survey.
3. Community participation is assured. The APs should be fully informed and closely consulted on resettlement and compensation options.	The APs will be regularly informed about the Project and consulted about impacts and entitlements while the resettlement plan (RP) is being prepared and before it is implemented. Consultations will be supplemented by a public information campaign through the media (radio and print) conducted by the project management units. A resettlement information booklet will also be prepared and distributed by the units to all stakeholders. The booklet will include the basic features of the RP (compensation and resettlement principles, procedures, compensation options, entitlements of the APs, implementing organizations, public consultation mechanisms, and grievance procedures).
4. APs will receive fair compensation for all losses, including assets and livelihoods.	All APs who will be identified in the project-impacted areas as of the date of the census and inventory of losses survey, will be entitled to compensation and rehabilitation measures sufficient to assist them to improve or at least maintain their preproject living standards, income earning capacity, and production levels.
5. Resettlement planning and implementation is to be an integral part of subproject design.	The alignment selection and design processes will include environmental and social aspects as major factors; alignments will be altered to minimize impacts on people (land acquisition and resettlement); subproject schedules will take into account land acquisition and resettlement schedules. All subproject RPs will be approved by ADB prior to project implementation. The compensation, resettlement, and rehabilitation activities will be satisfactorily completed before ADB will authorize award of contract of civil works under each subcomponent project.
6. Special measures will be included in the RP to protect socially and	Vulnerable APs, including the very poor, aged people without support, women, disabled, or ethnic minorities, are entitled to additional monetary assistance and additional relocation and special assistance

Capacity Building at ADB headquarters in 2002. The draft policy is the basis for a ministerial decree on resettlement that is being prepared under the ADB loan 1867, approved on 6 December 2001 (ADB. 2001. *Report and Recommendation of the President to the Board of Directors on a Proposed Loan to the Lao People's Democratic Republic for the Environment and Social Program*. Manila).

Principle	Approach
economically vulnerable groups.	as required during the transition period.
7. APs will receive adequate support in obtaining replacement land and livelihood restoration	Resettlement areas will be developed, with land, utilities, and access. New sites will have the same competitive advantages as the original. Any households affected by land acquisition for development of resettlement sites will be regarded as secondary APs and will be compensated in the same manner as primary APs.
8. There will be effective grievance procedures.	Mechanisms will be prepared for hearing and resolving grievances as early as RP preparation.
9. Resettlement plan implementation will be monitored by the Government and ADB.	The Government will engage a domestic monitoring agency acceptable to ADB, under terms of reference also acceptable to ADB, to monitor the land acquisition and resettlement program, and to report on it to the Government and ADB.

8. Compensation Issues, Procedures and Definitions. The approach to land acquisition and resettlement is based on the Project's social impact surveys and the Government's and ADB's requirements and procedures. People eligible for compensation are those who will experience negative impacts on their assets and livelihoods as a result of the Project. APs who appear in the subproject's census will be entitled to compensation and assistance.

9. Loss of land, whether with legal title or not, will be compensated through land-for-land arrangements with full legal title to the new land (for agricultural land—equal size and productive capacity, for residential land—equivalent size, and for commercial land—equal size and accessibility to customers). If APs opt for cash compensation, the amount will be equivalent to the current market value. The APs' compensation will be free from taxes, registration, and land transfer. For affected houses and structures, compensation and assistance (in cash, kind, or both) will be equivalent to the full replacement cost sufficient to build a house/commercial structure of the same size and standard. Loss of unharvested annual crops will be compensated at current market value while perennial crops and trees will be compensated at an annual produce value multiplied by a 5 year factor.

10. Relocating APs will receive a materials transport allowance in cash or in kind (e.g., vehicle and labor) to transport household effects and new and salvageable materials to new sites. A housing subsistence allowance of KN1.2 million for relocating APs will be provided during the transition. The allowance is based on the labor paid for rice planting at KN20,000 per day multiplied by 60 days wages. The lump sum of KN1.2 million will also apply to businesses without tax declarations (e.g., small shops). For businesses with tax declarations, the amount will be based on the business income tax statements that they provide, multiplied 3-6 months, depending on the type of structure and estimated time to rebuild and reestablish business at the new site. All businesses will be notified 3–4 months in advance to relocate and rebuild new business structures at new sites. This will allow businesses to avoid disruption of operation and continue operating while they are rebuilding new structures at the new sites. Employees will receive cash compensation equivalent to actual wages lost for each day they cannot work while the business is reorganizing.

11. APs belonging to vulnerable groups including the very poor, especially the aged without support, women, disabled, or ethnic minorities. These groups are entitled to an additional special allowance amounting to KN200,000 based on identified needs and priorities. Households with more than one factor of vulnerability are entitled to a KN200,000 special allowance for each factor.

For example, households who are very poor and with elderly household head would be entitled to KN400,000. In addition APs will receive any support necessary to obtain replacement land and resettlement. Relocating vulnerable households will also be assisted in rebuilding their homes if traditional sources of community or family support are insufficient. To ensure that the special needs of women are addressed, the resettlement committees will include women representatives.

12. Implementation Arrangements. NTAL is the Executing Agency for the Project. A project coordination unit under NTAL will be established wherein one social specialist and one resettlement specialist will work full time for the Project. Project management units will also be established in the division of communications, transport, posts and construction, and resettlement committees will be created. These PMUs will be responsible for the planning and day-to-day implementation of all resettlement-related activities. They will also work closely with concerned government agencies and organizations. The PMUs will provide monthly reports to the project coordination unit (PCU) and the PCU will submit quarterly reports to ADB. Training in compensation standards, procedures, entitlements, implementation, grievance, and monitoring procedures for the provincial, district, village resettlement committees will be conducted by the PCU and construction supervision consultants. International and local resettlement experts from the construction supervision consultants will work closely with the PCU, PMUs and affected communities, and provide capacity building to ensure that knowledge and expertise are transferred to the concerned agencies and to encourage participation among APs.

13. Implementation Schedule. Subproject resettlement plans (RPs) will include detailed implementation schedules coordinated with the civil works schedule for the subproject. All subproject RPs will be reviewed by ADB prior to project implementation. The compensation, resettlement, and rehabilitation activities will be satisfactorily completed before ADB approves the award of contract of civil works under each subcomponent project.

14. Complaints and Grievances. The APs will be made fully aware of their rights to grievance and the procedures, verbally and in writing, during consultation, survey, and compensation. The APs may present their complaints to the concerned local administrative officials and/or the resettlement committees. The complaints will be filed first at the village level and will be elevated to the provincial level if the APs are not satisfied with the earlier decisions. Local administrative authorities and resettlement committees at each level will settle complaint within 15 days of their being submitted. The APs will be exempted from all taxes, administrative, and legal fees for resettlement.

15. Monitoring and Evaluation. The PCU and PMUs are responsible for the internal monitoring activities of RPs. The PMUs and project implementation units will provide the PCU with monthly status reports. The PCU will submit quarterly reports to ADB. In addition, the PCU will ensure that the construction supervision consultants include in their progress reports the status of RP implementation, including information on location and number of people relocated, compensation amounts paid by item, and assistance provided to APs. For external monitoring and postevaluation activities, the PCU will engage a suitable domestic agency acceptable to ADB, under terms of reference acceptable to ADB, to monitor the land acquisition and resettlement programs. The PCU and PMU will provide the domestic agency all resettlement-related documents. The agency will submit to the PCU and ADB quarterly status reports together with detailed assessments.

16. Cost and Budget. Adequate budgetary support will be fully committed and made available to cover the costs of land acquisition and resettlement within the agreed implementation period. Subproject RPs will include the breakdown for each type of losses with corresponding cost estimates reflecting replacement cost at current market values. The cost estimates will make adequate provision for contingencies. The RPs will also include the detailed schedule and procedures related to flow of RP funds.

17. Resettlement Frameworks for Cambodia and Viet Nam, and Resettlement Plans. A summary of project impacts for the 3 GMSPCs from land acquisition and the related resettlement documentation required at the different stages of project preparation is presented in Table A5.2.

Table A5.2: Land Acquisition Impact and Related Resettlement Documentation Required

Subproject	Marginal Impact (HHs)	Significant Impact (HHs)	No RP	Prior to Appraisal			After Detailed Design		
				Short RP	Full RP	Framework	Short RP	RP	Full RP
A. Cambodia									
1. Road Access Improvement to the Genocide Memorial	0	0	x						
2. Strung Treng Airport Improvement	0	0	x						
3. Siem Reap Environmental Improvement	18	14		x					
4. Pro-Poor Community-Based Tourism	0	0				x		x	
5. Rattanak Kiri Airport Improvement		101			x				
Subtotal		115							
B. Lao People's Democratic Republic									
1. Access Road Improvement to Kwangsi Water Falls	0	0	x						
2. Louang Namtha Airport Improvement		109			x				
3. Access Road Improvement to Konglor Cave						x		x	
4. Pro-Poor Community- Based Tourism						x		x	
Subtotal	0	109							
C. Viet Nam									
1. Sam Mountain Environmental Improvement	8	0				x		x	
2. An Giang Tourist River Piers Improvement	0	0	x						
3. Tien Giang Environmental Improvement	0	0	x						
4. My Tho Tourist River Pier Improvement	0	7		x					
5. Pro-Poor Community- Based Tourism						x		x	
Subtotal	8	7							
Total	26	231							

HH = households, RP = resettlement plan.