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PEACE INDEPENDENCE DEMOCRACY UNITY PROSPERITY
MINISTRY OF PUBLIC WORKS AND TRANSPORT
DEPARTMENT OF ROADS

◀ ສາມາດ ມາ ສາມາດ ▶

**Climate Resilient Improvement of National Road 13 South Project
Package 3, Km 190 – Km 268, Length 78 Km**

RESETTLEMENT PLAN (RP)

(Draft)

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Abbreviations and Acronyms

ARP	Abbreviated Resettlement Plan	MoNRE	Ministry of Natural Resources and Environment
AIIB	Asian Infrastructure Investment Bank		
DMS	Detail Measurement Survey	MPWT	Ministry of Public Works and Transport
DoR	Department of Road		
DONR	District Office of Natural Resources and Environment	PAPs	Project Affected Persons
E		PDO	Project Development Objective
DRC	District Resettlement Committee	PONRE	Provincial Office of Natural Resources and Environment
DPWT	Provincial Department of Public Works and Transport	PPM	Project-affected People's Mechanism
EIA	Environmental Impact Assessment	PRO	Project Resettlement Office
EG	Ethnic Groups	PRC	Provincial Resettlement Committee
EGEF	Ethnic Groups Engagement Framework	PTRI	Public Works and Transport Research Institute
EGEP	Ethnic Groups Engagement Plan	RP	Resettlement Plan
EDPD/ PTRI	Environmental and Disaster Prevention Division of PTRI	RMF	Road Maintenance Fund
ESMPF	Environmental and Social Management Planning Framework	RoW	Right of ways
ESOM	Environmental and Social Operations Manual	RPF	Resettlement Policy Framework
ESP	Environment and Social Policy	SA	Social Assessment
ESS	Environment and Social Standard		
ESU	Environmental and Social Unit		
FMC	Feedback and Mediation Committee	SIA	Social Impacts Assessment
GoL	Government of Laos	VRC	Village Resettlement Committee
GRC	Grievance Redress Committee		
GRM	Grievance Redress Mechanism		
HHs	Households		
IEE	Initial Environmental Examination		
Lao PDR	Lao People's Democratic Republic		
LAR	Land Acquisition and Resettlement		

LACR	Land Acquisition and Compensation report		
LRSP2	Lao Road Sector Project2		
LFNC	Lao Front for National Construction		
LRSP	Lao Road Sector Project		
LWU	Lao Women Union		

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Definitions and Terms

- **Beneficiary** - all persons and households from the villages who voluntarily seek to avail of and are part of the Project.
- **Compensation** - payment in cash or in kind of the replacement cost of the acquired assets.
- **Cut-off Date** - the date prior to which the ownership or use establishes eligibility as displaced persons for compensation or other assistance. The cut-off date is established in the RP. It normally coincides with the date of the census of affected persons, or the date of public notification regarding the specific civil works that would cause displacement. Persons coming into the project area after the cut-off date are not eligible for compensation or other assistance.
- **Displaced persons** - refers to all of the people who, on account of the activities listed above, would have their (1) standard of living adversely affected; or (2) right, title, interest in any house, land (including premises, agricultural and grazing land) or any other fixed or movable asset acquired or possessed temporarily or permanently; (3) access to productive assets adversely affected, temporarily or permanently; or (4) business, occupation, work or place of residence or habitat adversely affected; and “displaced person” means any of the displaced persons.
- **Entitlement** – range of measures comprising compensation, income restoration, transfer assistance, income substitution and relocation which are due to affected people, depending on the nature of their losses, to restore their economic and social base.
- **Household** - means all persons living and eating together as a single social unit. The census used this definition and the data generated by the census forms the basis for identifying the household unit.
- **Income restoration** - means re-establishing income sources and livelihoods of PAPs to a minimum of the pre-project level.
- **Improvements** – structures constructed (dwelling unit, fence, waiting sheds, pig pens, utilities, community facilities, stores, warehouses, etc.) and crops/plants planted by the person, household, institution, or organization.
- **Land acquisition** - the process whereby a person involuntary loses ownership, use of, or access to, land as a result of the project. Land acquisition can lead to a range of associated impacts, including loss of residence or other fixed assets (fences, wells, tombs, or other structures or improvements that are attached to the land).
- **Project Affected Persons (PAPs)** - includes any person or entity or organization affected by the Project, who, on account of the involuntary acquisition of assets in support of the implementation of the Project, would have their (i) standard of living adversely affected; (ii) right, title or interest in all or any part of a house and buildings, land (including residential, commercial, agricultural, plantations, forest and grazing land) water resources, fish ponds, communal fishing grounds, annual or perennial crops and trees, or any other moveable or fixed assets acquired or possessed, in full or in part, permanently or temporarily; and (iii)

business, profession, work or source of income and livelihood lost partly or totally, permanently or temporarily.

- **Rehabilitation** - the process by which displaced persons are provided sufficient opportunity to restore productivity, incomes and living standards. Compensation for assets often is not sufficient to achieve full rehabilitation.
- **Replacement cost**- is the method of valuation of assets which determines the amount of compensation sufficient to replace lost assets, including any necessary transaction costs. Compensation at replacement cost is defined as follows: For agricultural land, it is the pre-project or pre-displacement, whichever is higher, market value of land of equal productive potential or use located in the vicinity of the affected land, plus the cost of preparing the land to levels similar to those of the affected land, plus the cost of any registration and transfer taxes. For land in urban areas, it is the pre-displacement market value of land of equal size and use, with similar or improved public infrastructure facilities and services and located in the vicinity of the affected land, plus the cost of any registration and transfer taxes. For houses and other structures, it is the market cost of the materials to build a replacement structure with an area and quality similar to or better than those of the affected structure, or to repair a partially affected structure, plus the cost of transporting building materials to the construction site, plus the cost of any labor and contractors' fees, plus the cost of any registration and transfer taxes. In determining the replacement cost, depreciation of the asset and the value of salvage materials are not taken into account, nor is the value of benefits to be derived from the project deducted from the valuation of an affected asset. Where domestic law does not meet the standard of compensation at full replacement cost, compensation under domestic law is supplemented by additional measures so as to meet the replacement cost standard.
- **Resettlement** – is the general term related to land acquisition and compensation for loss of asset whether it involves actual relocation, loss of land, shelter, assets or other means of livelihood.
- **Vulnerable Groups** - are distinct groups of people who might suffer disproportionately or face the risk of being further marginalized by the effects of resettlement and specifically include: (i) households headed by women, the elderly or disabled, (ii) households living below the poverty threshold, (iii) the landless, and (iv) ethnic groups.

Executive Summary

The Government of Lao PDR (GOL) has prepared this Resettlement Plan (RP) for Package 3 of the Climate Resilient Improvement of National Road 13 South Project (the proposed project), in order to address the involuntary resettlement impacts that may be caused by the proposed project.

The GOL through the Ministry of Public Works and Transport (MPWT) and with assistance from the Asian Infrastructure Investment Bank (AIIB), World Bank (WB) and European Investment Bank (EIB) is planning to implement a program namely Climate Resilient Improvement and Maintenance of National Road 13 South (NR-13S) from kilometer (km) 71 to km 346. The Project Road will be divided into four improvement and maintenance contracts (or packages) with specific financing by WB, EIB, and AIIB while the Government of Lao's Road Management Fund (RMF) will provide the counterpart funds. The AIIB is considering the financing of Package 3 from km 190 to km 268 of the NR-13S under the proposed project.

Objective of the Resettlement Plan

Basic objectives of the RP are to: (i) serve as a binding document to ensure a fair and disclosed process for participation, identification and mitigation of Involuntary Resettlement (IR) impacts, and payment compensation and assistance to PAPs; (ii) guide the Project Management Unit (PMU) in the Department of Roads (DOR) of MPWT in clearly identifying, compensating, and restoring the livelihoods of PAP; and (iii) provide direction to the PMU in updating/finalizing, implementing and monitoring the RP.

The RP identifies measures to ensure that PAPs are, (i) informed about, and consulted on, the proposed project and agree in principle with the Project; (ii) informed about their options and rights pertaining to IR impacts; (iii) consulted on, offered choices among, and provided with suitable compensation and/or resettlement alternatives; and (iv) provided prompt and effective compensation at full replacement cost for losses of assets attributable directly to the Project.

Resettlement Impacts

The resettlement impacts anticipated from the works will mainly be within the existing right of way (at 20 m or 10 meters from the road centreline) as defined under the National Road Law, 2016. However, the proposed works will still require acquisition of private and government land.

Based on the current preliminary design alignment, the total number of Project Affected Persons (PAPs) and Project Affected Households (PAHs) for the proposed project have been estimated as 587 and 108, respectively. The impacts are summarized below.

- 11 m² of affected residential land;
- two affected houses with affected area of 13 m² (one entire house shall be relocated);
- 16 affected shops with affected area of 331 m²;
- 20 porches of house with affected area of 267 m²;
- 56 shop porches with affected area of 761 m²;
- four huts with affected area of 137 m²;

- concrete fence with a total length of 8m;
- shop signs and advertisement signs with a total size of 48 m²
- Concrete slab floor with a size of 1,633 m²;
- Affected public utilities: four electricity poles.

Resettlement Budget

With a Corridor of Impacts (COI) identified at 20 m (or 10 meters from the road centreline) along km 190 to km 268 of NR13 south, it is determined that eight villages in Pakkaading district would be affected by various forms of losses which are estimated at a total value of **LAK2,781,511,000** or about **USD 309,057 (USD1= LAK9,000)** for compensation and income restoration. This includes **USD950** of residential land; **USD121,457** of building structures (including house and shops, porch of house and porch of shops and other structures); **USD301** of trees and **USD186,349** loss of income which will be restored including allowance. The cost for land registration process and reissuance of titles or certificates for remaining land parcels is excluded in this total compensation budget as well as the compensation cost for affected public utilities, which is estimated at **USD500** as these will be carried out under separate arrangements with concerned agencies.

Measures to Minimize Impacts and Resettlement

Efforts have been made to minimize the resettlement impacts by analysis of design options to reduce the width of the COIs. In addition, and as part of the project's resettlement policy, PAHs will be provided with sufficient time and support to rebuild their houses and shops prior to the commencement of civil works. The project will ensure that PAPs are able to continue with access to their houses and their present livelihood activities during project implementation to possible degree. Impacts on their livelihood and business will be also minimized through close and effective contract management and work supervision by PMU and their supervision consultant and that works are completed as per workplan and timeframe to be agreed.

Legal and Policy Framework

This RP for proposed project complies with the AIIB's Environmental and Social Standard 2) ESS2 on Involuntary Resettlement, some provisions of Decree 84 of the Lao Government, and the Decree on Environmental Impact Assessment (2019) in consultation with the relevant national legislations including Road Law, 2016 and the Land Law, 2019. Wherever, gaps and discrepancies exist between the AIIB's ESS2 and the GoL policies, the former (the AIIB policy) will prevail.

The project resettlement policy has been developed in compliance with AIIB EES2 and the laws of the Government of Lao PDR, principally the Constitution (1991), Decree of the Prime Minister on Compensation and Resettlement of People Affected by Development Project, No.192/PM, dated 7 July 2005, as amended by Decree No. 84, dated 5 April 2016; the Regulations for Implementing Decree of the Prime Minister on Compensation and Resettlement of People Affected by Development Project, No.2432/STEA, dated 11 November 2005; the Decree on Environmental Assessment (EA), February 2010 (112/PM); the March 2010. Any updated Technical Guidelines for Implementing Decree 192/PM; and principles adopted in the project

resettlement policy will supplement the provisions of relevant decrees currently in force in Lao PDR. Wherever a gap exists, the higher standard will apply.

The individuals, households and businesses that are likely to be affected by the road expansion and the construction works have been surveyed, and the compensation costs have been estimated based on the rates determined by the survey team endorsed by the Decision of Provincial Governor, number 93/BKX, dated 28 Feb 2019 for building and tree, while compensation for land use the market unit prices based on the “Replacement Cost” principle.

Entitlement matrix defining the compensation criteria is presented below.

Type of Losses	Entitled Persons	Entitlements	Implementation Issues
Productive Land (paddy, garden, and Teak Plantation)	Legal owner or occupant identified during census and tagging	<ul style="list-style-type: none"> • For marginal loss of 10% of land, cash compensation at replacement cost which is equivalent to the current market value of land within the village, of similar type, category and productive capacity, free from transaction costs (taxes, administration fees), or • Replacement land of similar type, category and productive capacity of land within or nearby the village, with land title. • If the impacts on the total productive land is 10 % or more, as a priority, replacement land of similar type, category and productive capacity of land within or nearby the village, with land title, if Land Titling Project is ongoing in the area. If not, land use certificate to be issued. OR at the request of PAP, cash compensation at replacement cost plus assistance to purchase and register land 	<ul style="list-style-type: none"> • Legal owners are those who received land use certificates or land titles from the Land Titling Project. • Voluntary donation will not be applied for any assets except for very minor losses of land holding as defined under this RPF
Residential Land	Legal owner or occupant identified	<ul style="list-style-type: none"> • <u>With</u> remaining land sufficient to rebuild houses/structures: (i) Cash compensation at replacement 	<ul style="list-style-type: none"> • Legal owners are those who have land use certificates or land titles from the Land Titling Project.

Type of Losses	Entitled Persons	Entitlements	Implementation Issues
	during census and tagging	<p>cost which is equivalent to the current market value of land of similar type and category, and free from transaction costs (taxes, administration fees) and (ii) District government to improve remaining residential land at no cost to PAPs (e.g. filling and leveling) so PAPs can move back on remaining plot.</p> <ul style="list-style-type: none"> • Without remaining land sufficient to rebuild houses/structures: (i) Replacement land equal in area, same type and category, without charge for taxes, registration and land transfer, with land title if Land Titling Project is ongoing in the area; if not, land survey certificate, OR (ii) cash compensation at replacement cost which is equivalent to the current market value of land of similar type and category, free from transaction costs (taxes, administration fees) plus assistance to purchase and register land. 	<ul style="list-style-type: none"> • Voluntary donation of minor strips of residential land will only be allowed by the Project provided that the following criteria are strictly complied with: (i) the PAP's total residential land area is not less than 300 m²; (ii) if the PAP's total residential land area is more than 300 m², the strip of land that can be donated cannot be more than 5% of the total land area; and (iii) there are no houses, structures or fixed assets on the affected portion of land. • Voluntary donation according to these criteria will follow the process in accordance with World Bank's Operational Policy, which is the same as the Government's Decree 84/PM/2016.
Fishpond (Remaining area is still viable or can still meet expected personal or commercial yield)	Owner of affected fishpond	<ul style="list-style-type: none"> • Cash compensation of affected portion at replacement cost which is equivalent to the current market value of fishpond, labor and rent of equipment to excavate fishpond, free from transaction costs (taxes, administration fees) • If the currently held fish stocks will not be harvested before the project takes possession of the fishpond, then cash compensation for the projected mature value of 	<ul style="list-style-type: none"> • Adequate time provided for PAPs to harvest fish stocks • Voluntary donation of fishpond land will not be allowed by the Project.

Type of Losses	Entitled Persons	Entitlements	Implementation Issues
		<p>fish stock held at the time of compensation.</p> <ul style="list-style-type: none"> • District government to restore/repair remaining fishpond. If support cannot be provided by the contractor, the PAP will be entitled to cash assistance to cover for payment of labor and rent of equipment to restore/repair fishpond. 	
<p>Totally Affected Houses/Shops, and Secondary Structures (kitchen, rice bins)</p> <p>Partially Affected Houses/Shops but no longer viable</p> <p>(Will require relocation)</p>	<p>Owners of affected houses whether or not land is owned</p>	<ul style="list-style-type: none"> • Cash compensation at replacement cost for the entire structure equivalent to current market prices of (i) materials, with no deduction for depreciation of the structure or salvageable materials; (ii) materials transport; and (iii) labor cost to cover cost for dismantling, transfer and rebuild; and • Timely provision of dump trucks for hauling personal belongings at no cost to the PAPs. 	<ul style="list-style-type: none"> • Adequate time provided for PAPs to rebuild/repair their structures • Affected houses and shops that are no longer viable are those whose remaining affected portion are no longer usable/habitable.
<p>Temporary Use of Land</p>	<p>Legal owner or occupant</p>	<ul style="list-style-type: none"> • For agricultural and residential land to be used by the civil works contractor as by-pass routes or for contractor’s working space, (i) rent to be agreed between the landowner and the civil works contractor but should not be less than the unrealized income and revenue that could be generated by the property during the period of temporary use of the land; (ii) cash compensation at replacement cost for affected fixed assets (e.g., structures, trees, crops); and (iii) restoration of the temporarily used land within 1 month after 	<ul style="list-style-type: none"> • The construction supervision consultant will ensure that the (i) location and alignment of the by-pass route to be proposed by the civil works will have the least adverse social impacts; (ii) that the landowner is adequately informed of his/her rights and entitlements as per the Project resettlement policy; and (iii) agreement reached between the landowner and the civil works contractor are carried out.

Type of Losses	Entitled Persons	Entitlements	Implementation Issues
		closure of the by-pass route or removal of equipment and materials from contractor's working space subject to the conditions agreed between the landowner and the civil works contractor.	
Partially Affected Houses and Shops and secondary structures (Will not require relocation)	Owners of affected houses whether or not land is owned	<ul style="list-style-type: none"> • Cash compensation at replacement cost for the affected portion of structure equivalent to current market prices of (i) materials and labor, with no deduction for depreciation of the structure or for salvageable materials (ii) materials transport, and (iii) cost of repair of the unaffected portion; 	
Loss of business income during relocation or during dismantling/repair of affected portion (without relocation)	Owners of shops	<ul style="list-style-type: none"> • For businesses (shops) cash compensation equivalent to the daily wage rate (i.e., 10,000 kip /day) multiplied by the number of days of business disruption. 	<p>It will take one day to move the shops if made of traditional materials (bamboo)/movable (can be carried without totally dismantling the structure). It will take about two days to remove and repair affected portion of shop made of permanent materials (such as good wood and concrete).</p> <p>The rate will be verified through interviews with informal shop owners to get an estimate of daily net profit.</p>
Crops and Trees	Owner of crops and trees whether or not land is owned	<ul style="list-style-type: none"> • If standing annual crops are ripening and cannot be harvested, cash compensation at replacement cost equivalent to the highest production of crop over the last three years multiplied by the current market value of crops • For perennial crops and trees, cash compensation at replacement cost equivalent to 	

Type of Losses	Entitled Persons	Entitlements	Implementation Issues
		<p>current market value based on type, age, and productive capacity.</p> <ul style="list-style-type: none"> • For timber trees, cash compensation at replacement cost equivalent to current market value based on type, age and diameter at breast height (DBH) of trees 	
Permanent loss of physical cultural resources/public structures/village or collective ownerships	Villagers or village households	<ul style="list-style-type: none"> • Compensation at replacement cost for present/existing structures based on its present value. 	
Graves located in the affected areas	Owners of graves	<ul style="list-style-type: none"> • Compensation for the removal, excavation, relocation, reburial and other related costs will be paid in cash to each affected family. 	
Electricity Poles	Electricity Companies	<ul style="list-style-type: none"> • Cash compensation for cost to dismantle, transfer and rebuild 	
Transition subsistence allowance	<p>Relocating households – relocating on residual land or to other sites</p> <p>Severely affected PAPs losing 10% or more of their productive land</p>	<ul style="list-style-type: none"> • Relocating PAPs without any impact on business or source of incomes will be provided with cash or in-kind assistance equivalent to 16 kg of rice at current market value for 3 months per household member • Relocating PAPs with main source of income affected (i.e., from businesses) or PAPs losing more than 10% of their productive land will be provided with cash or in-kind assistance equivalent to 16 kg of rice at current market value for 6 months per household member 	

Type of Losses	Entitled Persons	Entitlements	Implementation Issues
Transportation allowance	Relocating households – to other sites	Provision of dump trucks to haul all old and new building materials and personal possessions	PAPs may also opt for cash assistance. The amount (cost of labor and distance from relocation site) to be determined during implementation
Severe impacts on vulnerable PAPs (Relocating PAPs and those losing 10% or more of their productive assets)	Vulnerable PAPs such as the poorest, or households headed by women, the elderly, or disabled, and ethnic group	<ul style="list-style-type: none"> • An additional allowance of 1-month supply of rice per person in the household. • Eligible to participate in income restoration program • The contractors will make all reasonable efforts to recruit severely affected and vulnerable PAPs as laborers for road construction and road maintenance works 	The poorest will be those below the national poverty line as defined in the poverty partnership agreement with World Bank

Implementation Arrangements

The Project will be implemented using the GoL existing systems. MPWT is the implementing agency with the overall management and coordination responsibility. The Department of Roads (DoR) is responsible for planning and implementation of road related activities. DoR works in close coordination with and provides technical support to the provincial Departments of Public Works and Transport (DPWTs) in the Project provinces tasked with carrying out the works and supervision, and with the Public Works and Transport Research Institute (PTRI) tasked with overall implementation of environmental and social safeguards including the present RP.

Monitoring

The monitoring and evaluation consist of two parts: the internal resettlement monitoring and the external resettlement monitoring and evaluation. The PMU will carry out internal monitoring of the RP implementation. Quarterly internal monitoring reports will be submitted to the DOR and AIIB. The DOR will engage a consultancy firm to carry out external monitoring of the project on a semi-annual basis. Both internal and external monitoring reports will be disclosed publicly.

1. Introduction

1. The Government of Lao PDR (GOL) has prepared this Resettlement Plan (RP) for Package 3 of the Climate Resilient Improvement of National Road 13 South Project (the proposed project), in order to address the involuntary resettlement impacts that may be caused by the proposed project.
2. The GOL through the Ministry of Public Works and Transport (MPWT) and with assistance from the Asian Infrastructure Investment Bank (AIIB), World Bank (WB) and European Investment Bank (EIB) is planning to implement the National Road 13 South (NR-13S) Improvement Project from kilometer (km) 71 to km 346. The Project Road will be divided into four improvement and maintenance contracts (or packages) with specific financing by WB, EIB, and AIIB while the Government of Lao's Road Management Fund (RMF) will provide the counterpart fund. The AIIB is considering the financing of Package 3 from km 190 to km 268 of the NR-13S under the proposed project. The work for this section in some part will be widening of existing road alignment from 9m to 12m where feasible and where resettlement impacts and land acquisition are either unanticipated or minor but some part will keep the original size of 9m without any expansion.

PROJECT BACKGROUND

3. The National Road 13 (NR-13) is the most important highway in Lao Peoples Democratic Republic (Lao PDR), connecting Lao with China in the north and Cambodia in the south, for a total length of 1,500 kilometers (km). The National Road 13 South (NR-13S) starts from Vientiane Capital and continues to southern part of Lao PDR and ends at Cambodia border. The NR-13S links with other projects of land transport modes, including the expressway project (called Vientiane Hanoi Expressway), and also connects to others east-west corridors and International Mekong Bridges namely NR8 (AH15), NR12 (AH131), Third Mekong Friendship Bridge (Thakhek – Nakhon Phanom), and Fifth Mekong Friendship Bridge (Paksan “Laos” – Bueng Kan “Thailand”).
4. The widespread flooding occurred in the 2018 rainy season confirmed that Lao PDR needs to take serious actions to build resilience, especially for its road infrastructure. The post disaster needs assessment, which was carried out after the 2018 flooding, showed that the total damages and losses are estimated at \$371 million (M), which is 2.1% of gross domestic product (GDP) and 10.2% of annual budget in 2018. The country needs US\$520M for disaster recovery with more climate resilience of its infrastructure and other NR13 economic activities. The transport sector accounted for more than 50% of the total need for the recovery. To support Lao PDR efforts in implementing the disaster recovery, the World Bank (WB) has allocated \$50M from its Crisis Response Window of which US\$25M will be used to improve climate resilience of existing NR-13S from Bolikhamxay (BKX) province to Khammouane (KM) province and the other half for flood protection in Lao PDR through another WB funded project.

Project Implementation

5. The Project will be implemented through an Output- and Performance-Based Road Contract (OPBRC) similar to that being used for North, with a 10-year contract life. The OPBRC

expands the role of the private sector from a simple execution of works to a management and maintenance of road assets and the contractor is paid through a combination of output payments for defined improvement works along with periodic performance-based lump-sum payments for bringing the road to a certain service level and then maintaining it at that level for a relatively long period. The 10-year OPBRC will comprise the first 2- or 3-year construction/periodic maintenance period (called the “Construction Phase”) and follow-up operations and maintenance (O&M) which may begin from the start of the contract and extend for 7 or 8 years beyond completion of the Construction Phase. The payments for the Construction Phase will be made if the contractor meets or exceeds the performance indicators for defined fully finished road sections (“milestones”), and against works certification issued by the ISWS consultant.

6. The Department of Roads (DOR), under MPWT, is responsible for implementation of this Project including overall technical oversight, execution, and management of the Project and has appointed a dedicated team (Project Management Unit - PMU) to be responsible for the day to-day implementation, and operation of the project, including contracting and supervision of all consultants. The Environment Research and Natural Disaster Prevention Division (EDPD) of the Public Works and Transport Institute (PTRI) under MPWT is responsible for monitoring and supervision of environmental and social safeguards (ESS) and providing technical assistance and capacity building.

Purpose of this document

7. This RP complies with the AIIB’s ESS2 on Involuntary Resettlement, Decree 84 of the Lao Government, and the Decree on Environmental Impact Assessment (2019).

8. The objectives of the RP are to: (i) serve as a binding document to ensure a fair and disclosed process for participation, identification and mitigation of involuntary resettlement (IR) impacts, and payment of compensation and assistance to affected persons (APs); (ii) guide the Project Management Unit (PMU) at the Department of Roads (DOR) of MPWT in clearly identifying, compensating, and restoring the livelihoods of AP; and (iii) provide direction for the PMU in updating/finalizing, implementing and monitoring the RP.

9. The RP identifies measures to ensure that AP are, (i) informed about, and consulted on, the proposed project and agree in principle with the Project; (ii) informed about their options and rights pertaining to IR impacts; (iii) consulted on, offered choices among, and provided with suitable compensation and/or resettlement alternatives; and (iv) provided prompt and effective compensation at full replacement cost for losses of assets attributable directly to the Project.

National Road 13 South under OPBRC Project Overview

10. The OPBRC contract format based on Design Build Maintenance Operate and Transfer (DBMOT) methodology, requires the Consultants to prepare a detailed technical and financial analysis for road asset management of the road, involving road rehabilitation/improvement/upgrading, maintenance (routine and periodic) works as well as management of the road Right of Way (ROW) until handing over to the client.

11. The duration of such contract involving the mentioned civil works and ROW management, is estimated to about 10 years for asphalt based paved roads and about 17-20 years for concrete cement rigid pavements. The sequence of the required civil works will depend of the traffic, environmental and climate conditions, and be decided based on the deterioration of its pavement, providing at all times the required residual life of the pavement.

12. The entire project will be designed under one integral civil works and management operation, using an output based performance contract format, involving the agreed Level of Service (LOS) indicators of quality and quantity nature, thus making sure that the Contracting Entity - (CE) The Contractor (an Entity involving contractor and consultant) has adequate incentives to maintain his service during the maintenance period given the fact that the majority of funding will be spent on rehabilitation/improvement activities. The “life span of the project”, which governs this concept-asset management, will include a “full cycle” of the road interventions, i.e. between two major road intervention (from rehabilitation to rehabilitation works), providing at all the times the approved Level of Service conditions from user’s point of view and from the road durability aspects (strength and residual life of the pavement). At the end of the project life-span, at the handing over to Employer event, the road conditions will be in accordance to the agreed Level of Service conditions, defined by the contract.

13. The payments to the Contracting Entity (CE) will be met only if the Level of Service conditions are met and are in accordance to the other conditions of the contract, to be developed under this assignment. The CE will undertake majority of the project implementation and operation risks, which otherwise and traditionally, have been vested with Employer. Therefore, the CE will prepare the required detailed designs and other required construction details and shopping drawings, based on detailed field investigations, also to be carried by him, and in accordance to the defined specifications (technical, environmental, social, legal, etc.), developed under this assignment. These detailed designs will be checked and recommended for approval by the Project Monitoring/Supervision Consultant, before actual construction. However, the CE will decide on “when and how” the works will be implemented, thus involving his optimal use of resource and potential innovations. In addition, OPBRC are a fixed price contracts, allowing only for the price fluctuations during the life-span of the project.

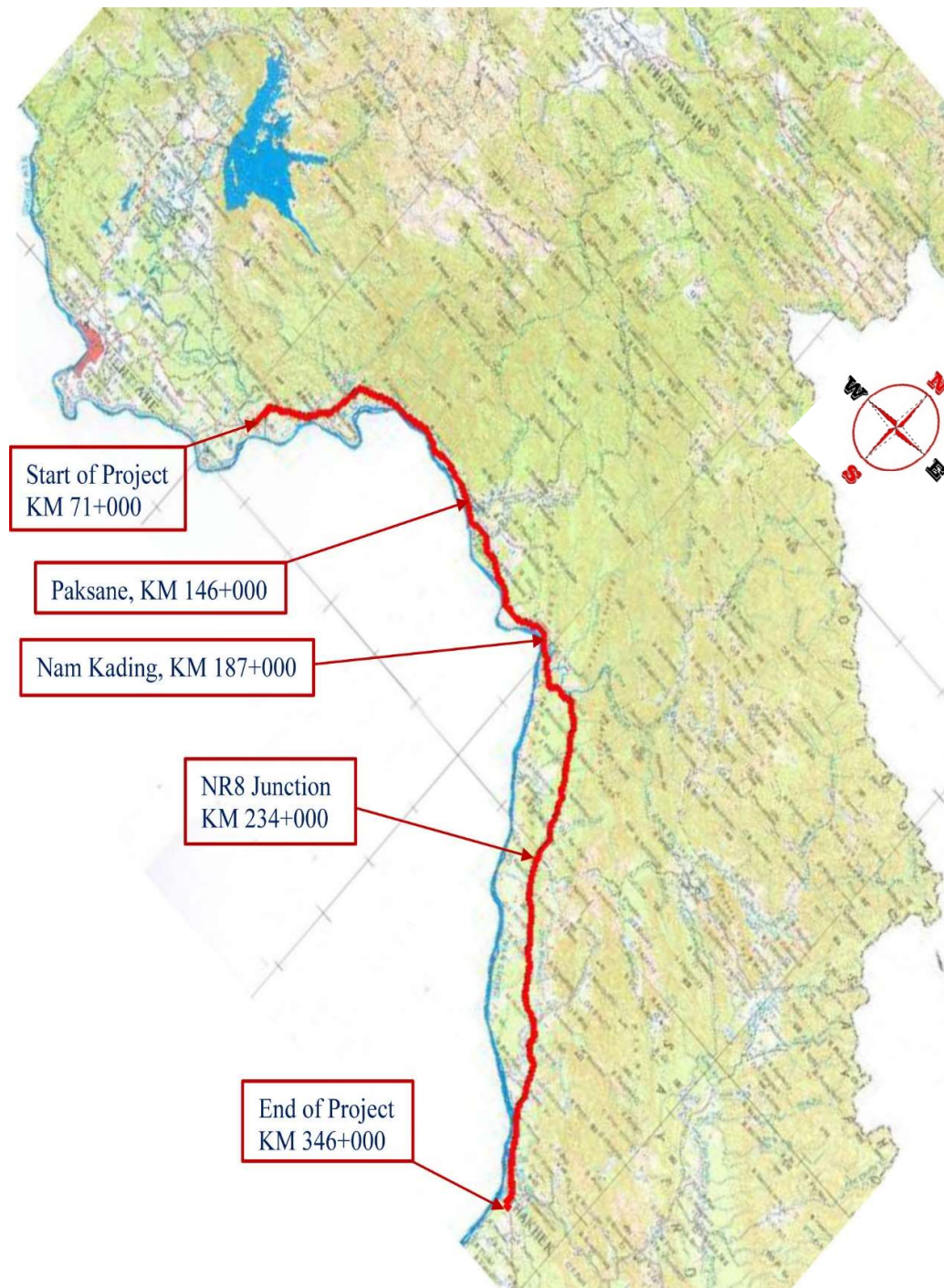


Figure 1 Project Location (LTEC, 2019)

Project Proponent

14. The GoL through the MPTW is the Project proponent. The project will be implemented through the existing Government structures. The Project will receive the overall policy and strategic guidance from the Project Steering Committee chaired by the Vice-Minister of MPWT and co-chaired by the Vice-Governors of Borlikhamxay and Khammouane Provinces, with representatives from the Ministry of Finance (MOF), Ministry of Planning and Investment (MPI),

Ministry of Natural Resources and Environment (MONRE), and MPWT's Department Directors directly involved in project implementation.

15. MPWT through the Department of Roads (DoR) is the Project Implementing Agency and a Project Management Unit established and a Project Manager appointed for day-to-day project execution, who will be supported by a technical consultant. PMU includes a team of staff appointed from Environment and Disaster Prevention Division (EDPD) under the Public Works and Transport Institute (PTRI), MPWT.

16. The contact details for the Project proponent are as follows:

Ministry of Public Works and Transport of Lao PDR

Lanxang Avenue, Vientiane Capital, Lao PDR

Contact: 856-21 412250 Fax: 856-21 412250

Project Objectives and Outcomes

17. The Project is expected to deliver a relatively high Economic Internal Rate of Return, mainly due to reduced vehicle operating costs and travel times. GoL intends to implement the Project as an Output- and Performance-Based Road Contract¹ (OPBRC), with a 10-year concession life. An OPBRC approach in line with the one adopted for NR13 North² is envisaged for the Project.

¹ Request for Bids - Works – Roads: Output- and Performance-Based Road Contracts, World Bank, October 2017. <http://www.worldbank.org/en/projects-operations/products-and-services/brief/procurement-new-framework>

² Lao National Road 13 Improvement and Maintenance Project. <http://projects.worldbank.org/P163730?lang=en>

2. Adverse Impacts and Assets Acquisition

Land: Impact and Losses

18. Altogether the Project will affect 1 plot of land covering almost 11 square meters out of the total of 570 square meters, of which all affected land areas are in Thaphabath District. All of the affected land categorizes as residential land with either official land title or land use certificate. Approximately 1 affected plot of land will lose some of their land about 1.9% of total land area of the affected householder. See table 1 below for more information.

Table 1 Summary of Affected Land

No.	Affected District and village	No. of affected household	Land type	Total land area (m2)	Affected land area (m2)	Land title
I	Pakkading District					
1	Nadeua	1	Residential land	570	11.4	Yes
	Total	1		570	11.4	

Structural: Impact and Losses

19. Affected houses: The Project will affect 2 households in 1 village in Pakkading District. These houses expect to be relocated by moving out from the right of way area, but still living in the same land. The land/house owners agreed to do self-relocation subject to receiving acceptable and agreeable compensation rates and amounts. They will construct their new house in the same land posts.

Table 2 Summary of Affected Houses

No.	District and village	No. of affected houses	Total area (m2)	Affected area (m2)
I.	Pakkading District			
1	Khonesong	2	163.1	13.3
	Total	2	163.1	13.3

20. Affected shops: There are 16 shops affected by the project in 4 villages as shown in table below. The highest number of shops to be affected in Pakkading is Nadeua and Thongnamy villages.

Table 3 Summary of Affected Shops

No.	District and village	No. of affected shops	Total area (m2)	Affected area (m2)
I	Pakkading			
1	Nadeua	9	393.6	277.8
2	Thongnamy	4	138.21	29.98
3	Khonsong	2	63	20.7

No.	District and village	No. of affected shops	Total area (m2)	Affected area (m2)
4	Na-In	1	18	3
	Total	16	613	331

21. Affected porch of houses and shops in 7 villages are summarized in table below. The project will also affect porch of house/shop/ and huts of villagers as shown in table below.

Table 4 Summary of Affected House and Shop Porches and Huts

No	District and Village	Porch of house		Porch of shop		Hut	
		No.	m2	No.	m2	No.	m2
I	Pakkading District						
1	Nadeua	6	81.3	11	206.6		
2	Namkhou	3	49	7	92.18	1	7.5
3	Thongnamy			21	273	3	129
4	Namsang			3	33.4		
5	Viengkham	1	29.25	1	7		
6	Khonesong	10	107.8	8	117.9		
7	Na-In			5	31.25		
	Total	20	267	56	761	4	137

22. Other affected structures including concrete fence, shop sign and advertisement signs, concrete slab floor in 6 villages are summarized in table below.

Table 5 Summary of other affected structures

No.	District and village	Concrete fence (m)	Shop sign and Advertisement signs (m2)	Concrete slab floor (m2)
I	Pakkading District			
1	Nadeua			532
2	Namkhou			12
3	Thongnamy	2	48	43
4	Namsang			275
5	Viengkham	6		480
6	Na-In			291
	Total	8	48	1,633

23. The affected of public utilities in 2 villages are shown in table below.

Table 6 Affected Public Utilities

No.	District and village	Affected public utilities		
		Affected asset	Quantity	Unit
Pakkading District				
1	Namkhou	Electric pole (8m high)	1	Pole
2	Khonesong	Electric pole (12m high)	3	Pole
Total			4	

Loss of Incomes and Sources

24. About 71 shops and shop porches in 6 villages will be affected by the project, with total loss of income accounted at **LAK792,635,013** per month. Average loss of net profit is **LAK 551,283,166** per month. This loss will be captured in the compensation cost to be provided to project affected people/households.

Table 7 Loss of Income and Sources

No.	District and village	No. of affected shops and shop porches	Average income per month	Average profit per month
I	Pakkading District			
1	Namdeua	20	10,627,273	4,250,909
2	Namkhou	7	11,150,000	6,300,000
2	Thongnamy	25	18,114,286	5,434,286
3	Namsang	3	5,400,000	3,260,000
4	Viengkham	1	17,500,000	10,500,000
5	Khonesong	10	8,555,556	1,606,667
6	Na-In	6	6,800,000	23,000,000
	Total Average income		11,163,873	7,764,552
	Total income of 72 shops	72	792,635,013	551,283,166

25. Affected fruit trees and industrial trees: the project will affect some fruit trees of villagers in 4 villages but does not have significant impact linking to income of villages have generated from selling fruit from those fruit trees. These fruit trees include mango, grape fruit, longan, tamarind, jujube and guava.

Table 8 Summary of Affected Fruit Trees and Industrial Trees

No.	District and village	Fruit Tree					
		No. of Mango	No. of grape fruit	No. of Longan	No. Tamarind	No. of Jujube	No. of Guava
I	Pakkading District						

No.	District and village	Fruit Tree					
		No. of Mango	No. of grape fruit	No. of Longan	No. Tammarin	No. of Jujube	No. of Guava
1	Nadeua				1	1	
2	Namkhou		1				2
3	Khonesong		1	3	1		
4	Na-In	1					
	Total	1	2	3	2	1	2

Risks and Potential Impacts

26. The project will not involve major physical relocation of permanent structure and/or involve major resettlement of peoples and this has been explicitly included in the list of ineligible activities (see “ineligible list” in ESMF, section 4.1, paragraph 46, page 32). The policy is triggered because the Project may involve minor and temporary land acquisition for road maintenance in some areas where road safety and/or road stability is necessary especially when improving road resilience is considered. The work for this section will be widening of existing road alignment from 9m to 12m in some parts and some parts will keep the original size of 9m, more details are shown in Attachment 6 Proposed Typical Cross-Sections for Pavement in P3. As the work will conduct on existing roads, it may involve minor realignments without expansion and affect trees and other roadside private assets, but no major loss of private assets including not all land is anticipated. Implementation experience of the on-going LRSP2 suggested that for road maintenance and emergency works, no permanent land acquisition, physical relocation, and/or resettlement of peoples and no major complaints have been recorded and/or observed during WB supervision missions. Land acquisition and resettlement has also been avoided and minimized during the design of the proposed NR13S. Since the LRSP2 AF will finance similar type and scale of road maintenance works, therefore the risk related to involuntary resettlement and land acquisition is considered “low”. The key principle and process for compensation and mitigation of project impacts has been set in section 3 below.

3. Socioeconomic Information of Affected Villages

Households (AH) Size and Composition

27. Along the road section from Borlikhamxay to Khammouane Province, starting from Km 190 to Km 268, the project cover 19 villages in Pakkading and Hinboun districts, with total population of 34,095 people (16,898 female or 49.56% of total population), 5,864 households and 6,106 families. The affected households are mainly within the existing right of way, with a corridor impacts (COI) at 20m (or 10 meters from the road centerline) along km 190 to km 268 in Pakkading and Hinboun districts. The survey team made two attempts to contact the PAHs through Head of each village and collect information about socio-economic data. The survey was carried out from October to December 2019.

Table 9 Number of Households and Population in the project affected villages (Village survey, 2019)

No.	Village	Year of village foundation	Total No. of HH	Total No. of Family	Total population	Female
Pakading District						
1	Donexay	1992	153	170	860	420
2	Hadxaykham	1945	172	205	996	505
3	Phonxay	1988	169	199	920	431
4	Phonchaleun	1955	922	872	5,243	2,451
5	Namdeua	1966	514	578	2,743	1,413
6	Nakheuanork	1968	155	162	812	373
7	Namkhou	1950	239	185	986	515
8	Thongnamy	1966	1,320	1,559	9,387	4,575
9	Namsang	1975	214	279	1,292	639
10	Viengkham	1987	735	665	4,019	2,041
11	Namthone	1966	201	160	1,019	519
12	Khonesong	N/A	153	134	899	419
13	Na-In	N/A	227	210	1,410	766
14	Nalieng	1964	120	100	634	328
Sub-total			5294	5478	31,220	15,395
Hinboun District						
15	Viengthong	1981	148	135	736	379
16	Phonxai	1984	81	120	519	254
17	Laokha	໑໙໘໘	211	228	1,017	564
18	Phonsa art	1950	55	58	262	129
19	Phonsung	1990	75	87	341	177
Sub-total			570	628	2,875	1,503
Grand Total			5,864	6,106	34,095	16,898

Ethnic Groups

28. The following description of the ethnic groups in the affected villages is based on the information provided during the census and socio-economic survey undertaken. There are four main ethnic groups living in the affected villages including Khmu and some Bru (Makong) who

are defined as Indigenous People under AIIB's ESS3 and majority Laotians of Lao Tai ethnolinguistic family (none IPs). See Table 10: Ethnic groups in the affected villages.

Table 10 Ethnic Groups in the Affected Villages (Village survey, 2019)

No.	Village	No.of houses					Others
		Total	Lao	Khmu	Hmong	Tai	
Pakading District							
1	Donexay	153	153				
2	Hadxaykham	172					172
3	Phonxay	130	39	91			
4	Phonchaleun	922	922				
5	Namdeua	514	351	163			
6	Nakheuanork	155				155	
7	Namkhou	185	120			65	
8	Thongnamy	1,320	438	45	837		
9	Namsang	214	214				
10	Viengkham	730	725	5			
11	Namthone	201	85			116	
12	Khonesong	153	153				
13	Na-In	227	227				
14	Nalieng	115	110	5		110	
	Sub-total	5,191	3,537	309	837	446	172
Hinboun District							
15	Viengthong	148	148				
16	Phonxai	94	94				
17	Laokha	211					211
18	Phonsa art	55	55				
19	Phonsung	75					75
	Sub-total	583	297		-	-	286
	Grand Total	5,774	3,834	309	837	446	458

Households Religions

29. Most of affected households believe in Buddhism and few of them believe in Catholic. They use temple to be a central for organizing religions activities including using for other traditional, cultural and political activities within the community. Table 10: Religions in the affected households.

Table 11 Religions in the Affected Villages (Village survey, 2019)

No.	Village	No.of Houses	Buddhism	Spirit	Catholic	Other religion
Pakading District						
1	Donexay	153	153			
2	Hadxaykham	172	172			
3	Phonxay	169			169	
4	Phonchaleun	922	922			
5	Namdeua	514	514			

No.	Village	No.of Houses	Buddhism	Spirit	Catholic	Other religion
6	Nakheuanork	155	155			
7	Namkhou	239	239			
8	Thongnamy	1,320	1,320			
9	Namsang	214	214			
10	Viengkham	735	735			
11	Namthone	201	201			
12	Khonesong	153	153			
13	Na-In	227	227			
14	Nalieng	120	120			
Sub-total		5,294	5,125		169	
Hinboun District						
15	Viengthong	148	148			
16	Phonxai	81	81			
17	Laokha	211	211			
18	Phonsa art	55	55			
19	Phonsung	75	75			
Sub-total		570	570			
Grand Total		5,864	5,695	-	169	-

Infrastructure and Facilities Conditions in the Affected Households/Villages

30. The following table describe characteristic of existing infrastructure and facilities available in the affected households. It informs accessibility of households to different types of facilities such as latrine, market, electricity network, water supply network and road. The table also shown number of small shops, factory, big company, hotel/guesthouse available in the affected villages. There acronym and numbering system was created in order to be used as variable in the Table 11.

Type	Acronym	Unit
1. ວິດຖ່າຍ (Latrine)	L	Unit
2. ຕະຫຼາດຂອງ Village (Market)	M	Place
3. ບໍລິສັດ ແລະ ຫ້າງຮ້ານຂະໜາດໃຫຍ່ (Big Company)	BC	Place
4. ຮ້ານຂາຍເຄື່ອງຍ່ອຍ (Small shop)	SS	Place
5. ໂຮງແຮມ ແລະ Village ພັກ (Hotel and Guesthouse)	HG	Place
6. ເສັ້ນທາງທີ່ໃຊ້ໄດ້ທຸກໆລະດູການ (All Weather land road)	A-R	Road
7. ເສັ້ນທາງເຮືອ (Boat Transportation)	BT	Way

Type	Acronym	Unit
8. ລົດໂດຍສານປະຈຳທາງ ແລ່ນຈາກVillageໄປຫາເມືອງ/ແຂວງ (Public Bus)	PB	Trip
9. ລົດ 4 ລໍ້ ຫຼື 6 ລໍ້ (Pick-up and Truck)	P-T	Car
10. ລົດໄຖ Rice paddy ດົນຕາມ (Tractor)	T	Tractor
11. ໂຮງສີເຂົ້າ (Rice mill)	RM	Place
12. ຈຳນວນຫຼັງຄາເຮືອນທີ່ໃຊ້ໄຟຟ້າ (Electricity Household)	EH	House
13. ໂຮງຈັກໂຮງງານທີ່ມີຢູ່ພາຍໃນ Village (Industrial Factory)	IF	Place
14. ນໍ້າສ້າງ (Water well)	WW	Well
15. ນໍ້າບາດານ (Drilled bore)	DB	House/bore
16. ນໍ້າລືນ (Gravity fed water)	GW	House/tap
17. ນໍ້າປະປາ (Pipe water)	PW	House
18. ຫ້ວຍ/ແມ່ນໍ້າ (River and lake)	R-L	River

31. From table 11 below, we can see that accessible to pipe water supply system are limited in the affected households. Only Thongnamy in Pakkading District have high accessible to pipe water supply. Majority of affected households have access to drilled bore and gravity fed water. All affected households in all villages have full access to good hygiene conditions as they all have access to latrine and electricity network. It is noticed that majority of affected villages still have limited public transportation, market, but there are small shop scattering and accessible within the communities. Vulnerable people may find it is difficult to access to different type of services due to lack of public transportation. All 19 Villages along this road section have access road that resilience to all weather. See table 11: Summary table of infrastructure and facility in the affected households/villages.

Table 12 Summary of infrastructure and facility in the affected villages. (Village survey, 2019)

No.	Village	No. of House																
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
		L	M	C	SS	HG	AR	WT	PB	PT	T	RM	EH	IF	W	DB	PW	RL
Pakkading District																		
1	Donexay	153	0	1	8	0	2	1	2	56	20	1	153	0	35	20	0	1
2	Hadxaykham	172	0	0	8	0	1	1	1	61	125	2	172	0	33	32	0	0
3	Phonxay	169	0	0	13	0	4	0	0	30	110	4	169	1	145	9	0	0
4	Phonchaleun	922	1	7	50	13	1	1	1	350	500	3	922	7	436	291	0	6
5	Namdeua	514	1	0	28	3	35	0	0	47	368	34	514	294	294	0	0	0
6	Nakheuanork	155	0	0	11	0	1	0	0	41	0	2	155	0	80	5	0	0
7	Namkhou	239	0	0	8	0	1	1	0	20	101	0	239	0	146	0	0	1
8	Thongnamy	1,320	1	5	148	4	1	0	0	370	150	7	1,320	0	80	150	660	1
9	Namsang	279	0	0	14	1	1	5	5	24	87	2	279	3	60	15	0	1
10	Viengkham	735	1	0	136	10	3	0	130	197	300	3	735	0	52	613	0	30
11	Namthone	201	0	0	22	2	3	0	7	14	64	2	201	0	76	10	0	3
12	Khonesong	153	0	0	15	1	1	1	2	24	0	1	153	0	153	2	0	1
13	Na-In	210	0	0	16	0	1	0	6	11	180	4	210	0	185	5	5	2
14	Nalieng	120	0	0	10	0	2	0	3	1	31	2	120	1	68	0	0	0
		5,342	4	13	487	34	57	10	157	1,246	2,036	67	5,342	306	1,843	1,152	665	46
HinDistrict																		
15	Viengthong	135	0	2	8	2	1	0	0	40	35	2	135	0	105	15	0	1
16	Phonxai	94	0	0	3	0	1	0	0	10	54	1	94	0	20	0	0	1
17	Laokha	211	0	0	8	0	3	4	0	8	100	5	211	0	50	100	0	2
18	Phonsa art	55	0	0	2	0	1	0	0	5	15	0	55	0	0	30	1	1
19	Phonsung	75	0	0	4	0	1	0	0	10	55	0	75	0	0	18	0	1
	Sub-total	570	-	2	25	2	7	4	-	73	259	8	570	-	175	163	1	6
	Grand Total	5,912	4	15	512	36	64	14	157	1,319	2,295	75	5,912	306	2,018	1,315	666	52

Current School and Health Center Conditions

32. Table 12 below shown number of primary schools, secondary school and health care center in the project affected villages. There are only 16 doctors in 4 health care centers in the affected villages, 2 centers in Pakkading district and other 2 center in Hinboun district. There are total of 21 primary schools and 8 secondary and high schools in the project affected area providing services to local communities. These basic infrastructure will not have direct affect, and will not relocated. The project will provide better access to these facilities due to the road condition will be better after the completion of the project. However, negative impact might be occurred such as difficulty during the construction, dust, and risk to accident during the traffic. The project will have the impact mitigation and management plan to reduce and mange potential risk that may be occurred during the construction period.

Table 13 Number of Health Care Center, Primary School, Secondary School and High School in the Project Affected Areas (Village survey, 2019)

No.	Village	No. of Primary School			No. of Secondary and High School			No. of village health center		
		School	Class room	Teacher	School	Class room	Teacher	Health center	Room	Doctor
Pakkading District										
1	Donexay	1	5	5	0	0	0	0	0	0
2	Hadxaykham	1	5	4	0	0	0	0	0	0
3	Phonxay	1	6	6	0	0	0	0	0	0
4	Phonchaleun	1	9	10	1	8	16	0	0	0
5	Namdeua	1	13	14	0	0	0	0	0	0
6	Nakheuanork	0	0	0	1	10	15	0	0	0
7	Namkhou	2	9	6	0	0	0	1	4	6
8	Thongnamy	1	27	35	1	25	35	0	0	0
9	Namsang	1	5	7	0	0	0	0	0	0
10	Viengkham	2	15	15	2	35	96	0	0	0
11	Namthone	1	5	6	1	7	15	1	2	5
12	Khonesong	0	0	0	0	0	0	0	0	0
13	Na-In	2	6	6	0	0	0	0	0	0
14	Nalieng	1	4	2	0	0	0	0	0	0
	Sub-total	15	109	116	6	85	177	2	6	11
Hinboun District										
15	Viengthong	1	5	4	1	7	18			
16	Phonxai	2	5	3						
17	Laokha	1	5	4	1	4	4	2	10	3
18	Phonsa art	1	5	21						
19	Phonsung	1	5	2						
	Sub-total	6	25	34	2	11	22	2	10	3
	Total	21	134	150	8	96	199	4	16	14

Diseases and Treatment Practice

33. The finding from the survey informed that the common disease in the affected households are typhoid, malaria, dysentery, parasitism, tuberculosis, which malaria and thphoid were found in 2019 in the affected villages. Villagers are usually received treatment from the clinic and hospital nearby their villages. Some of them brought medicine at pharmacy to take by themselves. Few of them believe in the spirit and seek assistance from folk healers and take native medicine as option for their sleekness treatment.

Level of Education

34. Based on data provided during the socio-economic data survey all of PAPs met in the affected areas can read and write, except villagers in Phonsung Village in Hinboun District still have about 110 people (75 females) cannot read and write. Majority of affected villages graduated from lower secondary school, following by primary school, high school and higher diploma. More than half of people who have education are female. See table 13 for more information.

Table 14 Level of Education in the project affected villages

No.	Village	Uneducated		Primary school		Lower secondary school		High school degree		Higher diploma		bachelor degree and beyond		Other level	
		Total	Female	Total	Female	Total	Female	Total	Female	Total	Female	Total	Female	Total	Female
Pakkading District															
1	Donexay	0	0	350	150	270	148	175	90	35	19	9	3	21	10
2	Hadxaykham	0	0	302	148	380	190	375	150	9	2	5	2	25	13
3	Phonxay	0	0	357	175	330	141	195	95	5	2	3	0	30	18
4	Phonchaleun	0	0	793	350	2,265	1061	1,500	750	350	140	150	50	185	100
5	Namdeua	0	0	1,000	520	880	450	750	385	35	17	18	5	60	36
6	Nakheuanork	0	0	363	180	250	120	140	51	16	3	6	1	37	18
7	Namkhoul	0	0	320	170	365	144	256	180	15	5	5	1	25	15
8	Thongnamy	0	0	1,000	650	1,500	600	500	240	300	110	35	15	1,500	800
9	Namsang	0	0	389	198	271	189	252	170	221	45	45	15	40	25
10	Viengkham	0	0	1,740	1,000	1,014	506	880	350	180	80	95	45	110	60
11	Namthone	0	0	420	220	340	179	170	85	50	20	0	0	39	15
12	Khonesong	0	0	324	150	290	131	240	110	30	8	5	2	30	18
13	Na-In	0	0	450	250	485	265	350	180	25	18	15	5	85	45
14	Nalieng	0	0	270	141	214	114	96	46	19	8	5	2	30	18
	Sub-total	0	0	8,078	4,302	8,854	4,238	5,879	2,882	1,290	477	396	146	2,217	1,191
Hinboun District															
15	Viengthong	0	0	50	35	360	230	220	103	15	10	35	12	5	0
16	Phonxai	0	0	235	140	115	60	114	34	0	0	0	0	55	20
17	Laokha	0	0	500	281	400	225	54	20	13	5	0	0	50	30
18	Phonsa art	0	0	48	32	160	77	53	20	0	0	0	0	0	0
19	Phonsung	110	75	185	83	26	11	20	8	4	1	3	1	0	0
	Sub-total	110	75	1,018	571	1,061	603	461	185	32	16	38	13	110	50
	Grand Total	110	75	9,096	4,873	9,915	4,841	6,340	3,067	1,322	493	434	159	2,327	1,241

Livelihoods and Income Sources

35. The main occupations of household heads show in Table 14 below. The top four occupations are farmer, worker, businessmen, and state officials accordingly. The significant difference in the male and female distribution of occupations is seen in the table. Males are significantly engaged in farmer, labor worker, and official government, while females are engaged more in doing family business or selling things at home. In term of affected households' expenditure for buying rice, some villagers in all of the two districts have to buy rice for consumption as there is insufficient rice from their farm for all year round consumption.

Table 15 Main Occupation in the project affected villages (Village survey, 2019)

NO.	Village	Farmer		Business		State officials		State enterprise officials		Works		Others	
		Total	Female	Total	Female	Total	Female	Total	Female	Total	Female	Total	Female
Pakkading District													
1	Donexay	210	70	15	1	56	18	4	0	74	20	0	0
2	Hadxaykham	946	476	50	29	31	15	0	0	50	10	0	0
3	Phonxay	400	200	13	0	14	4	0	0	56	15	0	0
4	Phonchaleun	4,086	2,100	125	15	105	15	4	0	225	45	0	0
5	Namdeua	510	250	28	18	28	8	114	15	25	0	0	0
6	Nakheuanork	500	250	18	10	42	10	0	0	110	27	0	0
7	Namkhoul	500	170	8	5	9	4	0	0	85	35	0	0
8	Thongnamy	6,570	3,285	1,877	950	35	10	5	0	3,000	500	0	0
9	Namsang	1,214	604	54	28	24	7	0	0	0	0	0	0
10	Viengkham	1,330	630	665	315	85	35	0	0	950	450	0	0
11	Namthone	97	40	44	24	19	7	0	0	320	50	0	0
12	Khonesong	899	419	15	1	25	6	0	0	15	0	0	0
13	Na-In	1,000	350	16	10	17	2	3	0	30	8	0	0
14	Nalieng	295	50	16	10	5	1	0	0	15	0	0	0
Sub-total		18,557	8,894	2,944	1,416	495	142	130	15	4,955	1,160	0	0
Hinboun District													
15	Viengthong	360	131	45	32	25	14	6	0	145	93	0	0
16	Phonxai	186	93	3	3	0	0	0	0	0	0	0	0
17	Laokha	456	228	8	5	7	3	0	0	0	0	0	0
18	Phonsa art	35	22	5	2	0	0	0	0	220	105	0	0
19	Phonsung	332	174	4	1	2	0	0	0	332	174	0	0
Sub-total		1,369	648	65	43	34	17	6	-	697	372	0	0
Grand Total		19,926	9,542	3,009	1,459	529	159	136	15	5,652	1,532	-	-

Poverty and Vulnerability Groups

36. Vulnerable households, as defined by Decree 348/GOL, dated 16/11/2017 on the Criteria for Poverty Graduation and Development, Article 4 of this Decree defined criteria for graduation of families from poverty as following:

- Have safe and strong housing;
- Have assets and equipment necessary for their livelihoods and income generation;
- Have labor, stable income or employment;
- School age family members receive lower secondary school education;
- Have access to clean water and stable sources of energy;
- Have access to primary public health services;

37. In order to put this decree into implementation, the government also issued a Guideline number 0830/MAF, dated 06/04/2018 on guideline for implementation the decree on the Criteria for Poverty Graduation and Development. Section 4 of this guideline indicated that families that graduated from poverty are the families that achieved six criteria for graduation of families' from poverty defined in the Decree 348/GOL, but still do not have stabilization, and vulnerable to development, risk to fall back to poverty family due to those families are not yet achieved the majority of criteria for developed families such as: political aspects, education, cultural, environmental, and national defense-peace keeping. Importantly, although members of family have occupations, they remain at subsistence income. They do not have saving for families to ensure economic stabilities of their families. Average income per person should not less than 5.6 million kip or USD700 per person per year.

38. Approximately 22 households in Pakkading and Hinboun districts are considered as poor and vulnerable based on the poverty/vulnerability criteria set above. All most half of these are female dominant as well as farmers and daily laborers. See table 15 below for more information.

Table 16 Vulnerable family that have male as head of family in the project affected villages (Village survey, 2019)

No.	Village	Ethnic	No. of HHs	No. of family	Total population	Female
Pakkading District						
1	Donexay	0	0	0	0	0
2	Hadxaykham	0	0	0	0	0
3	Phonxay	Khmu	1	1	2	1
4	Phonchaleun	0	0	0	0	0
5	Namdeua	0	0	0	0	0
6	Nakheuanork	Oh	1	1	2	1
7	Namkhon	0	0	0	0	0
8	Thongnamy	0	0	0	0	0
9	Namsang	Lao	3	3	18	9
10	Viengkham	Lao	2	2	4	4
11	Namthone	0	0	0	0	0

No.	Village	Ethnic	No. of HHs	No. of family	Total population	Female
12	Khonesong	0	0	0	0	0
13	Na-In	Lao	10	10	20	5
14	Nalieng	0	0	0	0	0
Sub-total			17	17	46	20
Hinboun District						
15	Viengthong	Lao	2	2	3	2
16	Phonxai	Lao	0	0	0	0
17	Laokha	Kaleung	1	1	3	2
18	Phonsa art	Lao	1	1	4	2
19	Phonsung	Kaleung	1	1	1	1
Sub-total			5	5	11	7
Grant Total			22	22	57	27

39. There are 118 houses that are headed by the female, which more than 50% of them are in Pakkading District and scattering. They have limited means of support. Therefore, priority should be given to them in term of special support and all kind of support that should be provided by the project. See table 16 for more information.

Table 17 Female is the head of family in the project affected villages

No.	Village	Ethnic	No. of houses	No. of family	Total population	Female
Pakkading District						
1	Donexay	0	0	0	0	0
2	Hadxaykham	0	0	0	0	0
3	Phonxay	Khmu	7	7	30	19
		Lao	2	2	8	6
4	Phonchaleun	0	0	0	0	0
5	Namdeua	0	0	0	0	0
6	Nakheuanork	0	0	0	0	0
7	Namkhou	Lao	18	18	72	32
		Tai	2	2	5	4
8	Thongnamy	0	0	0	0	0
9	Namsang	Lao	1	1	7	5
10	Viengkham	Lao	2	2	4	4
11	Namthone	Tai	7	7	46	19
12	Khonesong	Lao	3	3	12	6
13	Na-In	Lao	5	5	10	6
14	Nalieng	Lao	14	14	60	38
		Khmu	2	2	16	8
Sub-total			63	63	270	147
Hinboun District						
15	Viengthong	Lao	14	14	58	31

No.	Village	Ethnic	No. of houses	No. of family	Total population	Female
16	Phonxai	Lao	17	17	104	53
17	Laokha	Kaleung	10	10	23	11
18	Phonsa art	Lao	8	8	44	28
19	Phonsung	Kaleung	6	6	15	12
Sub-total			55	55	244	135
Sub-total			118	118	514	282

Labor Migration

40. The results from survey informed that labor migration to work outside the villages in the last three year is not high. There are some villagers migrated to Thailand, Vientiane Capital.

Land Use in the Affected Villages

41. Land use in the affected villages is summary in table below. The villages use the land for various productivities and livelihood activities. It could be ranged from residential land, rice paddy, upland rice paddy, industrial tree plantation, agricultural land, different type of forest lands, and cemetery land.

Table 18 Land use in the project affected villages

No.	Village	Total area of village (Ha)	Residential land (Ha)	Rice paddy (Ha)	Upland rice paddy (Ha)	Industrial tree plantation (Ha)	Agricultural Land (Ha)	Protected forest of village	Conservative forest of village (Ha)	Used forest of village (Ha)	Village forest restoration area (Ha)	Sacred forest of village	Cemetery (Ha)	Production forest (Ha)
Pakkading District														
1	Donexay	2,991	7	267	0	0	0	0	194	0	0	0	0	0
2	Hadxaykham	2,400	11	191	4	155	0	0	125	0	0	0	0	0
3	Phonxay	700	96	162	13	10	0	0	0	0	0	2	2	0
4	Phonchaleun	11,663	263	5,500	4,903	305	0	0	6,127	63	0	0	1	0
5	Namdeua	5,718	125	754	0	59	754	212	3,522	232	355	0	12	0
6	Nakheuanork	270	18	110	77	176	0	0	0	0	0	0	3	0
7	Namkhou	1,010	50	250	75	0	250	0	0	0	0	0	5	0
8	Thongnamy	4,004	171	1,241	1,243	225	0	0	0	0	0	0	8	0
9	Namsang	3,800	19	245	35	108	295	0	0	0	0	0	0	0
10	Viengkham	1,747	604	130	782	55	0	0	0	0	0	0	3	0
11	Namthone	1,950	160	145	122	178	325	0	10	0	0	0	0	0
12	Khonesong	2,750	15	248	0	50	5	0	0	740	0	0	0	0
13	Na-In	725	21	214	0	186	0	0	51	250	0	0	2	0
14	Nalieng	600	10	85	66	40	0	0	0	0	0	4	3	0
Sub-total		40,328	1,570	9,542	7,320	1,548	1,629	212	10,029	1,285	355	6	40	0
Hinboun														
15	Viengthong	9,900	4	55	115	55	0	7	0	0	0	0.5	1	0

Resettlement Plan (RP)
 Climate Resilient Improvement of National Road 13 South Project, Package 3

No.	Village	Total area of village (Ha)	Residential land (Ha)	Rice paddy (Ha)	Upland rice paddy (Ha)	Industrial tree plantation (Ha)	Agricultural Land (Ha)	Protected forest of village	Conservative forest of village (Ha)	Used forest of village (Ha)	Village forest restoration area (Ha)	Sacred forest of village	Cemetery (Ha)	Production forest (Ha)
16	Phonxai	700	45	150	100	96	45	100	40	50	50	23	1	0
17	Laokha	3,158	510.2	277.6	266.8	20	0	600	0	200	150	22	2.7	0
18	Phonsa art	1,246	43.09	15	20	6	36.6	5.64	444.58	79.19	298	12	5	0
19	Phonsung	2,080	47.47	68	28.28	95.3	1,212.73	15.03	332.1	162.3	68.05	25.48	25.49	0
Sub-total		17,084	650	566	530	272	1,294	728	817	491	566	83	35	0
Grand Total		57,412	2,220	10,107	7,851	1,821	2,923	940	10,845	1,776	921	89	75	-

4. Census and Socio-Economic Profile of Affected Households

Number of Affected Households and Affected People

42. The project will affect 8 villages in Pakhading District. Table 19 below shown about 108 households will be directly affected by the project, with total population of 587 direct affected people, of whom 310 people are female. The affected households are mainly within the existing right of way, with a corridor impacts (COI) at 20m (or 10 meters from the road centerline) along km 190 to km 268. The data and information were collected during the field survey from October to June 2020.

Table 19: Number of Affected Households and Population

No.	Village	Year of village foundation	Total No. of Affected HH	Total population	Female
Pakhading District					
1	Namdeua	1966	25	128	70
2	Namkhou	1950	11	58	32
3	Thongnamy	1966	26	150	75
4	Namsang	1975	6	22	12
5	Viengkham	1987	4	34	19
6	Namthone	1966	11	41	23
7	Khonesong	N/A	21	125	63
8	Na-In	N/A	4	29	16
Total			108	587	310

Sources: Household Survey, 2020

Ethnic Group of Affected People

43. The potential affected ethnic households is approximately 108 households of which about 94% are the Lao Tai, following by Hmong and Khmu ethnic groups. Both Hmong and Khmu ethnic groups have been living in the area for a long time and the Khmu and Hmong group are well integrated into Lao society.

Table 20: Ethnic Groups in the Affected Villages/Households

No.	Village	No. of houses					Others
		Total	Lao	Khmu	Hmong	Tai	
Pakhading District							
1	Namdeua	25	24	1			
2	Namkhou	11	11				
3	Thongnamy	26	20		6		
4	Namsang	6	6				
5	Viengkham	4	3			1	
6	Namthone	11	11				
7	Khonesong	21	21				
8	Na-In	4	4				

No.	Village	No. of houses					Others
		Total	Lao	Khmu	Hmong	Tai	
Total		108	100	1	6	1	

Sources: Household Survey, 2020

Religions of Affected Households

44. Table below shown number of affected household religion. Almost every households practice Buddhism. Their social and cultural norm and interaction is following Buddhism. Men and women have equal right, sharing responsibility and decision making in the household. They also believe in spiritual and traditional practices such as basic, asking for protection and luck from Buddha. They believe in life after the death and next life and so on.

Table 21: Religions in the Affected Households

No.	Village	No.of Houses	Buddhism	Spirit	Catholic	Other religion
Pakkading District						
1	Namdeua	25	24	1		
2	Namkhoul	11	11			
3	Thongnamy	26	20	6		
4	Namsang	6	6			
5	Viengkham	4	4			
6	Namthone	11	11			
7	Khonesong	21	21			
8	Na-In	4	4			
Total		108	101	7		

Sources: Household Survey, 2020

Infrastructure and Facilities Conditions of the Affected Households

45. The following table describe characteristic of existing infrastructure and facilities available in the affected households. It informs accessibility of households to different types of equipment and facilities. There acronym and numbering system was created in order to be used as variable in the Table 23.

Table 22: Acronym and numbering system as variable in the next table

Type	Acronym	Unit
1. ວົດບັນທຸກ (6 ລໍ້ຂີ້ນໄປ) (Truck)	T	Unit
2. ວົດເກງ / ກະບະ (Car/ UTE)	C	Place
3. ວົດໄຖນາໃຫຍ່ (Tractor)	S	Place
4. ວົດໄຖນາເດີນຕາມ (Small Tractor)	ST	Place

Type	Acronym	Unit
5. ວົດຈັກ (Motorbike)	M	Place
6. ວົດຖີບ (Bicycle)	B	Road
7. ລົ້ງ (Push)	P	Way
8. ໂທລະທັດ (TV)	TV	Trip
9. ພັດລົມ (Fan)	F	Car
10. ຕູ້ເຢັນ (Refrigerator)	R	Tractor
11. ເຄື່ອງສຽງ (Amplifier)	A	Place
12. ເຄື່ອງສາຍ (VCD/CD/VDO/DVD)	CD	House
13. ຈານຮັບດາວທຽມ (Satellite Receiver)	SR	Place
14. ວິທະຍຸ / ເທບ (Radio/Stereo)	RS	Well
15. ຈັກໄດໄຟຟ້າ (Electric Generator)	EG	House/bore
16. ໂຮງສີເຂົ້າ (Rice Mill)	RM	House/tap
17. ໂຮງຊອຍ(ເຜີນິເຈີ) (Saw Mill)	SM	House
18. ເຕົາລິດ (Iron)	I	River
19. ຫໍ່ກະທະໄຟຟ້າ (Electric Pan)	EP	Place
20. ເຕົາໄຟຟ້າ (Electric Stove)	ES	Place
21. ຈັກຫຍິບເຄື່ອງ (Sewing machine)	S	
22. ໄດໂປມນໍ້າ (Water Pump)	WP	
23. ເຄື່ອງລ້າງຜ້າ (Washing machine)	WM	
24. ຈັກຕັດຫຍ້າ (Lawn mower)	L	
25. ຕູ້ສາກໄຟ (Battery Charger)	BC	

Type	Acronym	Unit
26. ຕູ້ຈອດ (Welding Box)	WB	
27. ບໍ້າລົມ (Air Pump)	AP	
28. ໂທລະສັບ (Telephone)	T	
29. ຕູ້ເຮື້ (Refrigerator)	F	
30. ຈຳນວນຫຼັງຄາເຮືອນທີ່ໃຊ້ໄຟຟ້າ (Electricity Household)	EH	

46. From table below, we can see that only Thongnamy have high accessible to all kind of equipment and facilities. Majority of affected households have access to drilled bore and gravity fed water. All affected households in all villages have full access to electricity network. It is noticed.

Table 23: Summary table of infrastructure and facility in the affected households

Code:	T	C	S	ST	M	B	P	TV	F	R	A	CD	SR	RS	EG	RM	SM	I	EP	EP	S	WP	WM	L	BC	WB	AP	T	RT	EH	
No	Village																														
1	Namdeua	4	18	3	13	35	19	5	29	77	29	14	5	20	7	5	1	0	12	33	9	1	31	23	21	1	7	7	86	0	25
2	Namkhou	1	4	0	3	19	6	1	11	41	12	3	0	11	2	0	2	0	7	10	1	1	10	7	2	0	1	1	44	0	11
3	Thongnamy	14	31	0	8	61	11	2	47	124	47	10	1	47	6	1	3	0	24	37	11	3	23	26	11	1	6	5	155	2	26
4	Namsang	0	3	0	1	2	0	1	4	5	3	1	1	2	0	1	0	0	4	6	1	0	2	2	1	0	0	0	11	0	4
5	Viengkham	0	6	1	0	5	0	0	2	12	3	1	0	2	0	1	0	1	4	5	3	0	3	3	4	1	1	1	16	0	6
6	Namthone	1	2	0	1	15	7	2	8	20	8	3	0	7	2	1	1	0	7	11	4	3	8	6	4	0	0	0	26	0	11
7	Khonesong	6	8	0	4	20	13	5	49	60	18	6	0	14	1	0	1	0	13	19	7	3	16	11	6	0	3	1	79	9	21
8	Na-In	2	0	0	0	5	0	0	4	11	3	1	0	3	0	0	0	0	2	2	1	1	3	3	0	0	0	0	13	1	4
Total		28	72	4	30	162	56	16	154	350	123	39	7	106	18	9	8	1	73	123	37	12	96	81	49	3	18	15	430	12	108

Sources: Household Survey, 2020

Level of Education of Affected Households

47. Mostly people are able to read and write. Out of 108 affected households, only 9 households could not read and write. See table below for more information.

Table 24: Level of Education of Affected Households

No.	Village	Uneducated	Primary school	Lower secondary school	High school	Higher diploma	diploma	bachelor degree and beyond	College
		Total	Total	Total	Total	Total		Total	Total
Pakkading District									
1	Namdeua	0	25	26	21	2	0	3	0
2	Namkhou	0	21	2	6	5	1	6	0
3	Thongnamy	7	59	38	30	7	2	6	0
4	Namsang	0	3	2	5	0	0	0	0
5	Viengkham	0	6	3	7	3	0	2	0
6	Namthone	0	13	10	7	3	0	6	0
7	Khonesong	1	25	18	29	6	2	10	0
8	Na-In	1	4	8	4	1	1	3	0

Sources: Household Survey, 2020

Main Occupation in the Affected Households

48. During the survey, the consultant team posted the question what was your main occupation and were you employed by the government, private company, student, etc. The finding shown that most of people in the affected village engaged in agriculture sector as they see themselves as a farmer and working as government official in different agencies. Other group of affected people earn their income by working for private sector as a skill and unskilled labour. Some of them are doing families business by selling things at home. See table below for more information.

Table 25: Main Occupation of the Affected People

NO.	Village	State officials	Employee		Business	Student	Farmer
		Total	Total	Female	Total	Total	Total
Pakkading District							
1	Namdeua	9	1	0	23	35	44
2	Namkhou	7	1		2	12	23
3	Thongnamy	5	1		44	60	35
4	Namsang	1	0	0	2	2	4
5	Viengkham	1	0	0	8	9	6
6	Namthone	3	4		5	11	12
7	Khonesong	11	2		23	32	25
8	Na-In	11	6		6	8	10
Total		48	15	0	113	169	159

Sources: Household Survey, 2020

Poor and Vulnerable Households

49. The findings from the survey inform that there is poor affected household in the affected villages. There are some vulnerable groups such as those dependent on their family support - e.g. elderly people, women who has limited incomes and acting as a head of the households. However, numbers of vulnerable groups are very small in the affected villages. See table 26 below for more information.

Table 26: Poor and Vulnerable Households

No.	Village	Ethnic	Poor HH	Widowed	Elderly Family	Disability	No Parent
Pakkading District							
1	Namdeua	Lao Lum		3	1		1
2	Namkhou	Lao Lum		3	1		
3	Thongnamy	Lao Lum		1			
4	Namsang	Lao Lum					
5	Viengkham	Lao Lum		1			
6	Namthone	Lao Lum		3			
7	Khonesong	Lao Lum		1	2		
8	Na-In	0					
Total				12	4		1

Sources: Household Survey, 2020

Domestic Animal of the Affected Households

50. Table below shown number of domestic animal farm by affected households. This information is important for the calculation of the compensation to the affected people. It is noticed that the livestock raising is one come the main source of income of affected people, while aquaculture activities is less in the affected households.

No.	Village	Buffalo	Cow	Coat	Pig	Poultry	Fish pond	Other
Pakkading District								
1	Namdeua	0	133	41	6	285	10	0
2	Namkhou	0	39	1	0	255	0	0
3	Thongnamy	4	57	1	11	356	0	0
4	Namsang	0	20	0	0	40	0	0
5	Viengkham	0	0	0	0	10	0	0
6	Namthone	0	28	6	10	110	0	0
7	Khonesong	32	66	0	4	145	0	0
8	Na-In	0	12	0	0	50	0	0
Total		36	355	49	31	1251	10	0

Sources: Household Survey, 2020

Gross Income and Expense per Year

51. From table below we can see that top three affected villages that have higher annual gross income and expenditure including Thongnamy, Namdeua and Khonesong Villages accordingly.

The expenditure of their family could be divided into different categories including: expenditure for food, education of their children, health care, social events, cloths and housing.

Table 27: Gross Income and Expense per Year

No.	Village	Gross Income per Year (LAK)	Expenses per Year (LAK)
Pakkading District			
1	Namdeua	1,621,500,000	658,700,000
2	Namkhou	670,000,000	390,000,000
3	Thongnamy	2,805,000,000	2,154,000,000
4	Namsang	158,000,000	88,000,000
5	Viengkham	496,000,000	216,000,000
6	Namthone	247,000,000	97,000,000
7	Khonesong	1,365,000,000	955,000,000
8	Na-In	172,000,000	155,000,000
Total			

Sources: Household Survey, 2020

Land Use of Affected Households in the Affected Villages

52. Villagers in the affected villages use their land for different purpose. The finding from the survey are summarized in below table which demonstrates land area of their residential land, rice paddy and agricultural land.

Table 28: Land Use of Affected Households

No.	Village	Residential land (Ha)	Rice paddy (Ha)	Agricultural Land (Ha)
1	Namdeua	0.812	24	33
2	Namkhou	3.02	20	7
3	Thongnamy	3.729	21	30.63
4	Namsang	1.04	2	5
5	Viengkham	0.08	0	7
6	Namthone	0.88	11	15.8
7	Khonesong	3.93	9.5	7.36
8	Na-In	0.2304	5	2.5
Total		13.7214	92.5	108.29

Sources: Household Survey, 2020

Gender Issues

53. The survey at the village level shown that there is no gender issue in the project area. The data shown the total number of direct affected people is 582 people, of with 301 people are female. The survey found that there are 12 women head of households which are vulnerable as they have limited income. During the survey the interview with on gender and role of male and female were conducted. Many of the female and male interviewees argued that women have more power when talking about financial control and the final decision making. When compensation comes, women will take charge to claim money, a man added. However, some others feel that the final decision

making comes from both husband and wife. They have equal roles and so they share equal responsibilities. Their roles and responsibilities are interchangeable in practice depending on their ability and availability, villagers added. We noticed that some traditional job assigned to men will be a work related to construction, general employment, agriculture and others. The traditional works assigned to women includes handicrafts and agriculture works. At home, women perform the cooking and cleaning and feeding of small animals.

5. Compensation Entitlement Criteria

Objectives of Compensation Policy

54. The main objective of compensation policy under this RP is to ensure that all persons subjected to adverse impacts (displaced persons or PAPs) are compensated promptly, at replacement cost for lost land and other assets and otherwise provided with any rehabilitation measures or other forms of assistance necessary to provide them with sufficient opportunity to improve, or at least restore, their incomes and living standards. Given the nature of the Project activities which will be limited to road maintenance and minor specific areas may need land acquisition and/or compensation to improve climate change resilience, compensation and resettlement policies will be applied to address temporary impacts and RP or ARP will be prepared.

Policy, Legal, and Institutional Settings for Compensation

National Legal and Regulatory Framework

55. Government Laws, Decrees, and Guidelines: The legal context in Lao PDR has been changing rapidly over the last five years. Compensation principles and policy framework for land acquisition and resettlement are governed by several laws, decrees and regulations as follows: (a) The Constitution (1991), (b) the Land Law (2003, being revised), (c) Road Law (1990, revised 2012), (d) the Environment Protection Law (1999) revised in 2012, and as a consequence the Decree of the Prime Minister on Compensation and Resettlement of People Affected by Development Project (CR Decree No.192/PM, dated 7 July 2005) was revised and approved in early 2016 (Decree 84, dated 5 May 2016) while the regulations on the environment impact assessment (EIA) and the initial environmental evaluation (IEE) processes were revised and upgraded into EIA Decree in January 2019.

56. In 2018, GOL promulgated a new law on Resettlement and Occupation with detailed regulations being developed. Approval of a new decree on EIA in early 2019 provided a strong legal basis for development projects to conduct social assessment and plan/implement mitigation measures as needed. A number of technical guidelines including the Public Involvement Guideline (PI) was launched in 2012 and being applied, however, consideration is being made if it is necessary to update this guideline.

57. On institutional aspect, after the establishment of the Ministry of Natural Resources and Environment (MoNRE) in 2011-2012 and the Government policy on decentralization (Sam Sang policy), there was an institutional reform during 2016-2017 when some MoNRE departments were moved to other ministries while internal organization within MoNRE has also been changed. The Department of Environment and Social Impact Assessment (DESIA) has been separated into the Department of Natural Resources and Environment Policy (DNEP) and the Natural Resources and Environment (NEIO) in late 2017. DNEP is now responsible for policy of natural resources and environment sector including review of the environment and social impact assessment (ESIA) report and social reports while NEIO is responsible for technical inspection of natural resources and environment including ECC compliance.

58. The revised Land Law was endorsed by the National Assembly in June 2019 with some further comments provided by the National Assembly (NA). Thus, further work and edits are still

to be done before it can be signed by the President of NA and endorsed by the President expected in late 2019.

59. Below are some key provisions of relevant laws, and decrees that are of critical importance for land compensation and resettlement.

a) *The Constitution*: Article 14 of the Constitution declares that the State protects and promotes all forms of state, collective, and individual ownership. Article 15 declares that the land within the Lao PDR is owned by the national community and that the State ensures the rights of citizens to use, transfer, and inherit it in accordance with the law. Article 8 establishes the right of all ethnic groups relative to the preservation and promotion of their customs and heritage. All acts of division and discrimination among ethnic groups are prohibited. The Constitution defines that all "citizens of all ethnicity" have rights in education, health, land use and ownership, domicile of choice, and economic development regardless of sex, religion, social status, education, or ethnicity; as well as freedom of religion, freedom of speech; freedom to peacefully assemble and to protest. All citizens have the right to work and carry out their chosen livelihoods. Articles 8 and 22, guarantee that there will be no discrimination on the basis of ethnicity or gender. Articles in the Constitution where ethnic People are specifically mentioned are as follows: Article 1 – Lao PDR is a nation unified and indivisible of all ethnic communities; Article 2 - all power is of the people, by the people, and for the use of the multi-ethnic people; Article 3 - the right of a multi-ethnic people to be owners of the nation is exercised and guaranteed by the political system; Article 7 - mass organizations are the focal point for the solidarity and mobilization for citizens of all backgrounds and ethnicity as participating members in the safeguarding and edification of their rights and interests; Article 8 - the State will carry out a policy of unity and equality among the various ethnic communities. All ethnic communities have the right to preserve and improve their own traditions and culture and those of the nation. Discrimination between ethnic communities is forbidden. The state will carry out every means in order to continue to improve and raise the economic and social level of all ethnic communities; Article 13 - the economic system is for the purpose of improving the standard of living, materially and spiritually, of a multi-ethnic people; Article 19 - the State and the people will collaborate to build schools of all levels in order that a complete education system will be available to all, especially areas inhabited by ethnic People; and Article 22 - all Lao citizens, regardless of their sex, social position, education, beliefs or ethnicity, are equal before the law.

b) The Land Law:

i. The Land Law also stipulates that, in cases when public infrastructure development projects cause damages to trees, crops or buildings of private owners, the land owners have the right to be compensated for the damages. Ethnic communities maintain land tenure user rights equal to all Lao citizens with certain specifications and even preferential access and customary user rights to certain forest products (Forestry Law, Article 30; MAF Regulation 535; MAF Orders 54 and 377). Customary rights on land use among the ethnic communities are passed down from generation to generation. Traditionally, no land titles were involved, and no

boundaries were officially demarcated. In remote rural areas, these customary rights are still practiced to the acceptance of the local authorities widely. Many ethnic communities have traditionally recognized certain areas of forest as sacred forest sites. In addition, among ethnic communities, individuals or households were considered to be the owners of specific trees, such as those used for resin tapping or that may have ancestral spiritual significance. These are important aspects of village cultural and economic life that need to be investigated and strictly respected. The revised Land Law was passed by NA in June 2019, further edits are to be made before it can be signed by the President of NA and endorsed by the President expected in late 2019.

- c) *The CR Decree 84 (2016)*: This Decree defines principles, rules, and measures to mitigate adverse social impacts and to compensate damages that result from involuntary acquisition or repossession of land and fixed or movable assets, including changes in land use, restriction of access to community or natural resources affecting community livelihood and income sources. This Decree aims to ensure that project affected people are compensated and assisted to improve or maintain their pre-project incomes and living standards and are not worse off than they would have been without the project. The provisions will be applied during the preparation and implementation of the social impacts assessment (SIA), the social impact mitigation and monitoring plan, and/or the resettlement action plan (RP). Technical Guideline for this Decree is being prepared and expected to be approved and launched before the end of 2019. While DNEP is responsible for review and approval of the SIA with consent from the province, the province under supervision of the Provincial Resettlement Committee (PRC) is responsible for overseeing the implementation of the Decree which will be carried out by the project owner. Discussion is underway on whether this Decree will be superseded by the new Law on Resettlement and Livelihood launched in August 2018 or will be revised in line with the new law, which is discussed in the below paragraph.
- d) Key articles of relevance to the Project's resettlement are as follows: Article 6 - Compensation principles state that before compensation, a joint committee will be established to assess loss to Project Affected Persons (PAPs). PAPs will be entitled to compensation for structures at replacement cost, compensation will be payable for losses of income due to the project, and those without documented legal title will still be entitled to compensation for lost structures and other support so as not to be negatively impacted. Article 6 - paragraph 6. States that PAPs including ethnic minorities who are living in rural or remote areas, who do not have any legal Land Use Certificate or any other acceptable proof indicating land use right to the affected land and assets they occupy shall be compensated for their lost rights to use land and for their other assets at replacement cost and provided additional assistance to ensure that they are not worse-off due to the project. PAPs in urban areas, who do not have any legal Land Use Certificate or any other acceptable proof indicating land use right to the affected land and assets they occupy and who have no land at other places will be compensated for their lost rights to use land and for their other assets at replacement cost and other additional assistance to ensure they are not worse off due to the project. Article 8 - entitlement to economic rehabilitation measures

if more than 20% of income-generating assets are lost due to a development project. Article 11 - voluntary donation of land by PAPs is only acceptable if the impact on their income generation is not significant (less than 20% reduction), no physical displacement is caused, and APs are fully aware of their entitlements before relinquishing them. Article 11 - project proponents will define mitigations measures and socioeconomic benefits to improve the status of ethnic communities which will be developed in consultation with the communities and in harmony with their cultural preferences. Article 17 of the Decree - requires a separate section on indigenous people's issues and mitigation measures in the RP. Where impacts on ethnic peoples are more significant an Ethnic Groups Engagement Plan (EGEP) will be prepared. The decree and its guidelines rectify key areas of the Land Law which would prevent informal land users from any eligibility, and also sets a clear definition of the "reasonable compensation" mentioned in the Land Law and determines these as replacement cost.

- e) *The new Law on Resettlement and Occupation (2018)* was developed based on the compensation and resettlement Decree 84 (2016). The law, which applies for both government and private sector development projects aims to define, regulate, manage and monitor resettlement and livelihood for Lao population of all ethnic groups to ensure that those who are in areas identified for resettlement and provided with stabilized residential and production land and occupation with ultimate goals to address illegal relocation, eliminate poverty, improve livelihood, security and social order, develop small villages into rural small towns contributing to national socio-economic development and national security. Article 22.1 also states that people affected by settlement and livelihood program (governed under this law) will be provided with compensation for land and assets lost at a replacement cost, providing that s/he has official land (use or title) documents. The Article 22.4 recognizes customary land use that if certified by the local authority and concerned sector, the affected person is eligible for compensation as specified in the above Article. Article 22.5 discusses that in event if person affected by settlement and livelihood program does not have official land (use or title) document, s/he will not be provided with compensation for the land lost (acquired) but assets (structures, trees and crops) located on the land parcel acquired. Due to large similarity and consistency in the provisions, objectives, scope and provisions of this law and Decree 84, discussion is ongoing on whether the later will be revised or dropped and superseded by the former.
- f) *The Forestry Law (2019)* states (i) that forests and forest land can be converted to other uses (i.e. for transmission line right of way) when necessary and in the public interest (subject to approval) from responsible authorities; (ii) an individual or organization given permission to convert forest to another use is responsible for payment of a conversion fee, land reclamation and tree planting; (iii) provision for allowing long practiced activities such as collecting wood for fences and fuel, non-timber forest products (NTFP), hunting and fishing for non-protected species for household consumption, and other customary uses. For removal of forests, compensation is based on the volume of timber (m³) of a given class of tree that will be cut down. Compensation is only paid for timber removed from private forestry plantations. No compensation is paid for timber removed from natural forests on public lands. Nor is any compensation paid for removal of NTFP such as

- bamboo. There is no requirement to replant trees on degraded land located away from a transmission line corridor, as compensation for removing trees to create transmission line right-of-way. Such forms of compensation only apply to reservoir clearing projects where it is necessary to plant trees to stabilize slopes that could otherwise fail through a process of mass wasting.
- g) *The Road Law (amended 2016)* states that Ministry of Public works and Transport manages and uses the land for the road activity in conformity with the determination in the land law. Road width shall have the area consisting of the carriageway, shoulders, pathways, drainages, slope of road and Right of Way (Article 21,22,23.24). Within the Right of Way, it shall be banned all constructions and other activities. Article 30, 31 and 32 (new) states that conducting feasibility study of road construction, maintenance and rehabilitation shall perform environmental impact assessment. Reasonable compensation must be paid to individuals whose land is expropriated for roads, relocation of replacement structures, and loss of trees and crops (Article 38 and 39); and it states that it is prohibited to construct within the road reserve (Article 38).
- h) The 1992 ethnic policy, Resolution of the Party Central Organization concerning Ethnic Affairs in the new Era, focuses on gradually improving the living conditions of the ethnic communities, while promoting their ethnic identity and cultural heritage. The general policy of the Party concerning the ethnic communities include: Build National Sentiment (national identity); Realize Equality among ethnic communities; Increase the Solidarity Level among ethnic communities as members of the greater Lao family; Resolve Problems of Inflexible and Harmful thinking, as well as economic and cultural Inequality; Improve the living Conditions of the ethnic communities step by step; Expand, to the greatest extent possible, the good and beautiful Heritage and ethnic Identity of each group as well as their Capacity to participate in the affairs of the nation. The Project may involve minor or temporary land acquisition for road maintenance work in some areas where ethnic minority groups or communities reside. No major loss of land is anticipated because the work will be carried out within existing roads and may involve minor realignments without expansion, which may affect trees and other roadside private assets. However, a separate Ethnic Group Engagement Framework (EGEF) is designed and applied under the LRSP2 to ensure that the ethnic groups are not adversely affected and their livelihood is not worst off as a result of project implementation.

AIIB's Environment and Social Policy (ESP)

60. AIIB recognizes that environmental and social sustainability is a fundamental aspect of achieving development outcomes consistent with its mandate to support infrastructure development and interconnectivity. The Environmental and Social Framework of AIIB (2016), includes an Environmental and Social Policy (ESP) and Environmental and Social Standards (ESS). The Environmental and Social Policy specifies that AIIB conduct environmental and social due diligence as an integral element of its appraisal of the project, and in a manner, that is:

- Appropriate to the nature and scale of the Project; and
- Proportional to the level of the Project's potential environmental and social risks and impacts.

For the current project, Environmental and Social Standard 1 (Environmental and Social Assessment and Management) and Environmental and Social Standard 2 (Involuntary Resettlement) will be applicable.

Key Differences in Lao PDR Law and AIIB Policies

61. Promulgation of GoL’s compensation and resettlement Decree 84/PM represents a significant improvement in the rights of citizens when their livelihoods, possessions and society are affected by development projects. Both the compensation and resettlement decree and AIIB’s ESS2 on involuntary resettlement entitle the Project Affected Persons (PAPs) to compensation for affected land and non-land assets at replacement cost. However, there are some differences between AIIB’s ESS2 and the Decree 84/PM (see Table below). The first difference is on the definition of severely affected PAPs in which AIIB’s ESS2 defines at 10% of affected value while Decree 84/PM defines at 20% of affected values. The Decree 84/PM provides more specific details. Other differences include Decree 84/PM encourages PAPs for voluntary land donations while ESS2 discourages land donation while different names are used for preparation of resettlement action plan when minor land acquisition is required. However, any gaps and inconsistencies that may be identified between the national legislations and the AIIB’s ESP / ESS, the latter (the AIIB policy) will prevail.

Table 29 Differences between Relevant Lao and AIIB Social Safeguard Policies

Subjects	ESP/ESS2	Compensation and Resettlement Decree No. 84/GOL (2016)	Gap/Project Measures
1. Land Property			
1.1. Policy objectives	PAPs (Project Affected Persons) should be assisted to at least restore, the livelihoods in real term relative to pre-project level; to improve the overall socio-economic status of the displaced poor and other vulnerable groups; and to conceive and implement resettlement activities as sustainable development programs, providing sufficient resources to enable the persons displaced by the Project to share in Project benefits.	PAPs are compensated and assisted to improve or maintain their pre-project incomes and living standards, and are not made worse off than they would have been without the project.	ESP/ESS2 Policy Procedures will be applied
1.2. Support for affected households who have no recognizable legal right or claim to the land they are occupying	The Bank does not endorse illegal settlement; however, it recognizes that significant populations already inhabit both urban and rural land without title or recognized land rights in its countries of operation. Given this situation, the Bank requires the Client to ensure that displaced persons without title to land or any recognizable legal rights to land, are eligible for, and receive, resettlement assistance and compensation for loss of non-land assets, in accordance with cut-off dates established in the resettlement plan, and that they are	PAP who do not have legal land title, land use certificate or other acceptable documentation indicating their land use right, including customary and traditional land use right, only provides the right to claim compensation for their lost assets such as house/structures, trees and/or crops, and not land.	PAPs who do not have legal title, land use certificates or other acceptable documentation indicating their land use right will still be entitled to Financial assistance to achieve the objective of the AIIB’s ESP / ESS2 involuntary resettlement policy. AIIB’s ESP / ESS2 Policy Procedures will be applied.

Subjects	ESP/ESS2	Compensation and Resettlement Decree No. 84/GOL (2016)	Gap/Project Measures
	<p>included in the resettlement consultation process</p> <p>Persons without Title or Legal Rights - Ensure that persons displaced by the Project who are without title to land or any recognizable legal rights to land, are eligible for, and receive, resettlement assistance and compensation for loss of non-land assets, in accordance with cut-off dates established in the resettlement plan. Include them in the resettlement consultation process. Do not include compensation to these people for the illegally settled land. Conduct land survey and census as early as possible in Project preparation to establish clear cut-off dates for eligibility and to prevent encroachment. If claims have been made by these displaced persons that are currently under administrative or legal review, develop procedures to address these situations.</p>		
2. Compensation			
2.1. Methods for determining compensation rates	<p>Where functioning markets exist, replacement cost is the market value as established through independent and competent real estate valuation, plus transaction costs. Where functioning markets do not exist, replacement cost may be determined through alternative means, such as calculation of output value for land or productive assets, or the undepreciated value of replacement material and labor for construction of structures or other fixed assets, plus transaction costs. In all instances where physical displacement results in loss of shelter, replacement cost must at least be sufficient to enable purchase or construction of housing that meets acceptable minimum community standards of quality and safety. The valuation method for determining replacement cost should be documented and included in relevant resettlement planning documents. Transaction costs include administrative charges, registration or title fees, reasonable moving expenses, and any similar costs imposed on affected persons. To ensure compensation at replacement cost, planned compensation rates may</p>	<ul style="list-style-type: none"> - Article 2: The compensation shall be in the form of land, material or money for the land, agricultural products, livestock and incomes that are affected by development projects based on compensation value. - Article 4: Compensation value means the value calculated in the form of material, money or land, constructed facilities, agricultural products, livestock and incomes which have been affected by development projects. - Article 9: Project owners, in collaboration with 	<p>Independent appraiser conducts replacement cost study for all types of assets affected in order to establish appropriate compensation rate.</p> <p>ESP/ESS2 Policy Procedures will be applied</p>

Subjects	ESP/ESS2	Compensation and Resettlement Decree No. 84/GOL (2016)	Gap/Project Measures
	require updating in Project areas where inflation is high or the period of time between calculation of compensation rates and delivery of compensation is extensive.	<p>the committee for compensation and resettlement at the local level, must estimate the value for compensation for land, constructed facilities, crop products, livestock and potential incomes and organize consultations with affected people by selecting the right and appropriate options based on prices applied by the state, market prices or average prices applicable for period of compensation and based on the types of properties and locations.</p> <p>- The prices applied by the state (middle prices) are the prices specified in a separate regulation which are identified and regulated by the Ministry of Natural Resources and Environment from time to time.</p>	
2.2. Compensation for loss of income sources or means of livelihood	If these impacts are found to be significantly adverse at any stage of the Project, develop and implement a management plan to restore the livelihoods of affected persons to at least pre-Project level or better.	Article 9: Provision of agriculture land in appropriate ways including the creation of new livelihood options and stable income generation activities and promotion of local crafts/industry in addition to agricultural production activities for the affected people.	ESP/ESS2 Policy Procedures will be applied – loss of income will be restored to pre-displacement rates regardless of the legal status of the affected person

Subjects	ESP/ESS2	Compensation and Resettlement Decree No. 84/GOL (2016)	Gap/Project Measures
2.3. Livelihood restoration and assistance	If these impacts are found to be significantly adverse at any stage of the Project, develop and implement a management plan to restore the livelihoods of affected persons to at least pre-Project level or better.	Article 13: In parallel with the establishment of resettlement plan as prescribed in article 10 of this decree, the project owner must coordinate with the compensation and settlement committee at the local level to collect information on livelihood and income generation matters of the affected people in details to establish the livelihood rehabilitation plan to contribute to the management and monitoring social and environmental impacts within the project development framework.	Because the impacts are expected to be minor, income restoration will be addressed on a case by case basis
2.4. Consultation and disclosure	<p>The consultation covers Project design, mitigation and monitoring measures, sharing of development benefits and opportunities on a Project-specific basis, and implementation issues.</p> <p>Disclosure information on the environmental and social assessment reports, ESMPs, ESMPFs, resettlement plans, RPFs, Indigenous Peoples plans and IPPFs, or other approved forms of documentation. Post online</p>	<p>Article 5: The compensation and resettlement shall be carried out in compliance with the following principles:</p> <ol style="list-style-type: none"> 1. Protection of the rights and legitimate benefits of affected people; 2. Ensure equality, correctness, transparency, disclosure and fairness; <p>Ensure coordination, consultation and participation between the project owner, affected people, state agencies and other relevant stakeholders.</p>	<p>Extensive consultation and participation will be conducted at every stage of RP and implementation.</p> <p>ESP/ESS2 Policy Procedures will be applied.</p>
3. Grievance Redress Mechanism			
Procedures for recording and processing grievances	Project-level Grievance Redress - The grievance mechanism is scaled to the risks and impacts of the Project. The grievance mechanism may utilize existing formal or informal grievance mechanisms, provided that they are	Article 23: In case the affected view that the project owner does not comply with the plan for compensation, resettlement and	Grievances from PAP and PAHs in connection with the implementation of the RP will be handled through negotiation with the aim of achieving consensus.

Subjects	ESP/ESS2	Compensation and Resettlement Decree No. 84/GOL (2016)	Gap/Project Measures
	<p>properly designed and implemented, and deemed by the Bank to be suitable for the Project; these may be supplemented, as needed, with Project-specific arrangements. The mechanism is designed to address affected people's concerns and complaints promptly, using an understandable and transparent process that is gender-sensitive, culturally appropriate and readily accessible to all affected people. The grievance mechanism includes provisions to protect complainants from retaliation and to remain anonymous, if requested. The mechanism provides for maintenance of a publicly accessible case register, and reports on grievance redress and outcomes, which are disclosed in accordance with the applicable ESS.</p>	<p>rehabilitation of people's livelihood in accordance with this decree or other related plans that affect their interests, they are entitled to request to related authorities to solve the request(s) according to the procedures stipulated in paragraph 1, article 24 of this decree.</p>	<p>Complaints will go through three stages before they may be elevated to a court of law as a last resort.</p>
4. Monitoring & Evaluation			
	<p>Monitoring. Using suitably qualified and experienced experts, monitor and assess resettlement outcomes under the Project, their impacts on the standards of living of displaced persons and whether the objectives of the resettlement plan have been achieved, by taking into account the baseline conditions and the results of resettlement monitoring.</p> <p>Client – Monitoring and Reporting and The Bank – Monitoring and Reporting.</p>	<p>Article 27: The project owner must set up a management unit of compensation and resettlement to take charge of monitoring and examination by himself other than other parties. The unit is obliged to make reports to the state audit-inspection organizations concerning the monitoring and examination of the implementation of the plan for compensation, allocation and relocation, and rehabilitation of people's livelihood of the development project as stipulated in the overall plan, at each period.</p>	<p>The PMU will conduct a regular monitoring to monitor progress in the implementation of the environmental and social measures agreed with the Bank; and verify the compliance with these specific measures and their progress toward intended outcomes;</p> <p>The monitoring will include progress reports, status of the RP implementation, information on location and numbers of people affected, compensation amounts paid by item, and assistance provided to PAHs. The report of monitoring results will be prepared by client and submitted to IRC and AIIB on a quarterly basis.</p>

62. The Project will follow the AIIB's ESP/ESS2 where such discrepancies outlined above occur.

Eligibility criteria for PAPs

Key Principles

63. Basic principles: Both the procedures and principles described in the GoL's Decree 84/PM and its implementing regulations on the Compensation and Resettlement of People Affected by Development Projects (2005) and the AIIB's ESS2 on Involuntary Resettlement will be applied, however with an adoption of the 10% definition of severely affected as discussed above. In this regard the following principles and objectives would be applied:

- a) Acquisition of land and other assets will be minimized as much as possible; resettlement of people and structure demolition of homes and business will not be allowed unless AIIB prior clearance is provided.
- b) Project Affected Persons (PAPs) are all households who are identified in the Project impacted areas on the date of the Detailed Measurement Survey (DMS). They are entitled to be provided with rehabilitation measures sufficient to assist them to improve or at least maintain their pre-project living standards, income earning capacity and production levels. Lack of legal rights to the assets lost will not bar the PAP from entitlement/compensation to such rehabilitation measures.
- c) The rehabilitation measures to be provided are: (i) cash compensation at replacement cost without deduction for depreciation or salvage materials for houses and other structures; (ii) agricultural land for land of equal productive capacity acceptable to the PAP ; (iii) replacement of residential and commercial land of equal size acceptable to the PAP; (iv) and transfer and subsistence allowances.
- d) Replacement residential and agricultural land will be as nearby as possible to the land that was lost, and acceptable to the PAP. Plans for acquisition of land and other assets and provision of rehabilitation measures will be carried out in consultation with the PAPs, to ensure minimal disturbance. The compensation and rehabilitation activities will be satisfactorily completed before awarding of contract of civil works under each sub-project
- e) The sources of funding for the compensation and rehabilitation of PAPs will be funded as follows: compensation for productive, residential and commercial land will come from the village land or neighboring villages through the approval of the responsible Government Agency, and cash compensation for structures, trees, crops, income loss and rehabilitation assistance will come from the provincial counterpart fund in the Project.
- f) Cut-off Date - the date prior to which the ownership or use establishes eligibility as displaced persons for compensation or other assistance. The cut-off date is established in the RP. It normally coincides with the date of the census of affected persons, or the date of public notification regarding the specific civil works that would cause displacement. Persons coming into the project area after the cut-off date are not eligible for compensation or other assistance.

64. Voluntary Donation: ESP/ESS2 does not encourage voluntary donation. However, community members have the right to make a contribution of their land or other assets, without seeking or being given compensation as suggested in the CR Decree 84/PM. This can often be justified because the road maintenance and climate resilient subproject can improve road safety as well as increase the value of the remaining property or provide some other direct benefit to the affected people. Voluntary contribution is an act of informed consent. The Project must assure that

voluntary contributions are made with the prior knowledge on the part of the person who would donate assets that other options are available and are obtained without coercion or duress. Voluntary donation is allowed only if the criteria and procedures provided below are followed.

65. Under this Project, voluntary donation will not be applied except for very minor losses of assets. For small strips of land, the following criteria will be strictly complied with: the PAPs total land area is not less than 300 m²; if the PAPs total land area is more than 300 m², the strip of land that can be donated will not exceed 5% of the total land area and productive assets; and there are no houses, structures or fixed assets on the affected portion of land.

66. Where voluntary donation is applied, documents which show (i) that the affected people are aware that they are entitled for compensation and (ii) that all applicable criteria mentioned above are met, and (iii) which are co-signed by both husbands and wives of the affected households, should be kept in the project file. Also, where voluntary donation is applied, the following procedures and requirements need to be followed:

- a) The document showing the informed consent for asset donation (signed by both husband and wife) should be prepared in a manner that is legally accepted under the current relevant law of Lao PDR;
- b) Full disclosure of the RPF and consultation with project affected persons should be conducted prior to the signing by affected parties of the documents mentioned above, in order to ensure that they clearly understand the compensation/ assistance that they are entitled to as per project's RPF;
- c) Feedback and Mediation (Grievance Redress) mechanisms of the project should apply; and
- d) Assets of the poor and vulnerable households should not be acquired as per voluntary donation.

67. Compensation and rehabilitation measures under the Project: Persons affected under the Project are entitled for the following list of compensation or rehabilitation measures:

- a) Replacement of land with an equally productive plot or other equivalent productive assets; or
- b) The cash compensation based on replacement value; and
- c) Materials and assistance to replace fully solid structures that will be demolished; and
- d) Replacement of damaged crops, at market value; and
- e) Special assistance or allowance to vulnerable / poor affected HHs; and
- f) Other acceptable in-kind compensation.

68. Relocation and Income Restoration Strategy: Relocation of permanent houses and/or people will be avoided. In an unlikely event that minor physical relocation is unavoidable, affected households that have to relocate will participate in identifying and selecting options to relocate on their existing plots, or to move to plots provided by the district or to receive cash compensation and to make their own arrangements for relocation. In the case that any businesses have to relocate,

they will be assisted to find viable new sites. Households who are severely affected through the loss of 10% or more productive assets will be provided with replacement land or assisted to purchase replacement land. PAPs will also be provided with farm inputs to increase productivity on remaining land and/or replacement land. Given the nature of small works, livelihood restoration program is not expected. PAPs will not be displaced until the village allocates land within the same or neighboring village.

69. **Vulnerability, Gender, and Ethnicity:** The RPF recognizes that certain social groups may be less able to restore their living conditions, livelihoods and income levels; therefore, at greater risk of impoverishment when their land and other assets are affected. The Project will identify any specific needs or concerns that need to be considered for the ethnic groups and other vulnerable groups such as landless, poor, and households headed by women, disabled, elderly or children without means of support. Ethnic group specific actions, as needed, in line with the Ethnic Group Engagement Framework (EGEF) will be included in the Resettlement Plan (RP/ARP). Gender integration will be considered during the planning and implementation of the ESMF, RPF, and EGEF processes.

Eligibility Policy

70. All displaced persons are eligible for compensation and/or other forms of assistance, as relevant to the nature of impacts affecting them (see details in Appendix 1). In general, people eligible for compensation would include the following:

- a) Land to be permanently acquired for the Project: This includes (a) those who have formal legal rights to land (including customary and traditional rights recognized under the laws of the country); (b) those who do not have formal legal rights to land at the time the census begins but have a claim to such land or assets--provided that such claims are recognized under the laws of the country or become recognized through a process identified in the resettlement plan; and (c) those who have no recognizable legal right or claim to the land they are occupying, including customary rights. Displaced persons in categories a) and b) are entitled to compensation at replacement cost. In lieu of formal compensation, displaced persons in category c) are provided with alternative forms of assistance, in value equivalent to replacement cost, such as the land of the equivalent size and quality with recognizable use rights.
- b) Loss of houses, other structures and fixed assets, including trees and standing crops: Owners of houses and other assets (regardless of whether they hold land title or building permits for structures erected prior to the cut-off date).
- c) Losses associated with temporary impacts: This includes temporary loss of land, and transitional costs associated with moving, or disturbance to businesses during construction.

Entitlements Policy

71. Displaced persons will be entitled to the following types of compensation and rehabilitation measures:

- (1) *Displaced persons losing agricultural land:*

- a) The preferred mechanism for compensation of lost agricultural land will be through provision of replacement land of equal productive capacity and satisfactory to the displaced person. If satisfactory replacement land cannot be identified, compensation at replacement cost may be provided.
- b) Displaced persons will be compensated for the loss of standing crops at market price, for economic trees at net present value, and for other fixed assets (ancillary structures, wells, fences, irrigation improvements) at replacement cost.
- c) Compensation will be paid for temporary use of land, at a rate tied to duration of use, and the land or other assets will be restored to prior use conditions at no cost to the owner or user.

(2) Displaced persons losing residential land and structures

- a) Loss of residential land and structures will be compensated either in-kind (through replacement of house site and garden area of equivalent size, satisfactory to the displaced person, or in cash compensation at replacement cost.
- b) If after partial land acquisition the remaining residential land is not sufficient to rebuild or restore a house or other structures of equivalent size or value, then at the request of the displaced person the entire residential land and structure will be acquired at replacement cost.
- c) Compensation will be paid at replacement cost for fixed assets.
- d) Tenants, who have leased a house for residential purposes will be provided with a cash grant of three months rental fee at the prevailing market rate in the area and will be assisted in identifying alternative accommodation.

(3) Displaced persons losing business

- a) Compensation for loss of business will involve, as relevant: (i) provision of alternative business site of equal size and accessibility to customers, satisfactory to the displaced business operator; (ii) cash compensation for lost business structures; and (iii) transitional support for loss of income (including employee wages) during the transition period.

(4) Infrastructure and access to services

- a) Infrastructure (such as water sources, roads, sewage systems or electrical supply) and community services (such as schools, clinics or community centers) will be restored or replaced at no cost to the communities affected. If new resettlement sites are established, infrastructure and services consistent with local standards will be provided at no cost to the relocated persons.

Entitlement Matrix

72. The entitlement matrix is presented in the following table.

Table 30 Entitlement matrix for NR13S

Type of Losses	Entitled Persons	Entitlements	Implementation Issues
Productive Land (paddy, garden, and Teak Plantation)	Legal owner or occupant identified during census and tagging	<ul style="list-style-type: none"> • For marginal loss of 10% of land, cash compensation at replacement cost which is equivalent to the current market value of land within the village, of similar type, category and productive capacity, free from transaction costs (taxes, administration fees), or • Replacement land of similar type, category and productive capacity of land within or nearby the village, with land title. • If the impacts on the total productive land is 10 % or more, as a priority, replacement land of similar type, category and productive capacity of land within or nearby the village, with land title, if Land Titling Project is ongoing in the area. If not, land use certificate to be issued. OR at the request of PAP, cash compensation at replacement cost plus assistance to purchase and register land 	<ul style="list-style-type: none"> • Legal owners are those who received land use certificates or land titles from the Land Titling Project. • Voluntary donation will not be applied for any assets except for very minor losses of land holding as defined under this RPF
Residential Land	Legal owner or occupant identified during census and tagging	<ul style="list-style-type: none"> • <u>With</u> remaining land sufficient to rebuild houses/structures: (i) Cash compensation at replacement cost which is equivalent to the current market value of land of similar type and category, and free from transaction costs (taxes, administration fees) and (ii) District government to improve remaining residential land at no cost to PAPs (e.g. filling and leveling) so PAPs can move back on remaining plot. 	<ul style="list-style-type: none"> • Legal owners are those who have land use certificates or land titles from the Land Titling Project. • Voluntary donation of minor strips of residential land will only be allowed by the Project provided that the following criteria are strictly complied with: (i) the PAP's total residential land area is not less than 300 m²; (ii) if the PAP's total residential land area is more than 300 m², the strip of land that can be donated

Type of Losses	Entitled Persons	Entitlements	Implementation Issues
		<ul style="list-style-type: none"> • <u>Without</u> remaining land sufficient to rebuild houses/structures: (i) Replacement land equal in area, same type and category, without charge for taxes, registration and land transfer, with land title if Land Titling Project is ongoing in the area; if not, land survey certificate, OR (ii) cash compensation at replacement cost which is equivalent to the current market value of land of similar type and category, free from transaction costs (taxes, administration fees) plus assistance to purchase and register land. 	<p>cannot be more than 5% of the total land area; and (iii) there are no houses, structures or fixed assets on the affected portion of land.</p> <ul style="list-style-type: none"> • Voluntary donation according to these criteria will follow the process in accordance with World Bank’s Operational Policy, which is the same as the Government’s Decree 84/PM/2016.
<p>Fishpond (Remaining area is still viable or can still meet expected personal or commercial yield)</p>	<p>Owner of affected fishpond</p>	<ul style="list-style-type: none"> • Cash compensation of affected portion at replacement cost which is equivalent to the current market value of fishpond, labor and rent of equipment to excavate fishpond, free from transaction costs (taxes, administration fees) • If the currently held fish stocks will not be harvested before the project takes possession of the fishpond, then cash compensation for the projected mature value of fish stock held at the time of compensation. • District government to restore/repair remaining fishpond. If support cannot be provided by the contractor, the PAP will be entitled to cash assistance to cover for payment of labor and rent of equipment to restore/repair fishpond. 	<ul style="list-style-type: none"> • Adequate time provided for PAPs to harvest fish stocks • Voluntary donation of fishpond land will not be allowed by the Project.
<p>Totally Affected Houses/Shops, and</p>	<p>Owners of affected houses whether or not land is owned</p>	<ul style="list-style-type: none"> • Cash compensation at replacement cost for the entire structure equivalent to current market prices of (i) materials, with no deduction for 	<ul style="list-style-type: none"> • Adequate time provided for PAPs to rebuild/repair their structures

Type of Losses	Entitled Persons	Entitlements	Implementation Issues
Secondary Structures (kitchen, rice bins) Partially Affected Houses/Shops but no longer viable (Will require relocation)		depreciation of the structure or salvageable materials; (ii) materials transport; and (iii) labor cost to cover cost for dismantling, transfer and rebuild; and <ul style="list-style-type: none"> • Timely provision of dump trucks for hauling personal belongings at no cost to the PAPs. 	<ul style="list-style-type: none"> • Affected houses and shops that are no longer viable are those whose remaining affected portion are no longer usable/habitable.
Temporary Use of Land	Legal owner or occupant	<ul style="list-style-type: none"> • For agricultural and residential land to be used by the civil works contractor as by-pass routes or for contractor’s working space, (i) rent to be agreed between the landowner and the civil works contractor but should not be less than the unrealized income and revenue that could be generated by the property during the period of temporary use of the land; (ii) cash compensation at replacement cost for affected fixed assets (e.g., structures, trees, crops); and (iii) restoration of the temporarily used land within 1 month after closure of the by-pass route or removal of equipment and materials from contractor’s working space subject to the conditions agreed between the landowner and the civil works contractor. 	<ul style="list-style-type: none"> • The construction supervision consultant will ensure that the (i) location and alignment of the by-pass route to be proposed by the civil works will have the least adverse social impacts; (ii) that the landowner is adequately informed of his/her rights and entitlements as per the Project resettlement policy; and (iii) agreement reached between the landowner and the civil works contractor are carried out.
Partially Affected Houses and Shops and secondary structures	Owners of affected houses whether or not land is owned	<ul style="list-style-type: none"> • Cash compensation at replacement cost for the affected portion of structure equivalent to current market prices of (i) materials and labor, with no deduction for depreciation of the structure or for 	

Type of Losses	Entitled Persons	Entitlements	Implementation Issues
(Will not require relocation)		salvageable materials (ii) materials transport, and (iii) cost of repair of the unaffected portion;	
Loss of business income during relocation or during dismantling/repair of affected portion (without relocation)	Owners of shops	<ul style="list-style-type: none"> • For businesses (shops) cash compensation equivalent to the daily wage rate (i.e., 10,000 kip /day) multiplied by the number of days of business disruption. 	<p>It will take one day to move the shops if made of traditional materials (bamboo)/movable (can be carried without totally dismantling the structure). It will take about two days to remove and repair affected portion of shop made of permanent materials (such as good wood and concrete).</p> <p>The rate will be verified through interviews with informal shop owners to get an estimate of daily net profit.</p>
Crops and Trees	Owner of crops and trees whether or not land is owned	<ul style="list-style-type: none"> • If standing annual crops are ripening and cannot be harvested, cash compensation at replacement cost equivalent to the highest production of crop over the last three years multiplied by the current market value of crops • For perennial crops and trees, cash compensation at replacement cost equivalent to current market value based on type, age, and productive capacity. • For timber trees, cash compensation at replacement cost equivalent to current market value based on type, age and diameter at breast height (DBH) of trees 	

Type of Losses	Entitled Persons	Entitlements	Implementation Issues
Permanent loss of physical cultural resources/public structures/village or collective ownerships	Villagers or village households	<ul style="list-style-type: none"> • Compensation at replacement cost for present/existing structures based on its present value. 	
Graves located in the affected areas	Owners of graves	<ul style="list-style-type: none"> • Compensation for the removal, excavation, relocation, reburial and other related costs will be paid in cash to each affected family. 	
Electricity Poles	Electricity Companies	<ul style="list-style-type: none"> • Cash compensation for cost to dismantle, transfer and rebuild 	
Transition subsistence allowance	<p>Relocating households – relocating on residual land or to other sites</p> <p>Severely affected PAPs losing 10% or more of their productive land</p>	<ul style="list-style-type: none"> • Relocating PAPs without any impact on business or source of incomes will be provided with cash or in-kind assistance equivalent to 16 kg of rice at current market value for 3 months per household member • Relocating PAPs with main source of income affected (i.e., from businesses) or PAPs losing more than 10% of their productive land will be provided with cash or in-kind assistance equivalent to 16 kg of rice at current market value for 6 months per household member 	
Transportation allowance	Relocating households – to other sites	Provision of dump trucks to haul all old and new building materials and personal possessions	PAPs may also opt for cash assistance. The amount (cost of labor and distance from relocation site) to be determined during implementation

Type of Losses	Entitled Persons	Entitlements	Implementation Issues
Severe impacts on vulnerable PAPs (Relocating PAPs and those losing 10% or more of their productive assets)	Vulnerable PAPs such as the poorest, or households headed by women, the elderly, or disabled, and ethnic group	<ul style="list-style-type: none"> • An additional allowance of 1-month supply of rice per person in the household. • Eligible to participate in income restoration program • The contractors will make all reasonable efforts to recruit severely affected and vulnerable PAPs as laborers for road construction and road maintenance works 	The poorest will be those below the national poverty line as defined in the poverty partnership agreement with World Bank

6. Gender Mainstreaming

73. Gender mainstreaming will be in line with OP/BP 4.203 (gender mainstreaming) all the TAs will be designed to incorporate gender consideration during the design, and implementation of road development projects and the following key gender issues will be considered and addressed as appropriate: (i) the local circumstances that may affect the different participation of females and males in road project; (ii) the contribution that females and males each co

74. uld make to achieving development objective of road projects; (iii) the ways in which road project might be disadvantageous to one gender relative to the other; and (iv) the project's proposed mechanisms for monitoring the different impacts of road project on females and males.

³WB also recognizes that gender issues are important dimensions of its poverty reduction, economic growth, human well-being and development effectiveness agenda and that gender issue is associated with disparities between men and women in access to resources, in economic opportunities, and in voice.

7. Relocation Plan

75. There is no relocation plan due to PAPs are willing to relocate by themselves. Compensation will be made based on entitlement condition indicated in the entitlement matrix and agree prices. However during this transition, any APs to be affected due to the loss of income and livelihood shall be provided the following assistance until their income levels and living conditions can be stabilized: (a) transport allowance or assistance in-kind to transfer to the new site (or place of their choice); (b) food allowance, in cash or in-kind (to be provided on a monthly basis), to compensate for income lost, during the transition period; (c) suitable development assistance after displacement until AHs are able to restore their incomes and living standards, or reach the targeted level of household incomes on a sustainable basis.

76. In addition to compensation at replacement cost for lost and affected assets, APs will be entitled to additional measures to assist in restoring, rehabilitating, and if possible, improving, their standard of living and well-being.

77. Furthermore, APs will be entitled to assistance to ensure economic rehabilitation/restoration and livelihood development support in cases where compensation for lost assets alone would not be adequate to restore income and/or livelihoods.

8. Income Restoration Measures

78. All eligible APs are entitled to income restoration measures sufficient to assist them to improve or at least maintain their pre-project living standards, income earning capacity and production levels.

79. During the construction phase, about 17 shops and 56 shop porches that sell food will suffer certain amount of income losses, as they may lose their customers due to construction work and access constraints. These shops will receive compensation of 3 months net income calculated based on their actual monthly net income. For the informal business, the calculation will be based on their income-tax paid monthly.

80. The vulnerable households in the Project area are identified section II, table 16 and 17. They are the following groups of households:

- a) Divorced or widowed female headed households with dependents and low income between 240,000 to 500,000 Kips per month per capita;
- b) Households with disabled or invalid persons and with low income between 240,000 to 500,000 Kips per month per capita;
- c) Households with persons falling under the government poverty line of 240,000 Kip per month per person; and
- d) Elderly households with no means of support and with low income between 240,000 to 500,000 Kips per month per capita.

81. These vulnerable households will need support for livelihood assistance or to have access to the work associated with the construction work of the Project. Thus, special measures, additional to the compensation entitlements, aimed to improve their status to bring them up to an acceptable level above the poverty line will be applied for the vulnerable group.

82. The measures focus on avoiding potential social risks and are organized around the themes that include: a) reducing barriers to access to markets, trading and employment opportunities; b) empowerment through good governance, sound participatory processes and effective organization of the poor; and c) reducing vulnerability to poverty through building social assets (such as an allowance of one month supply of rice per person in the household with the allowance equivalent to 16 kg of rice at current market price and increased security of tenure).

9. Public Participation, Consultation, Disclosure and Grievance Redress Mechanism

Consultation and Information Disclosure

83. The EDPD/PTRI and DoR in cooperation with DPWTs of the Project provinces conducted the consultation with local authorities and communities including people to be potentially affected by the project located along the proposed NR13S during 12-16 August 2019. The consultation was to inform of the proposed NR13S subproject, potential positive and adverse impacts on local livelihood and their environment and obtain their feedback and suggestions. The consultation was also conducted in BKK on 15-19 August 2019 and KM on 20-21 August 2019. In BKK province, 224 participants (58 females) from three districts namely Thapabad, Parksan and Parkading and 54 villages from 10-village groups were officially invited into the consultation meetings. In KM province, 118 participants (30 females) from two districts namely Thakhek and Hinboun and 37 villages from 8-village groups were officially invited into the consultation meetings. Minutes of the consultation is provided in annex 4. During implementation of the on-going project (LRSP2), consultations with the provinces and local communities have been carried out during the preparation of safeguard documents for the subprojects.

84. During the consultation, all the participants agreed that having the road upgraded and expanded is their dream. They all support this project with many positive reasons such as the new and standard road will be a signature of modernity, which shows a good image of the community as well as the country, having larger road equals to having better transportation, possibly reduce the issues of road accident thanks to better road safety conditions.

85. Common negative impacts discussed during the consultation meetings were: dust, rubbish, road accident and compensation/relocation issues as a result from road construction. In terms of the dust impact, the participants were aware that it is a common issue during road construction and many of the road construction projects did not have effective solutions to address this issue based on their experiences. The rubbish issues were also experienced by local communities. They explained that many of the road construction projects leave their unused materials in local communities during and/or after the completion of the construction and those materials become rubbish in the communities. Additionally, many female participants claimed that apart from leaving unused materials, rubbish also come from workers during the construction. Sometimes construction workers do not manage their rubbish and throw it in public.

86. The compensation issue was popular topic. Concerns were related to the question whether or not those villagers having house/s, restaurants or/and other business activities located along the NR13S section will be compensated before project take place and how compensation will be estimated and paid? For example, land compensation, whether villagers will be compensated the same price as they bought or higher or lower? some villagers added. Some others further raised a concern of house broken during the construction because of heavy trucks and/or pressing road with heaving machines/trucks. This can be issue of compensation and how it will be compensated.

87. All concerned issues were considered during the preparation of the ESMF, RPF and EGEF and they will be included in the subproject design, bidding documents and work contracts e.g the ESMP/ECOP/CoC as relevant. Discussion with the representative of ethnic peoples and women's

groups also confirmed their full support. A summary of the consultation minutes is provided in annex 4. It was agreed that during the advanced preparation of specific subprojects to be proposed by the province and the preparation of the environmental management plan or other plans as required by the ESMF, additional consultations will be carried out in close collaboration with the local authorities and people likely to benefit and/or be affected by the subproject.

88. Gender perspective on compensation issues: Regarding gender perspectives, different views on gender roles and participations were raised. Many of the female and male interviewees argued that women have more power when talking about financial control and the final decision making. We can say it is equal but in practice women have more power regarding the finance management, many men added. A lady participant said, I agreed women have power because men are not good at the management of finance. When compensation comes, women will take charge to claim money, a man added. However, some others feel that the final decision making comes from both husband and wife. They have equal roles and so they share equal responsibilities. Their roles and responsibilities are interchangeable in practice depending on their ability and availability, villagers added.

89. Despite the fact that all of the participants are aware that 25 meters of both side of the NR13S has been issued by the Lao government as conservative area (or right of way) since 1996, some villagers argued that many villagers established their house/s before the 1996 so they should be compensated with acceptable conditions such as appropriate unit price, compensation package. Villagers claimed that those who expanded their restaurants or houses close to road after the 1996, they should not claim for compensation. This view was supported by many participants.

90. Overall, both females and males shared similar mitigation measures. Regarding the dust and noise, regular watering during the construction is suggested in order to minimize the dust issue. In terms of compensation matters, the participants suggested that the project committees should come and closely consult with local authorities and affected households and agreement between parties should be made at the local level, villagers claimed. Both project and local communities should be able to reach an agreement of what and how both parties can contribute to the project development, participants added. Once the agreement is made, the parties must follow them. Some other village interviewees claimed that livelihood restoration is also essential mitigation, particularly those affected families.

91. The perception on the disaster issues and mitigation measures: The disaster issue is related flooding and many local communities have been facing. The flooding was considered from two main causes: The first is because of raise of the Mekong River and the small rivers in the local communities, particularly during the rainy season. Recommended mitigation measures to address this issue are to establish a center for responding the flooding. The refugee center with supporting facilities and necessary assistance equipment should be constructed (such as boats, trucks and communication tools, toilet and kitchen in those places; water rescue unit and ambulance) make sure that villagers can access to these facilities. While having a center is considerably important, many other participants in the group discussion suggested to renovate current existing facilities in local public buildings such as schools, village office or temples and these places can be used during and after flooding issues. Some villages suggested building water gate that can be closed and opened in different seasons, can help to solve the flooding issue. Others claimed that the flooding

is because of having small drainage pipes. By having bigger drainage pipes or having a bridge for some areas, it would help the flow of rain water, villagers argued.

92. An effective collaboration with different stakeholders (villagers/affected households, local and government authorities, project owners and donors) was strongly suggested by the discussion groups. The participants believe that the project owner is someone who has power to control budget plans and activities. Therefore, a project coordinator should be assigned to be the key contact person working along these diverse beneficiary actors.

93. Recommendations are summarized as below:

- Compensation issues: The recommendations for this issue are (i) early establishment of a resettlement and compensation committee with sufficient budget to implement their works, (ii) the compensation should be acceptable and transparent, (iii) the compensation should be completed before the project starts and villagers should be informed for at least 2-3 month before construction starts;
- Information disclosure: project and RP/compensation information should be detailed and villagers' concerns or feedback should be studied and reflected in the project design and RP;
- Ethnic community along the project should be clearly informed of the project before implementation;
- Grievance mechanism should install at the village level;
- The main road to be improved under this project is expected to be higher than the alleyways (feeder roads) in villages. The issue is that the alleyways are often not developed by the project so it makes difficulty for the villagers' transportation and most of the time they handle by themselves. Thus, it would be great if the project can develop the alleyways (access road to the village), which is about 5-10 m from the main road;
- It will be great if the project can construct a bus stop/waiting area;
- Regular maintenance and timely repair of road after completion of construction or during operation because from the previous experience suggests that new roads are broken after two years, which is sad, villagers commended;
- Provide diversion roads (detours) or work on half of road (on one lane with the other lane opened) to allow traffic flow;
- Properly install construction signboard, light, fence, etc. where potential accident and sensitive and risk areas;
- Improve access road to village where it is flooded.

94. In addition, during the survey by Consultants during October to November, the consultation and interview was also carried out with affected villages and households in these 19 villages. The survey team asked villages to fill the form and giving scoring to rate level of their agreeing to the project. All villages in the three districts gave scores at 4 (strongly agree) to this development project. All villages agreed that the project will provide better access to better road

condition and support this development project. They also provide recommendations and informed their concerns about this project, which their comments could be found in table below.

Table 31 Community Recommendations

No.	Village	Recommendation for this project
Pakkading District		
1	Donexay	During the construction should water the road and excavated soil should use to backfill the village land.
2	Hadxaykham	Require the project to compensate the affected assets
3	Phonxay	Requirement for village road improvement and repairing of village hall
4	Phonchaleun	Require a proper compensation for lost assets
5	Namdeua	Request the project to clear the UXO, repair the village road and upgrade the village's speaker
6	Nakheuanork	Village road upgrading is required for two seasonal use
7	Namkhou	Require compensation for affected assets according to the law
8	Thongnamy	Request for village road rehabilitation, village speaker and bore hole
9	Namsang	Requirement of compensation for affected houses
10	Viengkham	Propose the project to construct standard channel
11	Namthone	Request for a proper compensation for affected villagers and require a good drainage system and street lighting
12	Khonesong	Compensation is required for affected villagers
13	Na-In	Improve the valley and construct the dyke to reduce the flooding
14	Nalieng	None
Hinboun District		
15	Viengthong	None
16	Phonxai	None
17	Laokha	None
18	Phonsa art	None
19	Phonsung	None

Consultation with Local Authorities

95. On 20 August 2019, PTRI/EDPD had conducted consultation with local authorizes in KM and BLKX Provinces. The participants are from EDPD/PTRI, representative from Provincial level such as: provincial administrative office, DPWT, PONRE, Department of Agriculture, Labor and social welfare, Lao front, Lao women and youth union. The participants from district level

(Paksan, Thaphabath and Pakkading) are included the representative of District Administrative Office, OPWT, DONRE, Agriculture, Labor, Lao front, Loa women and Lao youth union. In Bolikhamxay Province there are 50 participants (10 are Female) and 30 participants (9 are Female) in Khamouan Province. The objectives of consultation are to (i) consult on the draft of ESMF, RPF and EGPF; (ii) obtain the perception or opinion of local authority on the implementation of the LRSP 2-AF; and (iii) exchange working experience with all participants on the implementation of E&S for the road development project. The results of consultation meetings are summarized as follows:

- (i) All the participants agreed and support the project on NR13 S improvement and maintenance which will bring more benefit to their province.
- (ii) All the participants agreed in having the road improvement and maintenance project of NR13S (Km 71 at Thaphabath District, BLKX to Km 346 ThaKhek District, KM province) and expanding is their dream. They all support this project with many positive reasons such as the new standard road will be a signature of modernity, which shows a good image of the provinces as well as the country, having larger road equals to having better transportation, possibly reduce the issues of road accident and better road safety conditions.
- (iii) Basically participants are agreed with the draft E&S safeguards frameworks which incorporated WB safeguard policies and updated Lao legislation. However, when come to implementation need to be well cooperated with concerned stakeholders strictly apply these frameworks in the ground. The main concerned of participants are:
 - Resettlement and compensation was a popular topic during discussion. Concerns were related to the question whether or not those villagers having house/s, restaurants or/and other business activities next to the 13th Southern Road will be compensated when project happens and how will be implemented? For example, land compensation, whether villagers will be compensated the same price as they bought or higher or lower? Etc. then the recommend for this issue come as need to set up R&C committee in early state of project and should have budget for this committee to implement their works;
 - Grievance mechanism should install at the village level;
 - Ethnic community along the project should be clearly understand of the project before implementation;
 - Some project had conducted IEE and issued ECC, but the implementation of E&S monitoring and evaluation should be well cooperated between public works sector and other concerned sectors (PONRE, Agriculture, Lao front, mass organization...) which is not ensure mitigation measure is implement correctly;
 - Ensure arrow normal traffic flow by providing diversion road or work in half of road;
 - Proper install construction signboard, light, fence, etc. where potential accident and sensitive areas;

- The project improves mainly on road but not for bridge so it might potential risk of accident. So project should carefully take mitigation measure for traffic accident at the bridge sites, and should improve some bridges where necessary;
- (iv) Gender involvement: Women are happy in participated in this meeting to share knowledge and project should involve Lao women union in every state of project cycle mainly in community consultation, monitoring and evaluation to protect the right of women and children.
- (v) Disaster risk: The disaster issue is related flooding and many local communities have been facing. The flooding was considered from two main causes:
- The first is because of raise of the Mekong River and the mall rivers in the local communities, particularly during the rainy season. Recommended mitigation measures to address this issue to establish a center for responding the flooding. The center should be provided with facilities and necessary assistance equipment such as boats, trucks and communication tools and make sure that villagers can access to these facilities. While having a center is considerably important, many other participants suggested renovating current existing facilities in local public buildings such as schools, village office or temples including construct toilet, kitchen, water supply or ground water and electricity in these places and these places can be used during and after flooding issues. Some people also suggested constructing water gate that can be closed and opened in different seasons including water pumping which can solve the flooding issue.
 - Secondly, others claimed that the flooding is because of improper design such as having small convert which need to add or having bigger convert for better flow of rain water. For better design the detail design team needs to carefully study and close coordinate with local people who live along the road to provide basic information in the right location.
- (vi) Propose to the project:
- Improve access road to village where it's flood
 - Request the budget to mitigated flood problem such as: boats for moving their property and animals; construct refugee center; renovate or extend village office, school or temple and construct toilet and kitchen in those places; water rescue unit and ambulance.
 - The project should develop the alleyways, which is about 5-10 m from the main road.
 - Compensation should be completed before the project starts and villagers should be informed for at least 2-3 month before construction starts;
 - It will be great if there is a bus waiting area and the project can design bus top areas.

Future Consultations

96. The consultation with affected communities shall be implemented and undertaken continuously throughout the construction phase. Consultation report of each consultation shall be made with minutes of meeting along with attendance records and the signatures of all participants. The future consultations are listed in table 23 below.

Table 32 Future Consultations

No.	Consultation	Methods	Implementing Responsibilities	Timeline
	Pre-construction			
1	Preparation of EGEP: Consultations	Focused Group Discussion and In-depth Interview	PTRI/EDPD and DPWTs	Jul 2020
2	IEE Reports: consultation meeting with concerned local authorizes (provincial and district levels) and representatives from affected villages. To obtain comments on the draft IEE reports	Open Meetings	PTRI/EDPD and DPWTs	Jul 2020
	Dissemination of project information in all affected villages	Distribution of PIBs to all affected villages	PTRI/EDPD and DPWTs	Jul 2020
3	RAP Implementation: Consultation with concerned authorities and affected households on compensation unit rate, confirmation of loss and compensation amount and method. Also develop GRM in BLKX and KM provinces. Separate consultations may need to be conducted with vulnerable households and individuals to ensure that their concerns and needs have been met.	Meetings and open discussions	PTRI/EDPD and DPWTs	Jul-Oct 2020
	During Construction			
	Consultations with affected communities on project activities, impacts, construction schedule and work plan	Open meeting	Contractor, CSC, DPWTs	Throughout construction phase

No.	Consultation	Methods	Implementing Responsibilities	Timeline
	Dissemination of community health and safety with affected communities	Open meeting	Contractor, CSC, DPWTs	Throughout construction phase
	Ad hoc meetings on a basis where substantial changes have been made or conflict has arisen due to accident, misunderstanding or other causes.	Meeting, Focused Group Discussion and In-depth Interview	Contractor, CSC, DPWTs, PTRI	Throughout construction phase

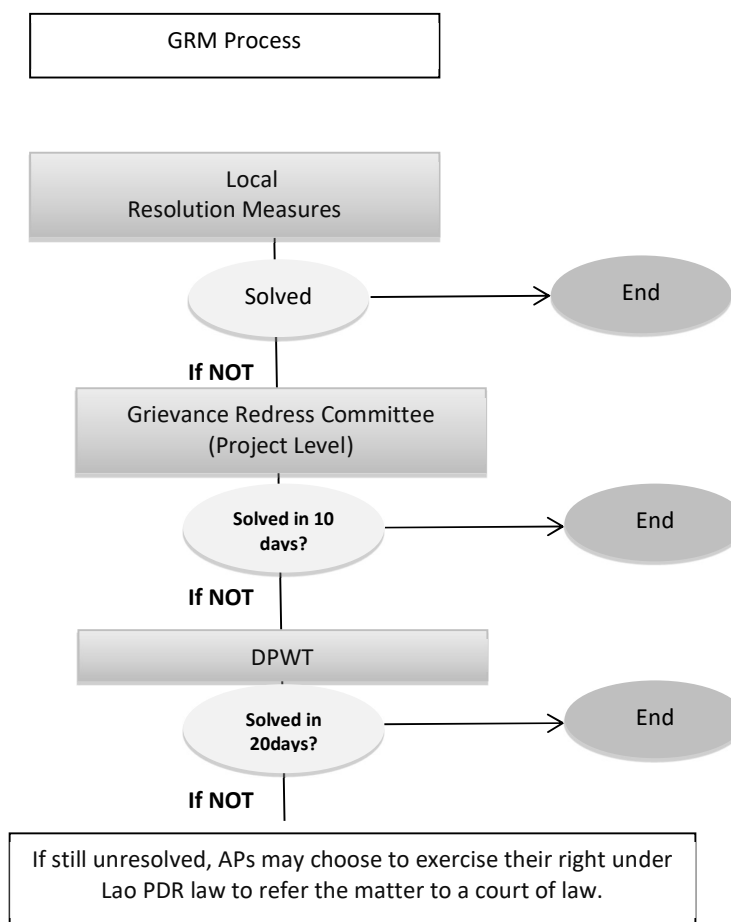
Grievance Redress Mechanism (GRM)

97. RPs/ARP will establish means for displaced persons to bring complaints to the attention of relevant project authorities. GRM is built on the existing national system with Village Mediation Unit/Committee in place in all villages and fiduciary structure from the district to national levels. Grievance procedures should include reasonable performance standards, e.g., time required to respond to complaints, and should be provided without charge to displaced persons. The RP/ARP should also state other avenues available to aggrieved persons if the project-related procedures fail to resolve complaints. Article 23, 24, 25 of the Decree 84/PM requires the Project to establish an effective mechanism for grievance resolution. The Decree requires that the subproject proponent (i.e. DPWT) is responsible for setting up GRM and take actions to solve the issues.

98. Grievances related to environmental and social issues from ethnic groups that result from Project activities will be resolved by the Grievance Redress Committee (GRC) through the Project GRM presented in Figure 6.1 in general. However, the complainant also retains the right to bypass this procedure and can address a grievance directly to the EDPD/PTRI Office or the Provincial Assembly, as provided for by law in Lao PDR. At each level grievance details, discussions, and outcomes will be recorded in a grievance logbook of which the template is provide in Appendix 7. The status of grievances submitted, and grievance redress will be reported to DPWT management through the monthly report. The following GRM process will be applied:

- a) *Stage 1:* If an affected person is not satisfied with the resettlement plan or its implementation, the person can issue oral or written complaint to the village committee or the District Resettlement Office (DRO). If it is oral complaint, the village should deal with this complaint and make written records. Village committee or DRO should solve the complaint within two weeks.
- b) *Stage 2:* If the affected person is not satisfied with the result of step 1, he/she can file appeal with the Project Resettlement Office (PRO) after he receives the decision made in step 1. The PRO should make a decision within two weeks.
- c) *Stage 3:* If the affected person is not satisfied with the result of step 2, he/she can file appeal with provincial Resettlement Committee for administrative arbitration after receiving the decision made by the PRO. The administrative arbitration organization should make the arbitrated decision within 10 days.

- d) *Stage 4:* If the affected person is still unsatisfied with the arbitrated decision made by the administrative arbitration organization, after receiving the arbitrated decision, he/she can file a lawsuit in a civil court according to relevant laws and regulations in Lao PDR.



99. PAP can make complaint or appeal on all aspects of project design and implementation, including issues related to resettlement. The Feedback Form will be developed under this Project and made available at villages in project areas including where PAP live, for use by PAP to raise complaints or grievances. PAP will be clearly informed of the complaint and appeal channels described above through village meetings and other channels. Media tools should be used to communicate the information. Opinions and suggestions on resettlement provided by various people and organizations should be documented and resettlement organizations at various levels should study and address these issues in a timely manner.

100. The organizations addressing the affected people’s complaint and appeal shall not charge any fee. Any expenses incurred due to complaint and appeal should be paid as unexpected expenses by the relevant project implementation agency. To make GRM more efficient and responsive, contact details including phone numbers of responsible site engineers and focal points at PPWTs will be provide in the project information leaflet to be prepared and distributed to all

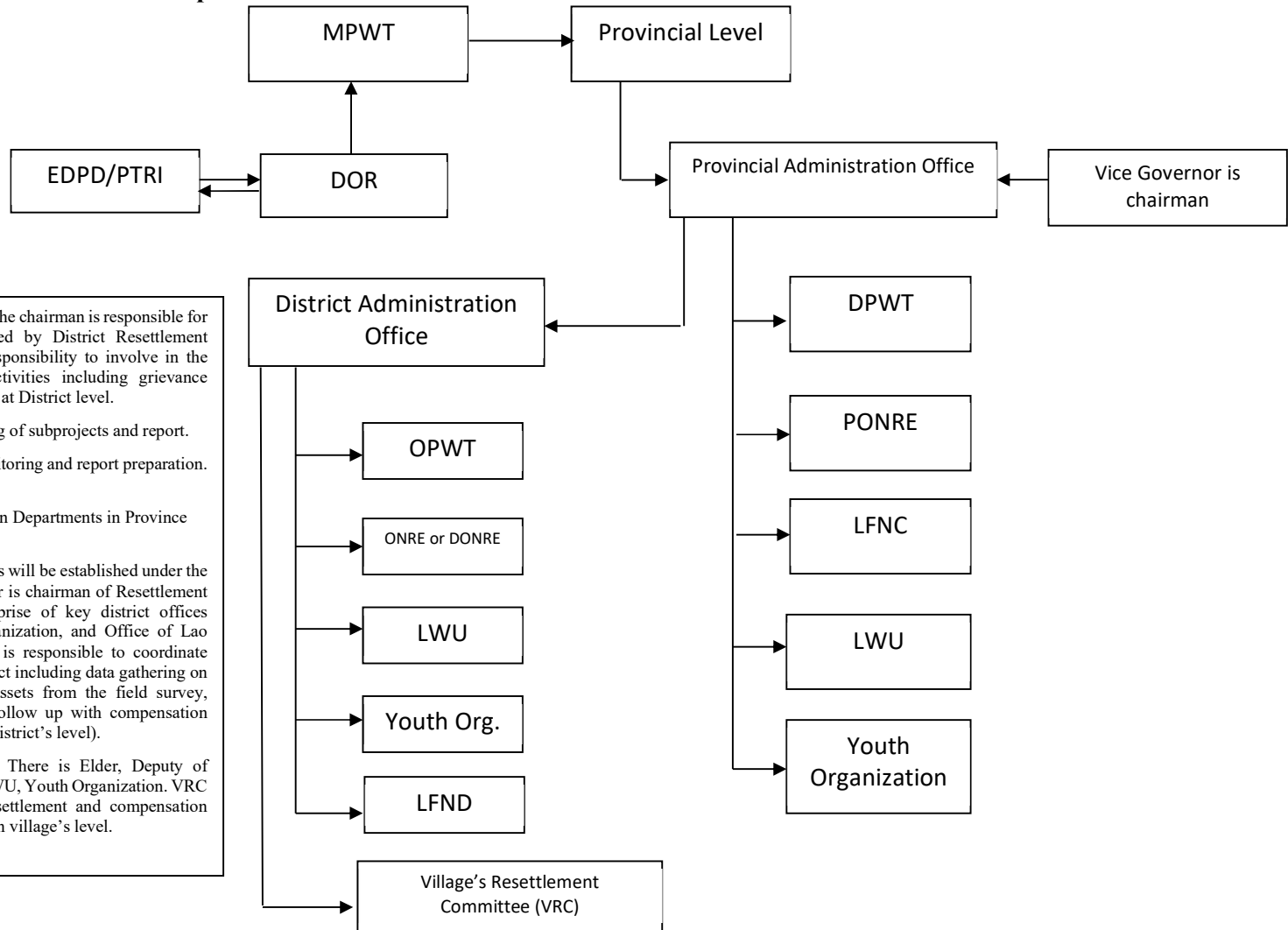
Project Affected Households (PAHs) and Project Affected Villages (PAVs). Experience from road projects in other countries suggest that phone call is more frequently used by affected people as most complaints raised are often related to to-day-to-day issues/impacts from civil work (e.g. dust, noise, road accidents and safety, construction materials and equipment left blocking access to PAHs , work delayed).

101. **AIIB PPM.** The communities and individuals who believe that they are adversely affected by an AIIB supported project may submit complaints to existing project-level grievance redress mechanism or the AIIB’s Project-affected People’s Mechanism (PPM). The PPM has been established by the AIIB to provide an opportunity for an independent and impartial review of submissions from Project-affected people who believe they have been or are likely to be adversely affected by AIIB’s failure to implement its Environmental and Social Policy in situations when their concerns cannot be addressed satisfactorily through Project-level Grievance Redress Mechanisms or AIIB Management’s processes. For information on how to make submissions to the PPM, please visit <https://www.aiib.org/en/policies-strategies/operational-policies/policy-on-the-project-affected-mechanism.html>

102. The communities and individuals who wish to submit their complaints to the existing project-level grievance redress mechanism could be done by contacting the following relevant staff and organizations:

N o.	Name and Family Name	Responsible Agencies	Telephone number
1	Mr. Souksakond VeawVongsouth	Project Manager, Department of Road	020 5620 8899
2	Mr. Thongdom Chanthala	Safeguard Coordinator, LRSP II, Deputy of Environmental Research and Disaster Prevention Division / Public Work and Transport Research Institute (EDPD/PTRI)	021 285 188, 020 22 033 971
3	Ms. Phetmala Phetdalasak	Assistant to Safeguard Coordinator, LRSP II, Technical Officer, EDPD/PTRI	020 5958 5522
4	Mr. Khamphong	Deputy Head of Road Sector, DPWT, Bolikhamxay province	020 22 337 135
5	Mr. Syvieng Inthavong	Head of Public Works and Transports Office (OPWT), Thaphabath district	020 55 652 556
6	Mr. Souphalak Xaysanasy	Head of OPWT, Paksan district	020 22 338 222
7	Mr. Chanthaboun Photasombath	Head of OPWT, Pakading district	020 22 106 111
8	Mr. Xaysak Sysoulath	DPWT, Khammoun province	020 98 205 999
9	Mr. Bounpon Anouphap	Head of OPWT, Thakack district	020 94 106 483
10	Mr. Bounluerng Boudsady	Head of OPWT, Hinbun district	020 98 005 556

Organization for Resettlement and Compensation Committee for Road Works



Provincial Resettlement Committee (PRC): The chairman is responsible for approval of Unit Cost that proposed by District Resettlement Committee. All departments have responsibility to involve in the project process and resettlement activities including grievance redress when they could not be solved at District level.

DOR: Responsibility for regularly monitoring of subprojects and report.

EDPD/PTRI: Field quarterly and yearly monitoring and report preparation.

DPWT: Responsibility for coordination between Departments in Province and subprojects

District Resettlement Committee (DRC): This will be established under the Administration Office. Vice Governor is chairman of Resettlement Committee and members will comprise of key district offices (OPWT, ONRE, WUN, Youth Organization, and Office of Lao Front for National Construction). It is responsible to coordinate between affected village and subproject including data gathering on affected people, accepted affected assets from the field survey, approval of Unit Cost Estimation, follow up with compensation payment, Grievance Redress within District's level).

Village's Resettlement Committee (VRC): There is Elder, Deputy of Village's chief, village's chief, LWU, Youth Organization. VRC in village's level follows up resettlement and compensation payment, grievance redress with in village's level.

10. Monitoring and Reporting

103. To ensure the smooth implementation of RP/ARP and achieve the objective of adequately rehabilitating affected people, the project will carry out resettlement monitoring and evaluation in the whole process of land acquisition, demolition and resettlement. If RP is required, the monitoring and evaluation consists of two parts: the internal resettlement monitoring and the external resettlement monitoring and evaluation. For ARP, only internal monitoring will be required.

104. *Internal monitoring:* The purposes of internal monitoring are to ensure the resettlement organizations at various levels can function soundly during the implementation of RP/ARP and ensure the legitimate interests of the affected people will not be violated and the engineering work can progress smoothly. The internal monitoring of the project land acquisition, compensation and resettlement work should be organized by the Project Resettlement Office with provision of overall guidance from TD/DoR and/or EDPD/PTRI of MPWT for road subprojects. The Project will hire the supervision consultants including an environmental and social specialist who will assist the TD/DoR and/or EDPD/PTRI of MPWT and the Project Resettlement Office, on matters related to resettlement and land acquisition. To effectively monitor the work from inside, the personnel responsible for this work in the resettlement organizations will participate in the development and implementation of the RP/ARP. They will participate in the internal monitoring during the implementation of the RP/ARP. The contents of the internal monitoring include:

- a) Overall status of RP implementation and compensation
- b) Payment and use of the funds for land acquisition compensation and rehabilitation;
- c) Supports to the vulnerable groups;
- d) Land readjustment and reallocation;
- e) Quality and quantity of newly reclaimed land;
- f) Schedule of the above activities;
- g) Implementation of policies and rules in the resettlement plan;
- h) Participation and consultation of the affected people during the RP/ARP implementation;
- i) Staffing, training, work schedule and resettlement operation at various levels.
- j) Status of grievances received and addressed;
- k) Recommendations/Actions to be taken

105. *External monitoring and evaluation:* The external monitoring and evaluation aims to provide regular monitoring and evaluation of resettlement implementation for the Project, in order to assess whether the objectives of the resettlement are achieved or not. Through formal surveys, interview with affected people, focus groups and other survey methods, the external monitoring and evaluation would look at the whole process of the resettlement and rehabilitation for the affected people. The external monitoring will also provide an early alarm system for the project management department and a complaint channel for the affected people. The external monitoring indicators will include:

- a) *Progress:* including the preparation of resettlement, and implementation of compensation, relocation and rehabilitation.

- b) *Quality*: including to what extent the affected people are satisfied with compensation and rehabilitation.
 - c) *Compensation fund*: including the payment and use of the funds for land acquisition compensation and resettlement.
 - d) *Affected people*: including the household economic situation before and after the project and economic rehabilitation of the affected people.
106. A qualified external monitoring organization will come from an independent organization, such as an academic research institute or consultancy in Laos. However, they will be selected by EDPD/PTRI to carry out resettlement monitoring and evaluation for the Project. Its major responsibilities include:
- a) Observe all the aspects of resettlement plan and its implementation; provide resettlement monitoring and evaluation report to the World Bank through the Project Resettlement Office. This responsibility is detailed in the chapter on external monitoring and evaluation;
 - b) Develop resettlement action plan and conduct production resettlement planning; and
 - c) Provide technical consulting services to the Project Resettlement Office in terms of data investigation and processing.

11. Estimated Compensation Cost

107. Data collected to develop the inventory of affected assets and losses. Based on the inventory, estimation of the compensation and income restoration for each affected asset such as residential land, structural or building and trees was estimated. Compensation for land is using survey market prices unit prices for calculation the value of lands ranging from 750,000 kips to 900,000 kips per m², while using government unit prices for calculating the value of structural and tree loss for compensations. The results of these gives a preliminary estimate at **LAK2,781,511,000** or about **USD 309,057 (USD1= LAK9,000)** for compensation and income restoration as summarized in the tables below.

Table 33 Total Compensation and Income Restoration Cost

No.	Item	Q'tity	Unit rate (USD)	Total (USD)	Total (LAK)	Remark
I	Land					
1.1	Residential land	11 m ²	83/m ²	950	8,550,000	
II	Buildings					
2.1	Houses	2 houses	110/m ²	17,941	161,469,000	Both of them are one store house with brick wall and zinc roof
2.2	Shops	16 shops	50/m ²	30,641	275,764,500	
2.3	Porch of houses, porch of shops and huts	80 buildings	50/m ²	55,529	499,761,000	
2.4	Other structures (fence, pipe culverts, concrete slab and signs)	Lump sum		17,346	156,115,000	
III	Trees					
3.1	Fruit and Industrial tree	11 trees	Lump sum	301	2,709,000	
IV	Income restoration, Allowances & others	72 shops	Lump sum	186,349	1,677,143,000	
	Grand Total Budget			309,057	2,781,511,000	

108. The total compensation cost for affected land is estimated at **USD950** as shown in table below.

Table 34 Affected Land and Compensation Cost

No.	Affected District and village	No. of affected household	Land type	Total land area (m ²)	Affected land area (m ²)	Land title
I	Pakkading District					
1	Nadeua	1	Residential land	570	11	Yes
	Total	1		570	11	
Unit Rate (USD)					83	Market price
Compensation cost (USD)					950	
Compensation cost (LAK)					8,550,000	

109. The total compensation cost for 3 affected houses is estimated at **USD17,741** as shown in table below.

Table 35 Affected Houses and Compensation Cost

No.	District and village	No. of affected houses	Total area (m ²)	Affected area (m ²)
I.	Pakkading District			
1	Khonesong	2	163.1	13.3
	Total	2	163.1	13.3
Khammouan Govt Unit Rate (USD)			110	
Compensation cost (USD)			17,941	
Compensation cost (LAK)			161,469,000	

110. The total compensation cost for affected 15 shops is estimated at **USD30,641** as shown in table below.

Table 36 Affected Shop and Compensation Cost

No.	District and village	No. of affected shops	Total area (m ²)	Affected area (m ²)
I	Pakkading District			
1	Nadeua	9	393.6	277.8
2	Thongnamy	4	138.21	29.98
3	Khonsong	2	63	20.7
4	Na-In	1	18	3
	Total	16	613	331
Khammouan Govt Unit Rate (USD)			50	
Compensation cost (USD)			30,641	
Compensation cost (LAK)			275,764,500	

111. The compensation cost of affected porch of house, porch of shop and hut is estimated at **USD55,529** as shown in table below.

Table 37 Affected Porch of House, Porch of Shop, Hut and Compensation Cost

No	District and Village	Porch of house		Porch of shop		Hut	
		No.	m ²	No.	m ²	No.	m ²
I	Pakkading District						
1	Nadeua	6	81.3	11	206.6		
2	Namkhon	3	49	7	92.18	1	7.5
3	Thongnamy			21	273	3	129
4	Namsang			3	33.4		
5	Viengkham	1	29.25	1	7		
7	Khonesong	10	107.8	8	117.9		
8	Na-In			5	31.25		
	Total	20	267	56	761	4	137
	KM Unit Rate (USD)		50		50		30
	Sub-total (USD)		13,368		38,067		4,095
	Total Compensation cost (USD)	55,529					
	Total Compensation cost (LAK)	499,761,000					

112. The compensation cost of affected other structure is estimated **USD17,346** as shown in table below.

Table 38 Other Structures and Compensation Cost

No.	District and village	Concrete fence (m)	Shop sign and Advertisement signs (m ²)	Concrete slab floor (m ²)
I	Pakkading District			
1	Nadeua			532
2	Namkhon			12
3	Thongnamy	2	48	43
4	Namsang			275
5	Viengkham	6		480
6	Khonesong			
7	Na-In			291

	Total	8	48	1,633
	VTE capital (13th North) Unit Rate	26.8	17	10
	Sub-total	215	800	16,331
	Grand total (USD)	17,346		
	Grand total (LAK)	156,115,000		

113. The compensation of affected of public utilities is estimated at **USD500** as shown in table below.

Table 39 The compensation of affected of public utilities

No.	District and village	Affected public utilities			Compensation cost (USD)		
		Affected asset	Q'tity	Unit	Unit rate	Amount	Remarks
Pakkading District							
1	Namkhon	Electric pole (8m)	1	Pole	100	100	
2	Khonesong	Electric pole 12m)	3	Pole	133	400	
Total compensation (USD)			4			500	
Total compensation (LAK)						4,500,000	

114. The compensation cost for income restoration is estimated at **USD186,349** as shown in table below:

Table 40 The compensation cost for income restoration

No.	District and village	No. of affected shops	Average income per month	Average profit per month
I	Pakkading District			
1	Namdeua	20	10,627,273	4,250,909
2	Namkhon	7	11,150,000	6,300,000
3	Thongnamy	25	18,114,286	5,434,286
4	Namsang	3	5,400,000	3,260,000
5	Viengkham	1	17,500,000	10,500,000
6	Khonesong	10	8,555,556	1,606,667
7	Na-In	6	6,800,000	23,000,000
	Total Average income		11,163,873	7,764,552
	Total income of 72 shops	72	803,798,887	559,047,718
	Compensation cost	559,047,718 (profit) x 3 (months)= 1,677,143,154		
		LAK1,677,143,154 = USD 186,349		

115. The compensation cost of affected trees is estimated at USD**301** as shown in table below:

No.	District and village	Fruit tree					
		No. of Mango	No. of grape fruit	No. of Longan	No. Tamarin	No. of Jujube	No. of Guava
I	Pakkading District						
1	Nadeua				1	1	
2	Namkhon		1				2
3	Khonesong		1	3	1		
4	Na-In	1					
	Total	1	2	3	2	1	2
	Borlikhamxay Unit Rate	29	29	30	30	13	19
	Sub-total	29	58	90	60	13	38
	Compensation cost (USD)	301					
	Compensation cost (LAK)	2,712,000					

*

12. Implementation Arrangement

116. During project implementation, MPWT/PTRI together with DPWTs/RC will apply the following protocols:

- 1) **Conduct training on the implementation of RP and set up compensation unit price.**
- 2) **Initial assessment. Determining the appropriateness of VD in the circumstances of the project.** Should DPWT considers using VD as a means to address a permanent acquisition of private land or a loss of private assets, DPWT will take into consideration the following and document them:
 - What the land will be used for;
 - How much land the project will require on both a permanent and temporary basis;
 - How much of the land will be donated;
 - What alternatives to donation exist (e.g., right of use, right of way);
 - The terms of the donation;
 - The identities of the parties who intend to donate;
 - The beneficiary of the donation; and
 - Any details that are relevant to why donation may be appropriate.
- 3) **Verification process (surveys) to identify land ownership and use.** DPWT will carefully carry out surveys to understand the type of land rights that exist in the project area, and identify any particular issues relating to land ownership and use. In particular, the following will be verified:
 - The owner or owners of the land;
 - The users of the land, or any parties that occupy the land (either physically or through ownership of an asset or conduct of livelihood or business activities on the land);
 - Any competing claims of ownership or use;
 - Structures and assets on the land;
 - Any encumbrances on the land.
- 4) It is important to: (a) identify the right that is being transferred (an ownership right, a use right, a right of way, etc.); and (ii) check whether the transferee actually has the right s/he claims to have. In many circumstances where careful due diligence has not been carried out, significant conflict has arisen at a later stage when another party claims that they have the same or a competing right. In some circumstances – but not all – the transferee will have documentary evidence of such right. Where no such evidence exists, the due diligence can establish rights by speaking with local community officials and neighbors.
Public Consultation and Disclosure. The decision to donate must be taken on the basis of informed consent and a full understanding of the project and the consequences of

agreeing to donate the land. Accordingly, the parties that will be affected by the donation (the owners and users of the land) must be provided with accurate and accessible information regarding what the land will be used for, for how long, and the impact the donation will have on them and their families. It is important that prior written notification indicating the location and amount of land that is sought be provided and that its intended use for the project is disclosed.

Where the intention is to deprive the parties affected by the donation of the land permanently, or for a significant length of time, this must be made clear. It should be noted that in many communities the concept of alienation of land is uncommon and difficult to understand, and care needs to be taken to ensure that the implications of this are fully understood. It is also important to decide who else should be consulted about the proposed donation; for example, spouses and older children.

There should be a clear agreement as to which party will pay the costs associated with the donated land. This could include measurement costs, documentation and notarial fees, transfer taxes, registration fees. It should also include the costs of re-measuring/re-titling the transferee's remaining land and any new documentation relating to it.

5) *Establishing Informed Consent*

It is crucial that the project team is confident that the decision to donate was taken in circumstances of *informed consent or power of choice*. As discussed earlier, this means being confident that the owner(s) or user(s) of the land understand:

- What the land is going to be used for, by whom and for how long;
- That they will be deprived of the ownership or right to use the land, and what this really means;
- That they have a right to refuse to donate the land;
- Whether there are alternatives to using this land;
- What they will need to do to donate the land (e.g., execute documents, get spousal consents, pay taxes);
- Compensation amount;
- The effect of the donation on their family, and what they can do if they (or their family or heirs) want the land back.

The right to refuse must be a legitimate right, unconditional, and the potential transferee must be capable of exercising it in the local community and political context. For this reason, it is important to be sure that the decision to donate is undertaken without coercion, manipulation, or any form of pressure on the part of public or traditional authorities. For collective or communal land, donation must be based upon the informed consent of all individuals using or occupying the land.

- 6) *Start compensation process via bank transfer:*** The process will start with opening bank account for all AHs. Special consideration of the account holder whether to have both

husband and wife names. The compensation will be made via transfer to bank account of APs.

- 7) **Proper Documentation.** During the VLD process, it is important to distinguish between: (a) the agreement to donate the land; and (b) the document that carries out and evidences the legal transfer of the land. While it is important to have evidence of an intention and agreement to donate the land, it is equally important to ensure, where required and appropriate, that the land is legally transferred. While the process relating to the legal transfer of the land is frequently complicated and time consuming, it must be addressed.

The project team should:

- Identify the appropriate documentation, including the agreement to make the transfer and any legal documentation that may be required;
- Ensure that the agreement:
 - Refers to the consultation has taken place;
 - Sets out the terms of the transfer;
 - Confirms that the decision to transfer was freely made, and was not subject to coercion, manipulation, or any form of pressure;
 - Attaches an accurate map of the land being transferred (boundaries, coordinates);
 - Sets out who will bear the costs of the transfer (e.g., notarial fees, taxes, title issues) and documenting the residual land rights;
- Ensure that all necessary parties sign the documents, including obtaining consent from spouses and children over a certain age;
- Ensure that the transfer and title is registered or recorded; and
- Ensure that the land remaining after the donated land is excised is properly titled, registered or recorded.

It is also important to maintain a record of the process that has been followed. Such documents could include the following:

- The notification indicating the location and amount of land that is sought and its intended use for the project, with a record of when and where this was made public;
- Records of the consultations that were held and what was discussed;
- A copy of the due diligence that was conducted;
- Copies of each of the formal statements of donation, establishing informed consent as described above, and signed by each owner or user involved;
- Copies of all documents, registrations or records evidencing the legal transfer of the land;
- A map, showing each parcel of land.

117. The project implementing agency should maintain a record with documentation for each parcel of land donated. Such documentation must be available for AIIB review, and for review in relation to any grievances that may arise.

118. The DPWT will also be required to establish a Monitoring Working Groups (MWG) comprising ESU/DPWT, PONRE, LWU, and other related local authorities to be responsible for undertaking periodic monitoring of the ESMP, ARP, and EGEP implementation including GRM tracking and Contractor performance of the approved C-ESMP. For land acquisition and relocation of assets, a Provincial Resettlement Committee (PRC) or District Resettlement Committee (DRC) will be established to be responsible for the review and oversight of RP/ARP implementation. A Village Grievance Committee (VGC) will also be established to be responsible for overseeing the GRM implementation using the existing structures with a village mediation committees and fiduciary agencies (District and Provincial Office of Justice, Provincial Assembly, PWTOs and District Governor Office). EDPD/PTRI will also be required to (a) review/adjust the current monitoring and reporting forms to enhance effectiveness of the monitoring and reporting process and (c) ensure that adequate budget can be transferred to the ESU/DPWT and the MWG and timely submission of the ESS monitoring report.

119. At present, it has been agreed that the cost for the cost of land acquisition and/or compensation of assets or relocations will be part of GOL cost made available from the Road Maintenance Fund (RMF). The costs for monitoring, reporting, and training; and for consultation with ethnic group and implementation of EGEP (if needed) has been allocated as part of ESMF implementation responsible by EDPD/PTRI which is about \$0.3M.

120. Workplan for the implementation of RP is presented as following:

Ministry of Public Works and Transport (MPWT)
Department of Roads (DOR)
Public Works and Transport Research Institute (PTRI)
Work Plan for RP Implementation

No.	Activity	Responsibility	Jan-2020				Feb-2020				Mar-2020				Apr-2020				May-2020				Jun-2020				July-2020				Aug-2020				Sep-2020				Oct-2020				Nov-2020				Dec-2020			
			W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4				
1	Declare Cut Off Date	DOR and DPWTs																																																
2	Set up Resettlement Committee (RC)	DPWTs																																																
3	Conduct training for RC on the implementation of RP	PMU and PTRI																																																
4	Prepare and approve Unit Rate	PMU, PTRI and RCs																																																
5	Prepare GRM tools	PMU and PTRI																																																
6	Conduct detailed measurement survey (DMS)	SC, PTRI and RCs																																																
7	community consultation on unit rate and compensation	PTRI and RCs																																																
8	Submission of RP for AIB review and approval	PMU and PTRI																																																
9	Start compensation process including land registration as needed	RCs and PTRI																																																
10	Assessment the completion of Compensation and resettlement for site clearance	PTRI and RCs																																																
11	Monitoring and Reporting on RP Implementation including Grievance solving	PTRI and PIUs																																																

13. Attachment

- Attachment 1 List of Affected Households
- Attachment 2 Affected Household IOL
- Attachment 3 Village Social Economic Data
- Attachment 4 Minutes of Consultation Meetings with List of Consultation Participants
- Attachment 5 Organizational set-up
- Attachment 6 Proposed Typical Cross-Sections for P3

Attachment 1 List of Affected Households

Attachment 2 Affected Household IOL Form

Attachment 3 Village Social Economic Data

Attachment 4 Minutes of Consultation Meetings with List of Consultation Participants

Attachment 5: Organizational set-up

Attachment 6 Proposed Typical Cross-Sections for P3

121.